

HB

75

(File 3 of 7)

HFIN

FILE

FRONT SECTION

**FRONT
SECTION**

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
<p>Long Range Budget Plan</p> <p>This section is a statement of the governor's proposed FY98 operating budget in the context of the governor's long-range financial plan.</p>					1			
<p>Alaska Clean Air Protection Fund</p> <p>Provided transition language for the use of revenues related to the Clean Air Protection Fund (ACAPF). Once approved by the EPA, receipts collected from air permit fees will be converted from general fund program receipts to ACAPF receipts.</p>	1							
<p>Alaska Clean Water Fund</p> <p>This section appropriates GF and federal funds for the Alaska Clean Water Fund. Funding from this fund follows a cycle which begins with the compilation of a funding priority list for wastewater treatment and collection systems. As of 2/10/97, the Alaska Clean Water Fund has made 31 loans to communities for a total of \$65.3 million.</p> <p>NOTE: No increase for the Clean Water Fund is reflected in the operating budget, however there is approximately \$20.0 million available to the fund to be loaned for sanitation projects. An additional \$6.9 million (\$1.1 million GF, \$5.8 million federal) for the Clean Water Fund is being requested for this program in the governor's FY98 capital budget.</p>	2	1,469.2	7,346.2	8,815.4	2	1,469.2	7,346.2	8,815.4
<p>Alaska Housing Finance Corporation</p> <p>Subsection (a) transfers a portion of the available unrestricted cash in the general account of the AHFC revolving fund, by the direction of the AHFC board, to the general fund. Ch. 117 SLA 96 transferred \$50,000,000. HB 75/SB also proposes to transfer \$50,000,000.</p> <p>Subsection (b) appropriates any earnings related to the AHFC, including loan interest payments, mortgage loan commitment fees, and income earned on assets of the corporation, to the AHFC to hold as corporate receipts. Those receipts are to be allocated among the AHFC revolving fund (AS 18.56.082), housing assistance loan fund (AS 18.56.420), and senior housing revolving loan fund (AS 18.56.710).</p>	3a				3a			
	3b				3b			

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

Subsection (c) identifies the amount of corporate receipts within the revolving loan fund to be used by the AHFC for housing loan programs not subsidized by AHFC (\$350,000,000) and housing loan programs that are subsidized by AHFC (\$50,000,000). Same as Ch. 117 SLA 96.

Alaska Industrial Development and Export Authority

This section transfers \$16,000,000 of the available unrestricted cash balance in the AIDEA revolving fund, by the direction of the AIDEA board, to the general fund. Ch. 117 SLA 96 transferred \$15,000,000.

NOTE: The Governor's FY98 capital budget uses this same source of funding in the form of corporate receipts.

Permanent Fund Dividends

Subsection (a) is the appropriation from the Permanent Fund Earnings Reserve Account of those funds necessary for the dividend program. The amount reflected for transfer to the dividend fund in FY98 is taken from the Permanent Fund's December 31, 1996 financial projection. Amounts appropriated for agency operations in Ch. 117 SLA 96 and HB 75/SB 47 follow:

	<u>FY97</u>	<u>FY98</u>
Dept. of Corrections	803.0	802.9
Dept. of Public Safety	1,633.0	1,638.2
Dept. of Health/Soc. Svcs.	21,717.0	21,492.5
Dept. of Revenue	5,317.0	4,873.9
Total:	\$29,470.0	\$28,807.5

Subsection (b) appropriates from the Permanent Fund Earnings Reserve Account for inflation-proofing. The amount reflected for FY98 is taken from the Permanent Fund's December 31, 1996 financial projection.

Subsection (c) allows for the deposit into the Permanent Fund of 25% or 50% of mineral lease rentals, royalties, royalty sales, etc.

Sec #	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)			
	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
3c				3c			
4							
5a		642.8		5a		706.0	
5b		407.1		5b		465.0	
5c				5c			

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
<p>Subsection (d) allows interest earned on certain disposal of mineral lease rentals, royalties, sales, etc., 25% or 50% of what is recovered is to go to the Permanent Fund. Any interest that accrues to the Permanent Fund portion of those settlements prior to being recovered by the state, or while held by the state, shall be deposited to the Fund.</p>	5d				5d			
<p>Alaska Public Utilities Commission</p>	6				6			
<p>This section appropriates the 6/30/97 balance of the APUC program receipts account into FY98. Due to recent rate adjustments, estimated carryforward for FY98 are not known at this time. The FY97 carryforward was \$198,400.</p>								
<p>Alaska Seafood Marketing Institute</p>	7				7			
<p>Because of the extreme unpredictability of when tax and assessment receipts are actually received by the state due to fishing/marketing conditions, this section allows general fund receipts from FY97 to be carried into FY98. FY97 carryforward was \$300,000. Estimated carry-forward balance for FY98 is \$50,000-\$100,000.</p>								
<p>Statutory Budget Reserve Fund</p>	8				28			
<p>Provided for sufficient revenue balance from the budget reserve fund (AS 37.05.5-40) to cover any insufficient unrestricted state revenues available to cover general funds appropriated for fiscal year 1997.</p>								
<p>Budget Proposals Requiring Legislation</p>					8	(8,100.0)		(8,100.0)
<p>This section includes conditional language that would require operating budget appropriations for FY98 relating to longevity bonus eligibility be adjusted to reflect the terms and conditions of legislation proposed by the governor implementing income limits if passed and enacted into law. Appropriations affected are longevity bonus grants (-\$6,000,000 GF); Old Age Assistance/AIB hold harmless (-\$2,000,000 GF); and geographic pay differential (-\$100,000 GF).</p>								

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
Constitutional Budget Reserve Fund								
Subsection (a) provides for the GF repayment of the CBR [the "sweep" reversal language].					9a			
Subsection (b) would allow the state to cover any shortfall in unrestricted state revenues available for appropriation in FY97 from the CBR per Article IX, section 17. The amount to balance GF revenues and appropriations would be appropriated to the general fund from the CBR [the balancing language].					9b			
Subsection (c) stipulates that appropriations made by (a) and (b) of this section are made under Article IX section 17(c) (e.g., approved by an affirmative vote of at least three-fourths of the members of each house of the legislature.)					9c			
Disapproval of Monetary Terms								
This section stipulated that unless the legislature adopts a separate appropriation measure to fund the monetary terms of the collective bargaining units of ASEA/General Government, APEA/Supervisory unit, LTC, IBU (both retroactive and future), MMP unit, PSEA, Alyeska Centralized School Employees Assn., IBEW/Court System, U of A/Classified Employees, and Alaska Community Colleges Federation of Teachers, the monetary terms of the above referenced bargaining agreements are rejected.	9a,b							
Disaster Relief Fund								
This section appropriates federal funds to the Disaster Relief Fund.	10a		9,000.0	9,000.0	10a		9,000.0	9,000.0
Intent language in Ch. 117 SLA 1996 addresses funding for disaster relief responsibilities of the Department of Military and Veteran's Affairs only. Intent language in the Governor's bill (HB 75/SB 47) is expanded to include funding for fire suppression responsibilities of DNR.	10b				10b			
Exxon Valdez Oil Spill Trustee Council								
Extends the lapse date for projects approved at the August 1996 LB&A meeting and funded with Exxon Valdez Oil Spill Settlement (EVOSS) funds (\$3,355.4) from June 30, 1997 to June 30, 1998.					11			

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

Federal and Other Program Receipts

Subsection (a) is boiler plate language that provides for additional funding authority for excess federal and program receipts through the Legislative Budget and Audit Committee process. **Ch. 117 SLA 1996 includes language restricting agencies from obtaining L. & A approval for Fish and Game Funds. The Governor's bill (HB 75/SB 47) does not include restrictions for the Fish and Game Fund.**

Subsection (b) and (c) are boiler plate language which allows state funds (general funds) to be reduced (restricted) if additional federal or other funds are available and permitted by federal statutes, and requires that for any shortfall of federal or program receipts, the appropriation will be reduced accordingly. This prohibits agencies from expending receipt authority for revenues they will not actually receive.

Subsection (d) states that if the federal funds received for the Social Services Block Grant Offset (Title XX) within the Department of Health and Social Services fall short of what is appropriated, then the shortfall will be appropriated from the general fund, and caps the possible GF offset for Title XX. **Ch. 117 SLA 1996 set the cap at \$6,310,800. The Governor's bill (HB 75/SB 47) sets the cap at \$5,410,800.**

Four Dam Pool Transfer Fund

This section makes the necessary appropriation from the Four Dam Pool Transfer Fund to the Southeast Energy Fund, the Power Cost Equalization and Rural Electric Capitalization Fund, and the Power Project Fund. **Estimated amount available for transfer from the Four Dam Pool in FY97 and FY98 is zero due to the 4DP utilities' retention of funds under the self-help clause of the 1985 power sales agreement.**

Fish and Game Enforcement

Section 13(a) proposes to appropriate an amount equivalent to the criminal fines, penalties and forfeitures imposed and collected under AS 16.05.190 (currently deposited in the general fund) to the Fish and Game Fund.

Sec #	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)			
	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
11a				12a			
11b,c				12b,c			
11d				12d			
12				14			
				13a	692.1		692.1

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
<p>Section 13(b) allocates those amounts as identified in section 32, the operating budget section, for the Departments of Public Safety and Law for increased enforcement and prosecution of state fish and game laws.</p> <p align="center">Information Services Fund</p> <p>This section makes an appropriation of general fund program receipts, I/A receipts, and I/A OHSRPR Fund to the Information Services Fund for information and telecommunication services provided by the Department of Administration.</p> <p>Per AS 44.21.045, the Governor's bill (HB 75/SB 47) includes the request for general fund program receipts only.</p>	13	55.0	21,606.5	21,661.5	13b			
					15	55.0		55.0
<p align="center">Insurance Claims/Reclamation of State Land</p> <p>Subsection (a) allows up to \$5.0 million to be "swept" from otherwise lapsing general fund appropriations for catastrophic reserve purposes.</p> <p>Subsection (b) appropriates funds received from the settlement of insurance claims to the state insurance catastrophe reserve account. This account is established to obtain insurance, establish reserves for the self-insurance program, and satisfy judgments and claims arising under this program. This account is to be maintained at an adequate level not to exceed \$5.0 million.</p> <p>Subsection (c) appropriates settlements against bonds guaranteeing the reclamation of state land to the agency secured by the bond.</p> <p>Subsection (d) requires actions authorized in subsections (b) and (c) be reviewed by the Legislative Budget and Audit Committee.</p> <p>Minor technical wording changes in HB 75/SB 47 - no financial impact.</p>	14a				16a			
					14b			
					14c			
					14d			
<p align="center">Marine Highway System Fund</p> <p>Chapter 193 SLA 1990 created the Alaska Marine Highway System Fund. Its purpose is to provide stability to the marine highway system by appropriating a consistent amount of general funds each year to be combined with the marine highway system's revenue</p>	15	28,284.0		28,284.0	17	28,624.1		28,624.1

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

Highway and Aviation Fuel Tax (Motor Fuel Tax)

Front section boiler plate language for highway and aviation fuel tax accounts. Ch. 117 SLA 96 identified \$30,000,000. HB 75/SB 47 identifies \$29,500,000.

Occupational Licensing

This section allows the general fund program receipts from occupational licensing fees under AS 08.01.065 to be carried forward for operating costs in FY98. FY97 carryforward was \$1,386.4

Oil and Hazardous Substance Release Prevention (OHSRP)

The OHSRPR/prevention account contains funds appropriated from the general fund to the OHSRPR Fund from the 3 cent surcharge collected in the general fund during FY97.

The OHSRPR prevention mitigation account is a sub-account of the general fund. The prevention mitigation account receives money recovered from parties responsible for containment and cleanup of oil or other hazardous substances, as well as fines, penalties, or damages.

Subsection (a)(1) provides for the balance of the prevention mitigation account on July 1, 1997 not otherwise appropriated to be deposited in the OHSRPR/prevention account.

Subsection (a)(2) provides for the amount derived from the 3 cent surcharge collected during FY97 to be deposited into the OHSRPR/prevention account in the OHSRPR Fund.

Chapter 117, subsection (b) made accommodation for the fact that the appropriations made in subsections (a)(1-2) are estimates.

The Governor's bill (HB 75) specifically notes in subsection (a)(2) the amounts to be collected are estimates.

Sec #	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)			
	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
16				18			
17				19			
18				20			
18(a)(1)				20(a)(1)			
18(a)(2)	13,600.0		13,600.0	20(a)(2)	13,300.0		13,300.0
18b							

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
<p>Oil & Hazardous Substance Release Response (OHSRR) Account</p> <p>The OHSRPR/response account contains funds appropriated from the general fund to the OHSRPR Fund from the 2 cent surcharge collected in the general fund during FY 97.</p> <p>The OHSRPR/response mitigation account is a sub-account of the general fund. The response mitigation account receives money recovered from parties responsible for containment and cleanup of oil or other hazardous substances, as well as fines, penalties, or damages.</p> <p>Subsection (1) provides for the balance of the response mitigation account on July 1, 1997 not otherwise appropriated to be deposited in the OHSRPR/response account.</p> <p>Subsection (2) provides for the amount derived from the 2 cent surcharge collected during FY97 to be deposited into the OHSRPR/prevention account in the OHSRPR Fund. Since the \$50.0 million cap has been reached, no surcharge is anticipated to be collected in this account in FY97. Department of Revenue confirms the OHSRPR Fund/Response Surcharge Account balance (2 cent side) as of 1/7/97 to be \$54,633.5.</p>	19				21			
<p>Retained Fees</p> <p>This language addresses the need to appropriate vendor compensation/bankcard service fees.</p>	20				22			
<p>Safety Advisory Council</p> <p>This section appropriates any Safety Council program receipts not expended in FY97 to be carried forward into FY98 to be used for the 1998 governor's safety conference. Estimated carryforward into FY98 is \$87.1. Estimate of receipts to be collected in FY98 is \$104.5.</p>	21				23			

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)																								
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL																				
Salmon Enhancement Tax	22				24																							
<div style="border: 1px solid black; padding: 5px;"> <p>This section appropriates general fund salmon enhancement tax receipts to the Department of Commerce and Economic Development for qualified regional associations operating within a region designated under AS 16.10.375 (regional salmon plans). FY97 projected is \$5,349.4. As of December 31, 1996, FY 98 estimates are also \$5,349.4</p> </div>																												
Shared Taxes and Fees	23				25																							
<div style="border: 1px solid black; padding: 5px;"> <p>This section appropriates general funds to the Department of Revenue in the amounts necessary to refund local governments their share of taxes and fees collected for payment in FY97. FY97 projected is \$26,619.2. FY98 estimates as of December 31, 1996 are \$26,245.0.</p> </div>																												
State Debt Service	24a,b				26a,b																							
<div style="border: 1px solid black; padding: 5px;"> <p>This section is a catch-all for the state's debt service obligations.</p> <p>Subsection (c) transfers from the general fund to the Alaska debt retirement fund for lease financing, G.O. debt, school debt reimbursement</p> <p>The appropriation amounts noted at right include "duplicated" appropriations in subsections (d), (e), and (g) from the Alaska debt retirement fund to the State Bond Committee.</p> <p>Chapter 117 SLA 1996: General Fund appropriation to Alaska Debt Retirement Fund: \$93,141.2 Debt Retirement Fund appropriation for</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">leases</td> <td align="right">9,595.9</td> <td>24d</td> <td align="right">9,595.9</td> <td align="right">9,595.9</td> </tr> <tr> <td style="padding-left: 20px;">General Obligation debt</td> <td align="right">16,528.7</td> <td>24e</td> <td align="right">16,528.7</td> <td align="right">16,528.7</td> </tr> <tr> <td style="padding-left: 20px;">school debt:</td> <td align="right">68,616.6</td> <td>24g</td> <td align="right">68,616.6</td> <td align="right">68,616.6</td> </tr> <tr> <td></td> <td align="right">\$94,741.2 (1)</td> <td></td> <td></td> <td></td> </tr> </table> <p>(1) Available carryforward balance of \$1,600.0 in the debt retirement fund for appropriation in FY97.</p> <p>Other Funds (IARF) appropriated for debt service: \$5,806.0</p> </div>									leases	9,595.9	24d	9,595.9	9,595.9	General Obligation debt	16,528.7	24e	16,528.7	16,528.7	school debt:	68,616.6	24g	68,616.6	68,616.6		\$94,741.2 (1)			
leases	9,595.9	24d	9,595.9	9,595.9																								
General Obligation debt	16,528.7	24e	16,528.7	16,528.7																								
school debt:	68,616.6	24g	68,616.6	68,616.6																								
	\$94,741.2 (1)																											
	24c	93,141.2		93,141.2	26c	80,970.7		80,970.7																				
	24f		5,806.0	5,806.0																								

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
ALL FUNDS FISCAL SUMMARY:								
FY97 appropriated for debt service:								\$125,071.8
FY97 operating/formula:								\$68,616.6
FY98 Governor Proposed (HB 75/SB 47):								
General Fund appropriation to Alaska Debt Retirement Fund:								\$80,970.7
Debt Retirement Fund appropriation for								
leases					26d		10,342.4	10,342.4
General Obligation debt					26e		14,251.7	14,251.7
school debt:					26g		62,288.4	62,288.4
								\$86,882.5 (2)
(2) Available carryforward balance of \$5,911.8 in the debt retirement fund for appropriation in FY98.								
Other Funds (IARF) appropriated for debt service:					26f		5,837.5	5,837.5
ALL FUNDS FISCAL SUMMARY:								
FY98 appropriated for debt service:								\$111,402.3
FY98 operating/formula:								\$62,288.4
State Training and Employment Program	25				27			
<p>The State Training and Employment Program is funded from the Employment and Training Program Account (ETPA). The ETPA is created through a contribution of one-half of one percent from each employees' wages. Unspent balances must be lapsed from this account into the unemployment compensation fund. This section makes that appropriation. Estimated FY97 lapse balance is zero; projected FY98 revenues is \$4.0 million.</p>								
Storage Tank Registration Fees	26	280.0	2,853.8	3,133.8	29	250.0	2,910.6	3,160.6
<p>AS 46.03.385 allows the legislature to appropriate on an annual basis to the storage tank assistance fund from the general fund any registration fees collected on underground petroleum storage tanks or tank systems. January 1997 estimate of receipts to be collected in FY97 for deposit into the Storage Tank Assistance Fund is \$250.0.</p>								

**FRONT SECTION SIDE-BY-SIDE COMPARISON
CHAPTER 117 SLA 1996 TO FY98 GOVERNOR (HB 75/SB 47)**

	Chapter 117 SLA 1996			FY98 Governor (HB 75/SB 47)				
	Sec #	GF	Other	TOTAL	Sec. #	GF	Other	TOTAL
Subsection (a) appropriates the estimated tank registration fees from the general fund to the Storage Tank Assistance Fund.	26a							
Subsection (b) appropriates from the OHSRPR Fund/Prevention Account (non-general fund) to the Storage Tank Assistance Fund.	26b							
Governor (HB75/SB 47): FY98 deposits from OHSRPR Fund/Prevention Account increased \$56.8 above FY97.								
Student Loan Program	27				30			
This section is prompted by the omnibus fee bill (SB 123/Chapter 5 SLA 1996) dealing with loan guarantee fees, and appropriating those fees to offset losses.								
University of Alaska	28	20.7		20.7				
Appropriates general funds generated from the sale of special request university plates to the University of Alaska for alumni association support. Funds will be allocated by campus are as follows: University of Alaska, Anchorage: \$ 2,359.09 University of Alaska, Fairbanks: 18,109.09 Prince William Sound Community College: 245.46								
Lapse Dates	29				31			

HOUSE BILL NO. 76

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/16/97

Referred: Finance

Funding Information:	General Fund/Mental Health	\$108,896,500
	Other Funds	<u>6,097,200</u>
		\$114,993,700

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating expenses of the state's
 2 integrated comprehensive mental health program; and providing for an effective
 3 date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. PURPOSE. In accordance with AS 37.14.003 and 37.14.005, the
 6 appropriations made by this Act are for the state's integrated comprehensive mental health
 7 program.

8 * Sec. 2. NONGENERAL FUND RECEIPTS. If Mental Health Trust Authority authorized
 9 receipts (AS 37.14.036) or administration receipts (AS 37.14.036) fall short of the estimates
 10 appropriated in this Act, the affected appropriation is reduced by the amount of shortfall in
 11 receipts.

12 (SECTION 3 OF THIS ACT BEGINS ON PAGE 3)

Fiscal Year 1998 Budget Summary by Funding Source

<u>Funding Source</u>	<u>Operating Budget</u>	<u>Total Budget</u>
General Fund / Mental Health	108,896,500	108,896,500
Mental Health Trust Authority Authorized Receipts	5,204,400	5,204,400
Mental Health Trust Administration	892,800	892,800
 * * * Total * * *	 <u>\$114,993,700</u>	 <u>\$114,993,700</u>

1 * Sec. 3 The following appropriation items are for operating expenditures from the
 2 general fund or other funds as set out in the fiscal year 1998 budget summary for
 3 the operating budget by funding source to the agencies named for the purposes
 4 expressed for the fiscal year beginning July 1, 1997 and ending June 30, 1998,
 5 unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Fund	Funds
6			
7			
8	* * * * *	* * * * *	
9	* * * * * Department of Administration	* * * * *	
10	* * * * *	* * * * *	
11	Senior Services	2,915,100	2,507,900 407,200
12	Pioneers Homes	461,100	
13	Home And Community-Based Care	2,278,800	
14	Protection, Community	175,200	
15	Services, and Administration		
16	Office of Public Advocacy	623,600	623,600
17	* * * * *	* * * * *	
18	* * * * * Department of Corrections	* * * * *	
19	* * * * *	* * * * *	
20	Institutions	3,462,200	3,462,200
21	Inmate Health Care	3,092,900	
22	Inmate Programs	369,300	
23	* * * * *	* * * * *	
24	* * * * * Department of Education	* * * * *	
25	* * * * *	* * * * *	
26	Quality Schools	228,100	228,100
27	* * * * *	* * * * *	
28	* * * * * Department of Health & Social Services	* * * * *	
29	* * * * *	* * * * *	
30	Medical Assistance	31,083,800	29,933,800 1,150,000
31	Medicaid Non-Facility	12,496,000	
32	Medicaid-Facilities	15,513,900	
33	Waivers Services	3,073,900	
34	Family and Youth Services	5,295,700	5,295,700
35	Foster Care	1,547,900	
36	Residential Child Care	3,522,000	
37	Northern Region	82,100	
38	McLaughlin Youth Center	62,100	

1 Department of Health & Social Services (cont.)				
2		Appropriation	General	Other
3	Allocations	Items	Fund	Funds
4	Fairbanks Youth Facility	81,600		
5	Maniilaq		872,400	872,400
6	Maniilaq Alcohol and Drug	522,400		
7	Abuse Services			
8	Maniilaq Mental	350,000		
9	Health/Developmental			
10	Disabilities Services			
11	Norton Sound		732,900	732,900
12	Norton Sound Public Health	98,300		
13	Services			
14	Norton Sound Alcohol and Drug	232,200		
15	Abuse Services			
16	Norton Sound Mental Health	402,400		
17	and Developmental			
18	Disabilities Services			
19	Southeast Alaska Regional Health		265,800	265,800
20	Consortium			
21	Southeast Alaska Regional	140,600		
22	Health Consortium Alcohol and			
23	Drug Abuse			
24	Southeast Alaska Regional	125,200		
25	Health Consortium Mental			
26	Health Services			
27	Tanana Chiefs Conference		737,200	737,200
28	Tanana Chiefs Conference	202,400		
29	Alcohol and Drug Abuse			
30	Services			
31	Tanana Chiefs Conference	534,800		
32	Mental Health Services			
33	Tlingit-Haida Central Council		6,000	6,000
34	Alcohol and Drug Abuse Services			
35	Yukon-Kuskokwim Health		1,325,900	1,325,900
36	Corporation			
37	Yukon-Kuskokwim Alcohol and	418,500		
38	Drug Abuse Services			

1 Department of Health & Social Services (cont.)				
2		Appropriation		Other
3	Allocations	Items	General Fund	Funds
4	Yukon-Kuskokwim Mental Health	907,400		
5	Services			
6	State Health Services		4,060,100	3,676,900
7	Maternal, Child, and Family	323,600		
8	Health			
9	Community Health/EMS Services	133,200		
10	Infant Learning Program Grants	3,603,300		
11	Alcohol and Drug Abuse Services		11,153,800	10,584,500
12	Administration	1,132,800		
13	Alcohol/Drug Abuse Grants	8,064,700		
14	Correctional Alcohol and Drug	331,500		
15	Abuse Grants			
16	Rural Services Grants	1,624,800		
17	Community Mental Health Grants		25,432,000	24,793,000
18	General Community Mental	821,200		
19	Health Grants			
20	Crisis Intervention Services	7,051,700		
21	Services to the Chronically	10,801,400		
22	Mentally Ill			
23	Services for Seriously	6,757,700		
24	Emotionally Disturbed Youth			
25	Community Developmental		19,046,800	18,905,200
26	Disabilities Grants			141,600
27	Institutions and Administration		4,966,000	3,890,400
28	Mental Health/Developmental	3,108,900		
29	Disabilities Administration			
30	Harborview Developmental	1,857,100		
31	Center			
32	Mental Health Trust Boards		752,000	707,000
33	Alaska Mental Health Board	382,500		
34	Governor's Council on	45,000		
35	Disabilities and Special			
36	Education			
37	Advisory Board on Alcoholism	324,500		
38	and Drug Abuse			

1 Department of Health & Social Services (cont.)				
2		Appropriation	General	Other
3		Allocations	Fund	Funds
4	Commissioner's Office	50,000		50,000
5	* * * * *	* * * * *		
6	* * * * * Department of Law	* * * * *		
7	* * * * *	* * * * *		
8	General Legal Services	67,900	67,900	
9	* * * * *	* * * * *		
10	* * * * * Department of Natural Resources	* * * * *		
11	* * * * *	* * * * *		
12	Mental Health Lands	743,500		743,500
13	Administration			
14	* * * * *	* * * * *		
15	* * * * * Department of Revenue	* * * * *		
16	* * * * *	* * * * *		
17	Alaska Mental Health Trust	892,800		892,800
18	Authority			
19	* * * * *	* * * * *		
20	* * * * * University of Alaska	* * * * *		
21	* * * * *	* * * * *		
22	Anchorage Campus	200,800	200,800	
23	* * * * *	* * * * *		
24	* * * * * Alaska Court System	* * * * *		
25	* * * * *	* * * * *		
26	Trial Courts	79,300	79,300	
27	* Sec. 4 The following sets out the funding by agency for the appropriations made			
28	in Sec. 3 of this Act.			
29	Department of Administration			
30	General Fund / Mental Health	3,131,500		
31	Mental Health Trust Authority Authorized	407,200		
32	Receipts			
33	*** Total Agency Funding ***	\$3,538,700		
34	Department of Corrections			
35	General Fund / Mental Health	3,452,200		
36	*** Total Agency Funding ***	\$3,452,200		
37	Department of Education			
38	General Fund / Mental Health	228,100		

1	*** Total Agency Funding ***	\$228,100
2	Department of Health & Social Services	
3	General Fund / Mental Health	101,726,700
4	Mental Health Trust Authority Authorized	4,053,700
5	Receipts	
6	*** Total Agency Funding ***	\$105,780,400
7	Department of Law	
8	General Fund / Mental Health	67,900
9	*** Total Agency Funding ***	\$67,900
10	Department of Natural Resources	
11	Mental Health Trust Authority Authorized	743,500
12	Receipts	
13	*** Total Agency Funding ***	\$743,500
14	Department of Revenue	
15	Mental Health Trust Administration	892,800
16	*** Total Agency Funding ***	\$892,800
17	University of Alaska	
18	General Fund / Mental Health	200,800
19	*** Total Agency Funding ***	\$200,800
20	Alaska Court System	
21	General Fund / Mental Health	79,300
22	*** Total Agency Funding ***	\$79,300
23	* * * * * Total Budget * * * * *	\$114,993,700
24	* Sec. 5 This Act takes effect July 1, 1997.	

ADMINISTRATION

ADMINISTRATION

ADMINISTRATION

Agency Totals - FY98 Operating Budget

Agency: Department of Administration

	<u>FY96 Act</u>	<u>FY97 Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	257,195.6	263,478.1	263,399.0	262,177.0	-1,222.0	-0.5%
<u>Objects of Expenditure:</u>						
Personal Services	62,238.4	64,379.4	73,935.3	73,935.3	0.0	0.0%
Travel	1,193.7	1,114.0	1,196.0	1,191.0	-5.0	-0.4%
Contractual	76,523.3	79,616.1	95,489.7	95,442.7	-47.0	-0.0%
Commodities	2,585.4	3,251.9	2,876.2	2,876.2	0.0	0.0%
Equipment	4,043.7	2,510.6	1,229.9	1,229.9	0.0	0.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	90,531.7	90,736.8	88,616.9	88,616.9	0.0	0.0%
Miscellaneous	20,079.4	21,869.3	55.0	-1,115.0	-1,170.0	-2127.3%
<u>Funding Sources:</u>						
1002 Fed Rcpts	6,251.1	6,845.5	6,865.1	6,865.1	0.0	0.0%
1003 G/F Match	988.6	988.5	1,167.0	1,167.0	0.0	0.0%
1004 Gen Fund	162,870.8	159,664.4	160,415.9	159,193.9	-1,222.0	-0.8%
1005 GF/Prgm	6,351.5	8,920.9	16,060.7	16,060.7	-0.0	-0.0%
1006 GF/MHTIA	1,621.6				0.0	0.0%
1007 I/A Rcpts	49,020.7	54,377.4	34,142.8	34,142.8	0.0	0.0%
1017 Ben Sys	4,406.0	3,782.5	14,644.6	14,644.6	0.0	0.0%
1023 FICA Acct	90.6	91.6	92.8	92.8	0.0	0.0%
1027 Int Airprt	46.4				0.0	0.0%
1029 P/E Retire	2,224.0	2,374.2	2,836.3	2,836.3	0.0	0.0%
1033 Surpl Prop	181.3	313.7	317.8	317.8	0.0	0.0%
1034 Teach Ret	1,783.2	1,994.6	2,178.9	2,178.9	0.0	0.0%
1037 GF/MH	1,235.3	3,112.6	3,131.5	3,131.5	0.0	0.0%
1042 Jud Retire	38.6	33.5	39.9	39.9	0.0	0.0%
1045 Nat Guard	32.9	33.4	33.7	33.7	0.0	0.0%
1055 IA/OIL HAZ	0.0	150.5	0.0	0.0	0.0	0.0%
1061 CIP Rcpts		128.6	129.5	129.5	0.0	0.0%
1077 Gifts/Grnt		140.7	60.0	60.0	0.0	0.0%
1081 Info Svc	19,829.4	20,301.8	20,358.9	20,358.9	0.0	0.0%
1091 GF/Desig	143.6	217.7	516.4	516.4	0.0	0.0%
1092 MHTAAR			407.2	407.2	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	1,100.0	1,085.0	1,251.0	1,251.0	0.0	0.0%
Perm Part Time	99.0	102.0	113.0	113.0	0.0	0.0%
Non-Perm	85.0	89.0	102.0	102.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Administration

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Longevity Bonus							
1	Longevity Bonus Grants	73,270.1	74,062.6	70,593.6	70,593.6	0.0	0.0%
	* BRU Total	73,270.1	74,062.6	70,593.6	70,593.6	0.0	0.0%
Senior Services							
2	Pioneers Homes	30,016.4	30,859.3	31,128.6	31,078.6	-50.0	-0.2%
3	Nutrition, Trans & Support Svc	5,245.1	5,505.1	5,514.3	5,514.3	-0.0	-0.0%
4	Senior Employment Services	1,740.6	1,752.3	1,759.4	1,759.4	0.0	0.0%
5	Home & Community Based Care	2,723.0	2,982.2	3,380.2	3,380.2	0.0	0.0%
	Home Health Services				1,922.7	1,922.7	%
6	Senior Residential Services	1,015.0	1,015.0	1,015.0	1,015.0	0.0	0.0%
7	Senior Services Administration	4,790.7				0.0	0.0%
8	Protection, Comm Svcs, & Admin		3,929.1	6,529.5	4,556.8	-1,972.7	-30.2%
9	Citizens Foster Care Review			139.9	139.9	0.0	0.0%
	* BRU Total	45,530.8	46,043.0	49,466.9	49,366.9	-100.0	-0.2%
Legal and Advocacy Services							
10	Office of Public Advocacy	7,363.9	7,439.5	7,726.1	7,626.1	-100.0	-1.3%
11	Public Defender Agency	8,504.1	8,707.4	9,092.1	8,992.1	-100.0	-1.1%
	* BRU Total	15,868.0	16,146.9	16,818.2	16,618.2	-200.0	-1.2%
Labor Agreements Miscellaneous Items							
12	Labor Agreements Misc Items	250.0	50.0	50.0	50.0	0.0	0.0%
	* BRU Total	250.0	50.0	50.0	50.0	0.0	0.0%
Centralized Administrative Services							
13	Office of the Commissioner	526.7	496.7	503.0	503.0	0.0	0.0%
14	Citizen's Foster Care Review	131.7	137.3	0.0	0.0	0.0	0.0%
15	Labor Relations		927.2	927.2	877.2	-50.0	-5.4%
16	Administrative Services	1,532.3	1,485.3	1,501.8	1,481.8	-20.0	-1.3%
	Group Health Insurance			10,640.0	10,640.0	0.0	0.0%
	* BRU Total	2,190.7	3,046.5	13,572.0	13,502.0	-70.0	-0.5%

Component Summary - FY98 Operating Budget

Agency: Department of Administration

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
Personnel							
17	Personnel	3,570.3	2,242.6	2,240.7	2,190.7	-50.0	-2.2%
18	AK Professional Develop Inst.	516.8	707.9	706.7	706.7	0.0	0.0%
	* BRU Total	4,087.1	2,950.5	2,947.4	2,897.4	-50.0	-1.7%
Finance							
19	Finance	6,349.4	6,098.8	6,145.5	5,845.5	-300.0	-4.9%
	* BRU Total	6,349.4	6,098.8	6,145.5	5,845.5	-300.0	-4.9%
General Services							
20	Purchasing	1,689.7	1,490.1	1,512.0	1,512.0	0.0	0.0%
21	Property Management	754.2	940.4	946.8	946.8	0.0	0.0%
22	Central Duplicating and Mail	1,633.6	1,915.2	1,844.8	1,844.8	0.0	0.0%
	* BRU Total	4,077.5	4,345.7	4,303.6	4,303.6	0.0	0.0%
Retirement and Benefits							
23	Retirement and Benefits	8,609.2	8,315.8	9,186.2	9,186.2	0.0	0.0%
24	EPORS	855.7	891.1	1,033.8	1,033.8	0.0	0.0%
	* BRU Total	9,464.9	9,206.9	10,220.0	10,220.0	0.0	0.0%
Tax Appeals							
25	Tax Appeals		188.4	160.4	160.4	0.0	0.0%
	* BRU Total	0.0	188.4	160.4	160.4	0.0	0.0%
Alaska Oil and Gas Conservation Commission							
26	Ak Oil & Gas Conservation Comm	1,757.0	1,719.1	1,740.4	1,688.4	-52.0	-3.0%
	* BRU Total	1,757.0	1,719.1	1,740.4	1,688.4	-52.0	-3.0%
Alaska Public Offices Comm							
27	Alaska Public Offices Comm	629.4	687.5	778.2	778.2	0.0	0.0%
	* BRU Total	629.4	687.5	778.2	778.2	0.0	0.0%
Risk Management							
28	Risk Management	18,610.5	21,965.3	21,967.2	21,967.2	0.0	0.0%
	* BRU Total	18,610.5	21,965.3	21,967.2	21,967.2	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Administration

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
	Information Services						
29	Computer Services	11,991.7				0.0	0.0%
30	Telecommunications Services	7,837.7				0.0	0.0%
31	Information Services		20,301.8	20,358.9	20,358.9	0.0	0.0%
32	Information Svc Fund Front Sec	19,829.4	21,661.5	55.0	55.0	0.0	0.0%
	* BRU Total	39,658.8	41,963.3	20,113.9	20,413.9	0.0	0.0%
	Rural Alaska Television Network (RATNET).						
33	RATNET	789.7				0.0	0.0%
	* BRU Total	789.7	0.0	0.0	0.0	0.0	0.0%
	Leasing and Facilities						
34	Leases	30,229.2	29,940.2	30,273.6	29,923.6	-350.0	-1.2%
	* BRU Total	30,229.2	29,940.2	30,273.6	29,923.6	-350.0	-1.2%
	Public Communications Services						
35	Public Broadcasting Commission	107.5	59.0	58.9	58.9	0.0	0.0%
36	Public Broadcasting - Radio	2,950.0	2,810.0	2,613.9	2,613.9	0.0	0.0%
37	Public Broadcasting - T.V.	1,375.0	1,284.4	845.2	845.2	0.0	0.0%
38	AK Rural Communications Svcs		910.0	1,578.0	1,578.0	0.0	0.0%
	* BRU Total	4,432.5	5,063.4	5,096.0	5,096.0	0.0	0.0%
	Division of Motor Vehicles						
	Administration			1,205.7	1,205.7	0.0	0.0%
	Driver Services			1,486.9	1,486.9	0.0	0.0%
	Field Services			6,159.5	6,159.5	0.0	0.0%
	Unallocated Reduction				-100.0	-100.0	0.0%
	* BRU Total	0.0	0.0	8,852.1	8,752.1	-100.0	-1.1%
	*** Total Agency Expenditure	257,195.6	263,478.1	263,399.0	262,177.0	-1,222.0	-0.5%
	Federal Funds	6,251.1	6,845.5	6,865.1	6,865.1	0.0	0.0%
	General Funds	173,211.4	172,904.1	181,291.5	180,069.5	-1,222.0	-0.7%
	Other Funds	77,733.1	83,728.5	75,242.4	75,242.4	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Administration

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Longevity Bonus							
1	Longevity Bonus Grants	73,270.1	74,062.6	70,593.6	70,593.6	0.0	0.0%
	* BRU Total	73,270.1	74,062.6	70,593.6	70,593.6	0.0	0.0%
Senior Services							
2	Pioneers Homes	29,957.2	30,859.3	31,062.6	31,012.6	-50.0	-0.2%
3	Nutrition, Trans & Support Svc	1,655.3	1,646.1	1,655.3	1,655.3	0.0	0.0%
4	Senior Employment Services	198.3	198.3	198.3	198.3	0.0	0.0%
5	Home & Community Based Care	2,723.0	2,982.2	2,973.0	2,973.0	0.0	0.0%
	Home Health Services				1,629.2	1,629.2	%
6	Senior Residential Services	1,015.0	1,015.0	1,015.0	1,015.0	0.0	0.0%
7	Senior Services Administration	2,095.4				0.0	0.0%
8	Protection, Comm Svcs, & Admin		2,021.5	4,041.3	2,362.1	-1,679.2	-41.6%
9	Citizens Foster Care Review			139.9	139.9	0.0	0.0%
	* BRU Total	37,644.2	38,722.4	41,085.4	40,985.4	-100.0	-0.2%
Legal and Advocacy Services							
10	Office of Public Advocacy	7,309.2	7,369.1	7,654.6	7,554.6	-100.0	-1.3%
11	Public Defender Agency	8,504.1	8,707.4	9,092.1	8,992.1	-100.0	-1.1%
	* BRU Total	15,813.3	16,076.5	16,746.7	16,546.7	-200.0	-1.2%
Labor Agreements Miscellaneous Items							
12	Labor Agreements Misc Items	203.6	50.0	50.0	50.0	0.0	0.0%
	* BRU Total	203.6	50.0	50.0	50.0	0.0	0.0%
Centralized Administrative Services							
13	Office of the Commissioner	417.2	381.8	387.4	387.4	0.0	0.0%
14	Citizen's Foster Care Review	131.7	137.3	-0.0	0.0	0.0	0.0%
15	Labor Relations		927.2	927.2	877.2	-50.0	-5.4%
16	Administrative Services	999.5	758.2	766.7	746.7	-20.0	-2.6%
	* BRU Total	1,548.4	2,204.5	2,081.3	2,011.3	-70.0	-3.4%
Personnel							
17	Personnel	3,318.4	1,947.6	1,945.7	1,895.7	-50.0	-2.6%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Administration

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Personnel							
18	AK Professional Develop Inst.	113.7	147.7	147.7	147.7	0.0	0.0%
	* BRU Total	3,432.1	2,095.3	2,093.4	2,043.4	-50.0	-2.4%
Finance							
19	Finance	6,334.5	5,683.1	5,729.8	5,429.8	-300.0	-5.2%
	* BRU Total	6,334.5	5,683.1	5,729.8	5,429.8	-300.0	-5.2%
General Services							
20	Purchasing	1,648.8	1,448.5	1,469.6	1,469.6	0.0	0.0%
21	Property Management	510.3	626.7	629.0	629.0	0.0	0.0%
22	Central Duplicating and Mail	397.9	0.0	0.0	0.0	0.0	0.0%
	* BRU Total	2,557.0	2,075.2	2,098.6	2,098.6	0.0	0.0%
Retirement and Benefits							
24	EPORS	855.7	891.1	1,033.8	1,033.8	0.0	0.0%
	* BRU Total	855.7	891.1	1,033.8	1,033.8	0.0	0.0%
Tax Appeals							
25	Tax Appeals		188.4	160.4	160.4	0.0	0.0%
	* BRU Total	0.0	188.4	160.4	160.4	0.0	0.0%
Alaska Oil and Gas Conservation Commission							
26	Ak Oil & Gas Conservation Comm	1,657.0	1,619.2	1,638.8	1,586.8	-52.0	-3.2%
	* BRU Total	1,657.0	619.2	1,638.8	1,586.8	-52.0	-3.2%
Alaska Public Offices Comm							
27	Alaska Public Offices Comm	629.4	687.5	778.2	778.2	0.0	0.0%
	* BRU Total	629.4	687.5	778.2	778.2	0.0	0.0%
Information Services							
32	Information Svc Fund Front Sec	20.0	55.0	55.0	55.0	0.0	0.0%
	* BRU Total	20.0	55.0	55.0	55.0	0.0	0.0%
Rural Alaska Television Network (RATNET)							
33	RATNET	789.7				0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Administration

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	Rural Alaska Television Network (RATNET).						
	* BRU Total	789.7	0.0	0.0	0.0	0.0	0.0%
	Leasing and Facilities						
34	Leases	24,023.9	23,570.6	23,594.2	23,244.2	-350.0	-1.5%
	* BRU Total	24,023.9	23,570.6	23,594.2	23,244.2	-350.0	-1.5%
	Public Communications Services						
35	Public Broadcasting Commission	107.5	59.0	58.9	58.9	0.0	0.0%
36	Public Broadcasting - Radio	2,950.0	2,810.0	2,613.9	2,613.9	0.0	0.0%
37	Public Broadcasting - T.V.	1,375.0	1,284.4	845.2	845.2	0.0	0.0%
38	AK Rural Communications Svcs		769.3	1,418.0	1,418.0	0.0	0.0%
	* BRU Total	4,432.5	4,922.7	4,936.0	4,936.0	0.0	0.0%
	Division of Motor Vehicles						
	Administration			1,205.7	1,205.7	0.0	0.0%
	Driver Services			1,376.8	1,376.8	0.0	0.0%
	Field Services			6,033.8	6,033.8	0.0	0.0%
	Unallcated Reduction				-100.0	-100.0	0.0%
	* BRU Total	0.0	0.0	8,616.3	8,516.3	-100.0	-1.2%
	*** Total Agency Expenditure	173,211.4	172,904.1	181,291.5	180,069.5	-1,222.0	-0.7%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Administration

Senior Services	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Pioneers Homes													
Miscellaneous reduction	Dec	-60.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
1004 Gen Fund		-50.0											
		-60.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
Home Health Services													
Transfer Home Health Services (personal care attendant) prgm	TrIn	51.6	41.5	4.5	3.8	1.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0
1003 G/F Match		51.6											
Transfer Home Health Services (personal care attendant) prgm	TrIn	1,677.6	40.6	4.2	3.8	1.4	0.2	0.0	1,527.4	0.0	0.0	0.0	0.0
1004 Gen Fund		1,577.6											
Transfer Home Health Services (personal care attendant) prgm	TrIn	98.3	78.8	8.7	7.6	2.8	0.4	0.0	0.0	0.0	3.0	0.0	0.0
1007 VA Rcpts		98.3											
Transfer Home Health Services (personal care attendant) prgm	TrIn	195.2	145.3	1.4	38.0	3.5	0.0	0.0	0.0	0.0	1.0	0.0	0.0
1007 VA Rcpts		195.2											
		1,922.7	306.2	25.8	53.2	9.1	1.0	0.0	1,527.4	0.0	4.0	0.0	0.0
Protection, Community Services, and Administration													
Absorb new functions from DHSS in existing budget	Dec	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
1004 Gen Fund		-50.0											
Transfer Home Health Services (personal care attendant) prgm	TrOut	-51.6	-41.5	-4.5	-3.8	-1.4	-0.4	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
1003 G/F Match		-51.6											
Transfer Home Health Services (personal care attendant) prgm	TrOut	-1,677.6	-40.6	-4.2	-3.8	-1.4	-0.2	-0.0	-1,527.4	-0.0	-0.0	-0.0	-0.0
1004 Gen Fund		-1,577.6											
Transfer Home Health Services (personal care attendant) prgm	TrOut	-98.3	-78.8	-8.7	-7.6	-2.8	-0.4	-0.0	-0.0	-0.0	-3.0	-0.0	-0.0
1007 VA Rcpts		-98.3											
Transfer Home Health Services (personal care attendant) prgm	TrOut	-195.2	-145.3	-8.4	-38.0	-3.5	-0.0	-0.0	-0.0	-0.0	-1.0	-0.0	-0.0
1007 VA Rcpts		-195.2											
		-1,972.7	-306.2	-25.8	-53.2	-9.1	-1.0	0.0	-1,527.4	-50.0	-4.0	0.0	0.0
*** BRU Total ***		-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Administration

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Legal and Advocacy Services													
Office of Public Advocacy													
Allow \$147.8 of transfer from Longevity Bonus Grants	Dec	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0		0.0
1004 Gen Fund		-100.0											
		-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0
Public Defender Agency													
Allow \$169.0 of transfer from Longevity Bonus Grants	Dec	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0		0.0
1004 Gen Fund		-100.0											
		-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0
*** BRU Total ***		-200.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-200.0	0.0	0.0	0.0
Centralized Administrative Services													
Labo. Relations													
Savings from contracts already negotiated	Dec	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0		0.0
1004 Gen Fund		-50.0											
		-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
Administrative Services													
Miscellaneous reduction	Dec	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.0	0.0		0.0
1004 Gen Fund		-20.0											
		-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.0	0.0	0.0	0.0
*** BRU Total ***		-70.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-70.0	0.0	0.0	0.0
Personnel													
Personnel													
Savings from personnel reengineering	Dec	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0		0.0
1004 Gen Fund		-50.0											
		-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
*** BRU Total ***		-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0
Finance													
Finance													
Increase chargeback to other departments	Dec	-300.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-300.0	0.0		0.0
1004 Gen Fund		-300.0											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Administration

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
<u>Finance</u>													
Finance													
		-300.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-300.0	0.0	0.0	0.0
*** BRU Total ***		-300.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-300.0	0.0	0.0	0.0
<u>Alaska Oil and Gas Conservation Commission</u>													
Alaska Oil and Gas Conservation Commission													
Increment not considered by subcommittee	Dec	-52.0	-0.0	-5.0	47.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
1004 Gen Fund		-52.0	0.0	-5.0	-47.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-52.0	0.0	-5.0	-47.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Leasing and Facilities</u>													
Leases													
Miscellaneous reduction	Dec	-350.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-350.0	0.0	0.0	0.0
1004 Gen Fund		-350.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-350.0	0.0	0.0	0.0
*** BRU Total ***		-350.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-350.0	0.0	0.0	0.0
<u>Division of Motor Vehicles</u>													
Unallocated Reduction													
Unallocated reduction	Dec	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0
1004 Gen Fund		-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0
*** BRU Total ***		-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0.0	0.0
***** Agency Total *****		-1,222.0	0.0	-5.0	-47.0	0.0	0.0	0.0	0.0	-1,170.0	0.0	0.0	0.0

Alaska State Legislature

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Representative Gary L. Davis

Department of Administration
House Finance Budget subcommittee close-out

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Subcommittee recommendations from requested FY 98 budget:

1. **Senior Services:**
Reduce Pioneer Homes by 50.0.

Add new "Home Health Services" BRU from Department of Health and Social Services transfer. Reduce General Fund by 50.0.
2. **Legal & Advocacy Services**
Allow 147.8 increment from Governor's amended budget for Office of Public Advocacy.

Allow 169.0 increment from Governor's amended budget for Public Defender Agency.
3. **Centralized Administrative Services**
Reduce Labor Relations by 50.0 General Fund.

Reduce Administrative Services by 20.0 General Fund.
4. **Personnel**
Reduce personnel by 50.0 General Fund.
5. **Finance**
Reduce General Fund by 300.0 and allow chargeback by same amount.
6. **Leases**
Reduce General Fund by 350.0.
7. **Public Communications Services**
Adopted Governor's amended request. No change in services.
8. **Motor Vehicles**
Transfer from Department of Public Safety to Department of Administration.
100.0 unallocated General Fund reduction.

TOTAL recommended General Fund reduction: \$1,708.5

Representing House District 8
Soldotna, Sterling, Funny River, Cooper Landing, Hope, Moose Pass, Seward

Administration FY 98 Operating Budget				
FINAL				
Tues. 3/18/97 1:25 PM				
	FY97 Auth	Gov	House	Savings
Longevity Bonus				
Longevity Bonus Grants	74,062.6	71,198.9	70,593.6	605.3
*BRU Total	74,062.6	71,198.9	70,593.6	605.3
Senior Services				
Pioneer Homes	30,059.3	31,062.6	31,012.6	50.0
Nutrition, Trans & Support Svcs	1,646.1	1,655.3	1,655.3	0.0
Senior Employ Svcs	198.3	198.3	198.3	0.0
Home & Comm Based Care	2,982.2	2,973.0	2,973.0	0.0
Senior Residential Svcs	1,015.0	1,015.0	1,015.0	0.0
Senior Svcs Admin	-	-	-	0.0
Protection, Comm Svcs, & Admin	2,021.5	4,041.3	3,991.3	50.0
Citizens Foster Care Review	-	139.9	139.9	0.0
*BRU Total	38,722.4	41,085.4	40,985.4	100.0
Legal & Advocacy Services				
Office of Public Advocacy	7,369.1	7,406.8	7,554.6	-147.8
Public Defender Agency	8,707.4	8,823.1	8,992.1	-169.0
*BRU Total	16,076.5	16,229.9	16,546.7	-316.8
Labor Agreements Misc. Items				
Labor Agreements Misc. Items	50.0	50.0	50.0	0.0
*BRU Total	50.0	50.0	50.0	0.0
Centralized Admin. Svcs				
Office of the Commissioner	381.8	387.4	387.4	0.0
Citizen's Foster Care Review	137.3	-	-	0.0
Labor Relations	927.2	927.2	877.2	50.0
Administrative Services	758.2	766.7	746.7	20.0
*BRU Total	2,204.5	2,081.3	2,011.3	70.0
Personnel				
Personnel	1,947.6	1,945.7	1,895.7	50.0
AK Prof. Develop. Inst.	147.7	147.7	147.7	0.0
*BRU Total	2,095.3	2,093.4	2,043.4	50.0
Finance				
Finance	5,683.1	5,729.8	5,429.8	300.0
*BRU Total	5,683.1	5,729.8	5,429.8	300.0
General Services				
Purchasing	1,448.5	1,489.6	1,469.6	0.0
Property Mgmt	626.7	629.0	629.0	0.0
Central Dup. & Mail	-	-	-	0.0
*BRU Total	2,075.2	2,098.6	2,098.6	0.0

Retire. & Benefits				
EPORS	891.1	1,033.8	1,033.8	0.0
*BRU Total	891.1	1,033.8	1,033.8	0.0
Tax Appeals				
Tax Appeals	188.4	160.4	160.4	0.0
*BRU Total	188.4	160.4	160.4	0.0
AK Oil & Gas Conservation Comm				
AK Oil & Gas Conservation Commission	1,619.2	1,586.8	1,586.8	0.0
*BRU Total	1,619.2	1,586.8	1,586.8	0.0
Alaska Public Offices Comm				
AK Public Offices Comm	687.5	778.2	778.2	0.0
*BRU Total	687.5	778.2	778.2	0.0
Information Services				
Info Svcs Fund Front Section	55.0	55.0	55.0	0.0
*BRU Total	55.0	55.0	55.0	0.0
Leasing & Facilities				
Leases	23,570.6	23,594.2	23,244.2	350.0
*BRU Total	23,570.6	23,594.2	23,244.2	350.0
Public Communications Svcs				
Public Broadcasting Comm	59.0	58.9	58.9	0.0
Public Radio	2,810.0	2,613.9	2,613.9	0.0
Public TV	1,284.4	1,195.2	845.2	350.0
AK Rural Communications Svcs	769.3	1,518.0	1,418.0	100.0
*BRU Total	4,922.7	5,386.0	4,936.0	450.0
Motor Vehicles				
Driver Services	1,352.2	1,376.8	1,376.8	
Field Services	5,947.8	6,033.8	5,933.8	100.0
Administration	940.9	956.8	956.8	
*BRU Total	8,240.9	8,367.4	8,267.4	
***Total Agency Expenditure	181,145.0	181,529.1	179,820.6	1,708.5
Gov - House	1,708.5			

**DEPARTMENT OF ADMINISTRATION
RESPONSE TO THE
HOUSE FINANCE SUBCOMMITTEE REPORT
MARCH 20, 1997**

PERSONNEL - (50.0)

Any reduction to this division while it is engaged in the major reengineering of the state's personnel systems is counter-productive to achieving statewide cost savings for the long term.

On March 1, the division began a pilot project to improve the way the state hires employees. The new process promises to be more efficient and more effective in hiring the best employees for the state. The pilot ends on June 30 after which we can complete the design and begin implementing across state agencies. During the implementation period, we will have to run two systems - the old and the new. Once this new process is launched statewide, we will continue with the classification module - a far more complex project that must dovetail with the next round of contract negotiations for timely implementation. If anything, we could use more help until this project is complete.

LABOR RELATIONS - (50.0)

In FY97 the Labor Relations staff was reduced from 16 to 11 full time employees on the basis that most contract negotiations had been completed, relieving the unit of a substantial workload for a period of time. Further reductions will jeopardize the state's ability to deal effectively with grievance settlements and other labor contract issues. Also, several smaller labor contracts will come up in FY 98, and by mid FY 98 the state must begin to prepare for the next round of negotiations on most of the remaining labor contracts.

FINANCE - (300.0)

Finance is presently budgeted at the minimum level necessary to operate the state accounting and payroll systems. Any general fund reductions will, of necessity, be charged back to other agencies. These chargeback costs are unbudgeted in other agencies and will have detrimental impacts to their programs. Specific impacts to programs will remain unknown until the chargeback allocation is established and analyzed by each agency.

MOTOR VEHICLES - (100.0)

This division is also undergoing a major reengineering effort. Any reductions to DMV in this fiscal year jeopardize the opportunity to both reduce future costs and improve service levels to the public.

This reduction would have to be applied to the field offices. The field offices have no other way to deal with the cut than to reduce services to the public. This will be the case until new initiatives are in place for on-line services and for providing services at locations other

than the current DMV field offices. Funding at the current level is needed throughout FY98 while these services are being put in place.

• **SENIOR SERVICES ADMIN - (50.0)**

The basis of this reduction was that consolidation of senior programs in DOA should result in economies of scale. In fact, these programs have arrived in DOA with substantially reduced staff and in some cases no staff at all. The already minimal staffing situation is compounded by the rapid growth of Alaska's senior population. Specifically, this reduction will hinder our ability to enforce the Assisted Living licensing law and to provide general relief supplements for adult foster care homes. In short, it will affect Alaska's most vulnerable adults.

• **PIONEERS' HOMES - (50.0)**

The Pioneer's Homes have implemented new strategies in FY 97 in purchasing supplies for the homes. It is hoped that cost savings in this area in combination with tight control of daily staffing levels will allow the homes to absorb this reduction with minimum service level impacts.

• **OFFICE OF PUBLIC ADVOCACY - (100.0)**

Including the Governor's amendment, we project that OPA is underfunded by approximately 471.6. This additional reduction results in a projected FY 98 supplemental of 571.6.

• **PUBLIC DEFENDER AGENCY - (100.0)**

Including the Governor's amendment, we project a FY 98 shortfall of approximately 276.6. This reduction results in a projected FY 98 supplemental of 376.6.

• **LEASING - (350.0)**

The FY 98 projected obligation for leasing is \$24,777.7 GF and the Governor's operating budget request is \$23,594.2 GF. Although, we will continue to pursue cost saving strategies in FY 98, the Governor's Budget plan includes sufficient funding to cover up to the \$1,183.5 shortfall within the FY 98 supplemental. The proposed \$350.0 GF reduction will add to this supplemental. Our best plan for significant "manage down" rent reductions in FY 98 rests with the purchase of the Bank America Building in Anchorage, projected to save \$659.7 GF.

• **ADMINISTRATIVE SERVICES - (20.0)**

The Administrative Services Component is funded at a minimal level for FY 98. This reduction will need to be covered by increasing our chargeback to all programs in the department.

COMMERCE +
ECONOMIC
DEVELOPMENT

Department of Commerce and Economic Development
House Finance Subcommittee Reductions

Agency/Item	Unalloc	Pers Svcs	Travel	Cont Svcs	Supplies	Equipment	Grants	GF Match	Gen Fund	GF/PR	Des PR	Other	PFT	PPT
Measurement Standards														
Travel reduction			(50.0)						(22.0)	(10.5)	(17.5)			
Insurance														
Unallocated 1% reduction	(42.4)										(42.1)	(0.3)		
Occupational Licensing														
Unallocated 1% reduction	(51.4)										(45.5)	(5.9)		
AK Public Utilities Comm														
Travel reduction			(18.5)								(18.5)			
Commissioner's Office														
Delete special assistant		(84.8)							(70.8)			(14.0)	(1)	
Administrative Services														
ASTF closeout activities		145.3	20.0	70.0	5.4							240.7	2	
Trade & Development														
Delete 5 PFT, 1 PPT & funding		(360.8)							(327.2)			(33.6)	(5)	(1)
Restore minerals dev spec		82.7							82.7				1	
Travel 10% reduction			(20.0)						(20.0)					
Increase Made in Alaska				35.0					35.0					
Tourism activities		140.4	85.7	760.2	24.0		98.0		712.6	40.5	164.8	50.0	2	
Unallocated 1% reduction	(25.3)								(19.5)	(0.6)	(0.1)	(5.0)		
Tourism														
Delete 6 PFT & funding		(394.1)							(368.0)			(26.1)	(6)	
Delete 3 Tok PPT seasonals		(51.7)							(51.7)					(3)
Reclass Tok PFT to PPT		(29.9)							(29.9)				(1)	1
Transfer 2 PFT to DTD		(140.4)							(140.4)				(2)	
Transfer Inquiry Section to ATMC		(109.9)							(109.9)				(3)	
Transfer adm clerk to ATMC		(38.6)							(38.6)				(1)	
Transfer Tok PPT to ATMC		(21.5)		(25.0)					(21.5)			(25.0)		(1)
Transfer Tourism North to ATMC				(400.0)							(400.0)			
Reduce Contractual GF				(794.0)					(794.0)					

Department of Commerce and Economic Development
House Finance Subcommittee Reductions

Agency/Item	Unalloc	Pers Svcs	Travel	Cont Svcs	Supplies	Equipment	Grants	GF Match	Gen Fund	GF/PR	Des PR	Other	PFT	PPT
Transfer Film Ofc to ATMC			(15.0)	(50.0)					(65.0)					
Transfer balance to DTD			(85.7)	(760.2)	(24.0)		(98.0)		(712.6)	(40.5)	(164.8)	(50.0)		
ATMC														
Tourism Inquiry Section		109.9		150.0					259.9					3
Tok PPT seasonal		21.5		25.0					21.5			25.0		1
Deny TV Ad Enhancement				(266.7)					(200.0)		(66.7)			
Reduce contractual				(733.4)					(550.1)		(183.4)			
Transfer Film Office		38.6	15.0	50.0					103.6					1
Restore Film Office		80.3		77.0					157.3					1
Transfer Tourism North				250.0							250.0			
Increase Tourism North				250.0					100.0		150.0			
ASMI														
Unallocated 1% reduction	(119.1)							(5.2)			(78.9)	(35.0)		
ASTF														
Delete 4 PFT, 1 PPT & funding		(458.2)										(458.2)	(4)	(1)
Reduce agency operations			(64.0)	(524.9)	(11.1)							(600.0)		
ASTF closeout to Adm Svcs		(145.3)	(20.0)	(70.0)	(5.4)							(240.7)	(2)	
Eliminate grants							(7,714.2)					(7,714.2)		
Totals	(238.2)	(1,216.5)	(152.5)	(1,957.0)	(11.1)	0.0	(7,714.2)	(5.2)	(2,068.6)	(11.1)	(452.7)	(8,892.3)	(15.0)	(4.0)

Agency Totals - 1997 Operating Budget

Agency: Department of Commerce and Economic Development
Gov Amd to House

	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Totals for Agency	55,961.8	69,219.9	57,794.0	49,505.6	-8,288.4	-14.3%
<u>Objects of Expenditure:</u>						
Personal Services	22,665.4	23,158.4	21,166.5	22,484.8	1,318.3	6.2%
Travel	1,941.3	2,031.8	1,825.1	1,823.1	-2.0	-0.1%
Contractual	26,067.9	26,863.1	25,817.8	24,132.2	-1,685.6	-6.5%
Commodities	816.3	602.8	578.5	593.5	15.0	2.6%
Equipment	805.2	232.9	213.9	232.2	18.3	8.6%
Lands/Buildings	4.8	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	3,660.7	14,688.0	8,192.2	478.0	-7,714.2	-94.2%
Miscellaneous	0.2	1,642.9	-0.0	-233.2	-238.2	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	4,030.4	5,275.0	3,650.0	3,657.6	7.6	0.2%
1003 G/F Match	890.4	1.3	520.1	514.9	-5.2	-1.0%
1004 Gen Fund	13,100.6	11,709.8	9,578.5	9,268.5	-310.0	-3.2%
1005 GF/Prgm	25,821.4	10,966.0	1,756.2	3,059.6	1,303.4	74.2%
1007 I/A Rcpts	523.7	952.3	1,334.3	1,254.9	-79.4	-6.0%
1022 Corp Rcpts	4,115.5	4,847.8	4,890.0	0.0	-4,890.0	-100.0%
1025 Sci/Tech	4,103.8	15,913.9	9,529.9	757.5	-8,772.4	-92.1%
1035 Vet Loan	227.3	216.7	234.7	234.7	0.0	0.0%
1036 Cm Fish Ln	2,322.1	2,458.5	2,579.7	2,579.7	0.0	0.0%
1040 Surety Fnd	169.9	276.1	268.6	265.9	-2.7	-1.0%
1057 Small Bus	7.6	8.0	2.5	2.5	0.0	0.0%
1061 CIP Rcpts	96.7	135.0	135.0	133.6	-1.4	-1.0%
1067 Mining RLF	8.6	9.0	5.0	5.0	0.0	0.0%
1068 Child Care	6.2	6.5	5.5	5.5	0.0	0.0%
1069 Hist Dist	2.9	3.0	3.0	3.0	0.0	0.0%
1070 Fish En Ln	259.5	273.8	289.2	289.2	0.0	0.0%
1071 Alt Energy	263.8	277.5	154.3	154.3	0.0	0.0%
1072 Res Energy	11.4	8.8	0.0	0.0	0.0	0.0%
1091 GF/Desig		15,880.9	22,857.5	22,429.2	-428.3	-1.9%
1101 AERO Rcpts				43.2	43.2	%
1102 AIDEA Rcpt				3,788.5	3,788.5	%
1107 AEA Rcpts				1,058.3	1,058.3	%
<u>Positions:</u>						
Perm Full Time	391.0	390.0	345.0	375.0	30.0	8.7%
Perm Part Time	14.0	16.0	9.0	12.0	3.0	33.3%
Non-Perm	0.0	0.0	0.0	0.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Commerce and Economic Development

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
	Measurement Standards						
1	Measurement Standards	2,886.8	2,906.4	0.0	2,951.1	2,951.1	%
	* BRU Total	2,886.8	2,906.4	0.0	2,951.1	2,951.1	%
	Banking, Securities, and Corp						
2	Banking, Securities and Corp	1,613.9	1,704.3	1,697.3	1,697.3	0.0	0.0%
	* BRU Total	1,613.9	1,704.3	1,697.3	1,697.3	0.0	0.0%
	Insurance						
3	Insurance Operations	3,890.7	4,795.9	4,241.4	4,199.0	-42.4	-1.0%
	* BRU Total	3,890.7	4,795.9	4,241.4	4,199.0	-42.4	-1.0%
	Occupational Licensing						
4	Operations	4,221.7	5,854.6	4,958.6	4,909.0	-49.6	-1.0%
5	Licensing Boards	175.6	260.7	175.0	173.2	-1.8	-1.0%
	* BRU Total	4,397.3	6,115.3	5,133.6	5,082.2	-51.4	-1.0%
	Alaska Public Utilities Comm						
6	Operations	3,382.1	3,978.2	4,117.5	4,099.0	-18.5	-0.4%
	* BRU Total	3,382.1	3,978.2	4,117.5	4,099.0	-18.5	-0.4%
	Executive Administration and Development						
7	Commissioner's Office	650.8	540.1	597.3	512.5	-84.8	-14.2%
8	Administrative Services	1,180.7	1,097.8	1,198.5	1,439.2	240.7	20.1%
	* BRU Total	1,831.5	1,637.9	1,795.8	1,951.7	155.9	8.7%
	Division of Trade and Development						
9	Trade and Development	3,286.0	2,497.6	2,528.4	3,348.3	819.9	32.4%
	* BRU Total	3,286.0	2,497.6	2,528.4	3,348.3	819.9	32.4%
	Investments						
10	Investments	3,146.2	3,293.1	3,330.9	3,330.9	-0.0	-0.0%
	* BRU Total	3,146.2	3,293.1	3,330.9	3,330.9	-0.0	-0.0%
	Tourism						
11	Tourism Development	3,119.9	2,683.0	3,038.0	0.0	-3,038.0	-100.0%
12	Alaska Tourism Mktg Council	5,363.0	5,315.1	5,583.7	5,650.9	67.2	1.2%
	* BRU Total	8,482.9	7,998.1	8,621.7	5,650.9	-2,970.8	-34.5%

Component Summary - FY98 Operating Budget

Agency: Department of Commerce and Economic Development

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
	AIDEA						
13	AIDEA	2,924.9	3,751.8	3,788.5	3,788.5	0.0	0.0%
14	Alaska Energy Auth Op & Maint	1,048.5	1,052.8	1,058.3	1,058.3	-0.0	-0.0%
	* BRU Total	3,973.4	4,804.6	4,846.8	4,846.8	-0.0	-0.0%
	Alaska Seafood Marketing Inst						
15	Alaska Seafood Marketing Inst	14,825.1	13,406.4	11,907.5	11,788.4	-119.1	-1.0%
	* BRU Total	14,825.1	13,406.4	11,907.5	11,788.4	-119.1	-1.0%
	Alaska Aerospace Devel Corp						
16	Ak Aerospace Development Corp	653.4	554.3	560.0	560.0	0.0	0.0%
	* BRU Total	653.4	554.3	560.0	560.0	0.0	0.0%
	Alaska Science and Technology Foundation						
17	AK Science & Tech. Foundation	3,592.5	15,527.8	9,013.1	0.0	-9,013.1	-100.0%
	* BRU Total	3,592.5	15,527.8	9,013.1	0.0	-9,013.1	-100.0%
	*** Total Agency Expenditure	55,961.8	69,219.9	57,794.0	49,505.6	-8,288.4	-14.3%
	Federal Funds	4,030.4	5,275.0	3,650.0	3,657.6	7.6	0.2%
	General Funds	39,812.4	38,558.0	34,712.3	35,272.2	559.9	1.6%
	Other Funds	12,119.0	25,386.9	19,431.7	10,575.3	-8,855.9	-45.6%

Component Summary - FY98 Operating Budget

General Funds Only

Agency: Department of Commerce and Economic Development

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
	Measurement Standards						
1	Measurement Standards	2,871.1	2,906.4	0.0	2,907.0	2,907.0	%
	* BRU Total	2,871.1	2,906.4	0.0	2,907.0	2,907.0	%
	Banking, Securities, and Corp						
2	Banking, Securities and Corp	1,613.9	1,675.2	1,668.2	1,668.2	0.0	0.0%
	* BRU Total	1,613.9	1,675.2	1,668.2	1,668.2	0.0	0.0%
	Insurance						
3	Insurance Operations	3,890.7	4,769.9	4,215.4	4,173.3	-42.1	-1.0%
	* BRU Total	3,890.7	4,769.9	4,215.4	4,173.3	-42.1	-1.0%
	Occupational Licensing						
4	Operations	3,901.2	5,263.4	4,371.9	4,328.2	-43.7	-1.0%
5	Licensing Boards	175.6	260.7	175.0	173.2	-1.8	-1.0%
	* BRU Total	4,076.8	5,524.1	4,546.9	4,501.4	-45.5	-1.0%
	Alaska Public Utilities Comm						
6	Operations	3,382.1	3,978.2	4,117.5	4,099.0	-18.5	-0.4%
	* BRU Total	3,382.1	3,978.2	4,117.5	4,099.0	-18.5	-0.4%
	Executive Administration and Development						
7	Commissioner's Office	525.2	452.6	458.7	387.9	-70.8	-15.4%
8	Administrative Services	1,026.9	734.0	748.2	748.2	0.0	0.0%
	* BRU Total	1,552.1	1,186.6	1,206.9	1,136.1	-70.8	-5.9%
	Division of Trade and Development						
9	Trade and Development	3,052.7	2,113.1	2,029.3	2,837.9	808.6	39.8%
	* BRU Total	3,052.7	2,113.1	2,029.3	2,837.9	808.6	39.8%
	Tourism						
11	Tourism Development	3,118.6	2,683.0	2,936.9	0.0	-2,936.9	-100.0%
12	Alaska Tourism Mktg Council	5,363.0	5,315.1	5,583.7	5,625.9	42.2	0.8%
	* BRU Total	8,481.6	7,998.1	8,520.6	5,625.9	-2,894.7	-34.0%
	Alaska Seafood Marketing Inst						
15	Alaska Seafood Marketing Inst	10,891.4	8,406.4	8,407.5	8,323.4	-84.1	-1.0%
	* BRU Total	10,891.4	8,406.4	8,407.5	8,323.4	-84.1	-1.0%

Component Summary - FY98 Operating Budget

General Funds Only

Agency: Department of Commerce and Economic Development

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
***	Total Agency Expenditure	39,812.4	38,558.0	34,712.3	35,272.2	559.9	1.6%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Commerce and Economic Development

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Measurement Standards													
Measurement Standards													
Reduction to Travel	Dec	-50.0	0.0	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-22.0											
1005 GF/Prgm		-10.5											
1091 GF/Desig		-17.5											
Deny Governor's amendment: E.O. 98 - ATRn Prgm transferred to DOT		3,001.1	2,534.8	150.5	271.4	26.1	18.3	-0.0	-0.0	-0.0	45.0	7.0	-0.0
1002 Fed Rcpts		44.1											
1004 Gen Fund		1,618.1											
1005 GF/Prgm		1,314.5											
1091 GF/Desig		24.4											
		2,961.1	2,534.8	100.5	271.4	26.1	18.3	0.0	0.0	0.0	45.0	7.0	0.0
*** BRU Total ***		2,961.1	2,534.8	100.5	271.4	26.1	18.3	0.0	0.0	0.0	45.0	7.0	0.0
Insurance													
Insurance Operations													
1 % reduction from FY98 Governor	Dec	-42.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-42.4	0.0	0.0	0.0
1007 IA Rcpts		-0.3											
1091 GF/Desig		-42.1											
		-42.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-42.4	0.0	0.0	0.0
*** BRU Total ***		-42.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-42.4	0.0	0.0	0.0
Occupational Licensing													
Operations													
1 % reduction from FY98 Governor	Dec	-49.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-49.6	0.0	0.0	0.0
1007 IA Rcpts		-3.2											
1040 Surety Fnd		-2.7											
1091 GF/Desig		-43.7											
		-49.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-49.6	0.0	0.0	0.0
Licensing Boards													
1 % reduction from FY98 Governor	Dec	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.8	0.0	0.0	0.0
1091 GF/Desig		-1.8											
		-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.8	0.0	0.0	0.0
*** BRU Total ***		-51.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-51.4	0.0	0.0	0.0
Alaska Public Utilities Comm													
Operations													
Reduction to Travel	Dec	-18.5	0.0	-18.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1091 GF/Desig		-18.5											
		-18.5	0.0	-18.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-18.5	0.0	-18.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Commerce and Economic Development

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Executive Administration and Development													
Commissioner's Office													
Reduce Personal Services-Special Assistant	Dec	-84.8	-84.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-70.8											
1007 VA Rcpts		-14.0											
		-84.8	-84.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
Administrative Services													
Transfer 2 positions from ASTF	Trfn	145.3	145.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0
1025 Sci/Tech		145.3											
Transfer Support Costs for ASTF	Trfn	95.4	0.0	20.0	70.0	5.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1025 Sci/Tech		95.4											
		240.7	145.3	20.0	70.0	5.4	0.0	0.0	0.0	0.0	2.0	0.0	0.0
*** BRU Total ***		155.9	60.5	20.0	70.0	5.4	0.0	0.0	0.0	0.0	1.0	0.0	0.0
Division of Trade and Development													
Trade and Development													
Delete 7PFT, 1PPT Positions and Funding	Dec	-460.8	-460.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7.0	-1.0	0.0
1004 Gen Fund		-427.2											
1007 VA Rcpts		-33.6											
Restore Development Specialist	Inc	82.7	82.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0
1004 Gen Fund		82.7											
Reduce Travel by 10 %	Dec	-20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-20.0											
GF Increment for Made in Alaska	Inc	35.0	0.0	0.0	35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		35.0											
Position transfer from Tourism	Trfn	140.4	140.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0
1004 Gen Fund		140.4											
Transfer remaining funding from Tourism	Trfn	967.9	0.0	85.7	760.2	24.0	0.0	0.0	98.0	0.0	0.0	0.0	0.0
1004 Gen Fund		712.6											
1005 GF/Prgm		40.5											
1007 VA Rcpts		50.0											
1091 GF/Desig		164.8											
Funding for forestry devel spec and Adm Clerk	Inc	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0
1004 Gen Fund		100.0											
1 % reduction from FY98 Governor	Dec	-26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-25.3	0.0	0.0	0.0
1002 Fed Rcpts		-1.5											
1004 Gen Fund		-19.5											
1005 GF/Prgm		-0.6											
1007 VA Rcpts		-2.2											
1061 CIP Rcpts		-1.4											
1091 GF/Desig		-0.1											
		819.9	-137.7	65.7	795.2	24.0	0.0	0.0	98.0	-25.3	-2.0	-1.0	0.0
*** BRU Total ***		819.9	-137.7	65.7	795.2	24.0	0.0	0.0	98.0	-25.3	-2.0	-1.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Commerce and Economic Development

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Tourism												
Tourism Development												
Delete 6 PFT and Funding	-394.1	-394.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.0	0.0	0.0
1004 Gen Fund	-388.0											
1007 I/A Rcpts	-26.1											
Delete 3 Seasonal Positions-Tok	-51.7	-51.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.0	0.0
1004 Gen Fund	-51.7											
Reclassify Position PFT to PPT	-29.9	-29.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	1.0	0.0
1004 Gen Fund	-29.9											
Transfer two intl tourism positions to Trade & Devel	-140.4	-140.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	0.0	0.0
1004 Gen Fund	-140.4											
Transfer tourism inquiry section to ATMC	-109.9	-109.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.0	0.0	0.0
1004 Gen Fund	-109.9											
Transfer film ofc admin clerk to ATMC	-38.8	-38.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund	-38.8											
Transfer Tok Seasonal Position to ATMC	-46.6	-21.5	0.0	-25.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0
1004 Gen Fund	-21.5											
1007 I/A Rcpts	-25.0											
Reduce Tourism North Cooperative Mktg	-400.0	0.0	0.0	-400.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1091 GF/Desig	-400.0											
Reduction to GF contractual	-794.0	0.0	0.0	-794.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-794.0											
Transfer Travel Contractual for Film Ofc to ATMC	-65.0	0.0	-15.0	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-65.0											
Transfer remaining Tourism Funding to Trade & Development	-967.9	0.0	-85.7	-760.2	-24.0	0.0	0.0	-98.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-712.8											
1005 GF/Prgm	-40.5											
1007 I/A Rcpts	-60.0											
1091 GF/Desig	-164.8											
	-3,038.0	-788.1	-100.7	-2,029.2	-24.0	0.0	0.0	-98.0	0.0	-13.0	-3.0	0.0
Alaska Tourism Marketing Council												
Transfer inquiry section from Tourism	109.9	109.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0
1004 Gen Fund	109.9											
Inquiry Section: Funding for postage other costs	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	150.0											
Transfer in Tok Seasonal Position from Tourism	46.6	21.5	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
1004 Gen Fund	21.5											
1007 I/A Rcpts	25.0											
Deny Increment for Cable T.V.	-266.7	0.0	0.0	-266.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-200.0											
1091 GF/Desig	-66.7											
Reduce Contribution to Marketing	-733.4	0.0	0.0	-733.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-550.0											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Commerce and Economic Development

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Tourism													
Alaska Tourism Marketing Council													
Reduce Contribution to Marketing	Dec	-733.4	0.0	0.0	-733.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1091 GF/Desig		-733.4											
Transfer Film Ofc Admin Clk from Tourism	Trin	38.6	38.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0
1004 Gen Fund		38.6											
Transfer in Film Ofc Travel/Contractual from Tourism	Trin	85.0	0.0	15.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		85.0											
Restore Film Ofc Decrement plus 1 PFT	Inc	167.3	80.3	0.0	77.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0
1004 Gen Fund		157.3											
Partially restore Tourism North Funding	Inc	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1091 GF/Desig		250.0											
Restore funding for Tourism North Co-op Marketing	Inc	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		100.0											
1091 GF/Desig		150.0											
		67.2	250.3	15.0	-198.1	0.0	0.0	0.0	0.0	0.0	5.0	1.0	0.0
*** BRU Total ***		-2,970.8	-535.8	-85.7	-2,227.3	-24.0	0.0	0.0	-98.0	0.0	-8.0	-2.0	0.0
AIDEA													
Alaska Industrial Development and Export Authority													
Convert to agency-specific corp receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1022 Corp Rcpts		-3,788.5											
1102 AIDEA Rcpt		3,788.5											
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Energy Authority Operations and Maintenance													
Convert to agency-specific corp receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1022 Corp Rcpts		-1,058.3											
1107 AEA Rcpts		1,058.3											
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Seafood Marketing Inst													
Alaska Seafood Marketing Institute													
1 % reduction from FY98 Governor	Dec	-119.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-119.1	0.0	0.0	0.0
1002 Fnd Rcpts		-35.0											
1003 G/F Match		-5.2											
1091 GF/Desig		-78.9											
		-119.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-119.1	0.0	0.0	0.0
*** BRU Total ***		-119.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-119.1	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Commerce and Economic Development

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Alaska Aerospace Devel Corp													
Alaska Aerospace Development Corporation													
Convert to agency-specific corporate receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1022 Corp Rcpts		-43.2											
1101 AERO Rcpts		43.2											
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Science and Technology Foundation													
Alaska Science and Technology Foundation													
Delete 4 PFT and 1 PPT and funding	Dec	-458.2	-458.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.0	-1.0	0.0
1025 Sci/Tech		-450.2											
Reduce Travel Contractual and Commodities	Dec	-600.0	0.0	-84.0	-524.0	-11.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1025 Sci/Tech		-600.0											
Transfer 2 positions and funding to Admin Svcs	TrOut	-145.3	-145.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	0.0	0.0
1025 Sci/Tech		-145.3											
Transfer Travel, Contractual, Commodities to Admin Svcs	TrOut	-95.4	0.0	-20.0	-70.0	-5.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1025 Sci/Tech		-95.4											
Eliminate Grants pending determination of obligations	Dec	-7,714.2	0.0	0.0	0.0	0.0	0.0	0.0	-7,714.2	0.0	0.0	0.0	0.0
1025 Sci/Tech		-7,714.2											
		-9,013.1	-603.5	-84.0	-594.9	-16.5	0.0	0.0	-7,714.2	0.0	-6.0	-1.0	0.0
*** BRU Total ***		-9,013.1	-603.5	-84.0	-594.9	-16.5	0.0	0.0	-7,714.2	0.0	-6.0	-1.0	0.0
***** Agency Total *****		-8,288.4	1,318.3	-2.0	-1,685.6	15.0	18.3	0.0	-7,714.2	-238.2	30.0	3.0	0.0

Component Intent & Notes - FY98 Operating Budget

Agency: Department of Commerce and Economic Development

Comp: AK Science & Tech. Foundation

BRU: AK Science & Tech Foundation

House

It is the intent of the Alaska State Legislature to delete all funding and thereby eliminate the Alaska Science & Technology Foundation (ASTF). One (1) Grant Administrator and one (1) Administrative Assistant will be retained for a period not to exceed three (3) years, to fulfill outstanding contractual obligations of ASTF and to close out all remaining functions.

It is also the intent of the Legislature to create the Alaska Highway & Road Maintenance Fund (AHRM) and to reappropriate the unobligated balance of the ASTF endowment to the AHRM. The AHRM will be established in statute as an endowment, while ASTF's statutory authority will be repealed. Appropriations will then be made by the Legislature from the endowment's receipts for highway and road maintenance.

ALASKA STATE LEGISLATURE



Interim:

500 East Railroad Avenue
Wasilla, Alaska 99654
(907) 373-1842
Fax (907) 373-4729

Session:

State Capitol Building, Room 421
Juneau, Alaska 99801-1182
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REPRESENTATIVE VIC KOHRING
DISTRICT 26

**House Finance budget Subcommittee
Department of Commerce and Economic Development
Recommendations**

Measurement Standards

Reduce travel by \$50. Travel increased 33.9% from FY97.

Insurance

Unallocated reduction 1%.

Occupational Licensing

Unallocated reduction 1%.

Licensing Boards

Unallocated reduction 1%.

Alaska Public Utilities Commission

Reduce travel \$18.5. Brings travel to FY96 level.

Commissioner's Office.

Recommend reduction of \$84.8. Eliminate funding for Special Assistance.

Administrative Services

Increment of \$240.7. Transferring positions and funding of 1 Grants Administrator and 1 Administrative Clerk \$145.3 from Alaska Science and Technology Foundation. Transfer funds for Travel, Contractual, and Commodities \$95.4. Transfer to provide administration of existing encumbered obligations for Grants.

DCED
Pg 2

Alaska Tourism Marketing Council

Transfer Inquiry Section and funding from Tourism, Transfer position and funding of Tok position from Tourism, deny increment for TV enhancement, reduce GF and contribution, transfer film office and funding from Tourism, restore funding for Tourism North program.

Trade and Development.

Travel reduction 10%. Restore Mining Development Specials. Delete 7 PFT, 1 PPT. Transfer funds from Tourism for International programs. \$35.0 Increment for *Made in Alaska*. Restore funding for Forestry Development Specialist and Admin Clerk. Transfer 2 positions from Tourism. Transfer contractual funding for international programs. Additional (by amendment) 1% unallocated reduction.

Division of Tourism

Eliminate entirely. Transfer programs, funding and positions to Trade and Development and AK Tourism Marketing Council. See attached spread sheet for details.

AIDEA

No reductions

Alaska Aerospace Development Corp.

No reductions.

ASMI

Unallocated reduction: of 1%.

Alaska Science and Technology

Eliminate funding of ASFT. Transfer 1 Grants Administrator and 1 Admin Clerk to Administrative Services to administer remaining grant obligations. Adopted letter of intent. Department needs to provide amount needed for encumbrances.

HOUSE FINANCE SUBCOMMITTEE
SUMMARY OF PROPOSED FY98 BUDGET AMENDMENTS

BRU/COMPONENT	FY97 Authorized		FY98 Governor		Proposed Amendments		FY98 Subcommittee	
	GF	Total	GF	Total	GF	Total	GF	Total
Measurement Standards	2,906.4	2,906.4	2,957.0	3,001.1	-50.0	-50.0	2,907.0	2,951.1
Banking, Securities & Corporations	1,675.2	1,704.3	1,668.2	1,697.3	0.0	0.0	1,668.2	1,697.3
Insurance	4,769.9	4,795.9	4,215.4	4,241.4	-42.1	-42.4	4,173.3	4,199.0
Occupational Licensing Operations	5,263.4	5,854.6	4,571.9	4,958.6	-43.7	-49.6	4,328.2	4,909.0
Licensing Board	260.7	260.7	175.0	175.0	-1.8	-1.8	173.2	173.2
APUC	3,978.2	3,978.2	4,117.5	4,117.5	-18.5	-18.5	4,099.0	4,099.0
Commissioner's Office	452.6	540.1	458.7	597.3	-70.8	-84.8	387.9	512.5
Administrative Services	734.0	1,097.8	748.2	1,198.5	0.0	240.7	748.2	1,439.2
Trade and Development	2,113.1	2,497.6	2,029.3	2,528.4	808.6	819.9	2,837.9	3,348.3
Investments	0.0	3,293.1	0.0	3,330.9	0.0	0.0	0.0	3,330.9
Tourism	2,683.0	2,683.0	2,936.9	3,038.0	-2,936.9	-3,038.0	0.0	0.0
AK Tourism Marketing Council	5,315.1	5,315.1	5,583.7	5,583.7	42.2	67.2	5,625.9	5,650.9
AIDEA	0.0	3,751.8	0.0	3,788.5	0.0	0.0	0.0	3,788.5
AEA	0.0	1,052.8	0.0	1,058.3	0.0	0.0	0.0	1,058.3
AK Seafood Marketing Institute	8,406.4	13,406.4	8,407.5	11,907.5	-84.1	-119.1	8,323.4	11,788.4
Aerospace	0.0	554.3	0.0	560.0	0.0	0.0	0.0	560.0
AK Science & Tech	0.0	15,527.8	0.0	9,013.1	0.0	-9,013.1	0.0	0.0
TOTAL	38,558.0	69,219.9	37,669.3	60,795.1	-2,397.1	-11,289.5	35,272.2	49,505.6

RECEIVED MEMORANDUM

State of Alaska

TO: *Ann* ~~Ann~~ *McConnell*, Director
Office of Management and Budget

DATE: March 20, 1997

FROM: *William L. Hensley*
Commissioner
Department of Commerce and
Economic Development

TELEPHONE NO: 465-2500

SUBJECT: House Finance Subcommittee
Impact Analysis

The House Finance Subcommittee for the Department of Commerce and Economic Development (DCED) is proposing to cut \$2.4 million in general funds, \$400 thousand above the House target. The cuts will have far reaching negative impacts on our economic development programs and services. This memo will first summarize the major impacts then give more detailed impact descriptions.

Major Impacts

- Six positions in the Division of Trade and Development will be eliminated, crippling the state's trade and government relations with key trading partners, and ending business recruitment, small business assistance, and other general business services provided by the department.
- The Division of Tourism is being eliminated, along with over \$1 million in tourism programs and services important to small tourism businesses throughout Alaska. Overseas tourism marketing in Japan, Germany, Australia, Korea, Taiwan, and the United Kingdom will be curtailed. Efforts to increase non-conventional tourism and to support local convention and visitor bureaus will all but cease.
- A \$1 million cut to the Alaska Tourism Marketing Council (ATMC) will eliminate the State's tourism television advertising. The deletion of the cornerstone of the ATMC's national image campaign will have profound negative impacts on future visitation to Alaska.
- All funding for the Alaska Science and Technology Foundation (ASTF) is deleted. Through intent the subcommittee has proposed to reappropriate the balance of the \$100 million ASTF endowment to a yet to be established "Alaska Highway and Road Maintenance Fund." The ASTF is an important catalyst for technology development in Alaska, and is also a funding source for the Alaska Aerospace Development Corporation and the University of Alaska, Palmer Agriculture Station.
- Commissioner's Office: the department's only Special Assistant is being eliminated. This position provides critical staff support to the Commissioner in his management of the department and participation in 13 boards and commissions.

The following pages provide a more detailed impact analysis on an agency by

agency basis.

Division of Trade and Development

The subcommittee has proposed the elimination of one-third (five and one-half positions) of the Division of Trade and Development's staff in the coming year. The proposed reductions will eliminate many of the services that the division — one of the few state offices dedicated to the success of Alaska businesses — now provides. (The Division's budget represents .09% of the Governor's proposed FY98 budget.)

Trade Program

International trade staff reduced by 50 percent (two of four positions) (\$137.6)

Cripples state's ability to maintain effective trade and government relations with key partners in Asia, Russia. Division is the only state office dedicated to and recognized by key trading partners as handling protocol, government-to-government relations, advocacy and policy issues. Numerous trade initiatives are placed at-risk, including the Alaska-Sakhalin Working Group and other key Alaska-Russia programs; energy promotion, including coal and LNG; and oil spill technology promotion in Asia.

Shifts entire trade workload onto two remaining people, leaving insufficient staff to effectively manage the state's overseas presence in Japan, Korea, Taiwan and Russia and respond to foreign buyers' requests for information, or provide trade mission assistance. Most at risk are potential gains in recently expanding energy trade with Japan, Korea and Taiwan -- all markets with considerable interest in Alaska crude oil, LNG and coal. These markets imported more than \$2.2 billion worth of Alaska goods and products in 1996.

Undermines the division's ability to respond to industry inquiries, work with local governments, and remove trade barriers for Alaska companies seeking business abroad. The division will have difficulty fulfilling mandates to work for all Alaska businesses to provide advocacy, market information and government-to-government assistance.

Eliminates trade specialists responsible for developing trade ties with Taiwan and Japan. Alaska businesses will lose in-state contacts for Taiwan and Japan. Trade show and trade mission assistance will be cut back. Alaska's efforts to strengthen seafood exports — both in a crucial existing market such as Japan and in a previously untapped market such as Taiwan — will be undercut. (In 1996, Japan imported nearly 80% of all the state's seafood exports. Taiwan, as a new market, saw its seafood imports leap nearly 38% to almost \$20 million.)

Development Program

Small Business & Industrial Development Assistance eliminated (two of two positions) (\$172.3)

No targeted industrial recruitment would occur.

- No production of economic information important to the potential investors and new and expanding businesses.
- No follow up of the recent recommended improvements to state funded small business assistance programs.
- Cease compiling information and publishing "Establishing a Business in Alaska", "Alaska Annual Performance Report of the Economy", ...etc.
- No response for phone, voice and e-mail inquiries from prospective businesses, and no information available to the global market through the Internet.
- No more state assistance in organizing Alaska business to promote products on the QVC home shopping network, such as the 1995 Alaska broadcast and QVC's planned annual return.
- No one available in state government to address small business issues, and general economic development opportunities.

Division loses clerical and administrative support (\$100.6)

- Lose ability to effectively organize industry meetings, fisheries conferences, business travel, informational mail-outs, and all efforts to assist the industry. Greater difficulty in implementing Salmon Strategy Forum recommendations, expansion of the western Alaska CDQ program, Alaska participation in the annual Boston Seafood Show, and the Salmon Industry Response efforts.
- Shifts significant clerical burden to a decimated administrative unit or to professional level staff, reducing productivity.
- Financial administration staff is deleted.

Division of Tourism

The subcommittee proposes to eliminate the Division of Tourism, cutting over \$1 million in programs and services, and transferring remaining programs and services to either the Division of Trade and Development or the Division of Tourism.

Some functions are transferred to the Division of Trade and Development, but the funding being transferred is inadequate to maintain effective tourism marketing programs.

Some functions are transferred to the ATMC but that agency lacks the statutory authority to take on either the functions or the staff. In addition, in the case of the Tok Visitor Center and the tourism inquiry section, staff are being transferred, but insufficient funds are provided to cover operating costs, necessitating further reductions in ATMC programs to cover these services.

- The Tok Visitor Center would have reduced staff and hours of operation as of July 1, 1997 -- the peak of the tourism season. Money is transferred

to cover one part-time position, down from four; no money is transferred to cover rent and other operating costs.

The *Film Office* is transferred to the ATMC, requiring a 25% Alaska Visitor Association match for this program. Under AS 44.33.705, the trade association is required to contribute at least 25% of the operating expenses of the council.

Staffing levels in the ATMC are increased from three to eight and one half. However, the ATMC statute allows only three staff (AS 44.33.710).

The following programs and services will be reduced or eliminated:

- Japan tourism marketing
- Germany tourism marketing
- Australia tourism marketing
- United Kingdom tourism marketing
- Korea tourism marketing
- Taiwan tourism marketing
- Tourism research
- Tourism planning & product development
- Travel agent training
- North American tour operator marketing
- Business assistance
- Collateral production (state maps, campground maps, ...etc.)
- Financial management for the Division of Trade and Development
- Local convention and visitor bureau assistance

Alaska Tourism Marketing Council

The House Finance Subcommittee proposal would have the following impacts on the ATMC:

Reduce Contractual: (\$1,000.1)

Complete elimination of all *television promotion*. The ATMC currently places thirteen weeks of television (90% less than previous years). The deletion of the cornerstone of the ATMC's national image campaign will have profound negative impacts on visitor industry businesses throughout the state. The Council has warned time and time again that without an effort that places Alaska in a positive light as a world class travel destination, consumers are far less likely to ultimately consider the state as a potential vacation spot. This cut will completely eliminate national image advertising for small Alaska tourism businesses.

Film Office Transfer: \$260.9

Considerations:

- Statute prohibits the ATMC from having more than three employees.
- Again, with the current statute in place, the transfer assumes that the visitor industry will willingly agree to match operating funds for the film office at 25%.
- Authority for this function is not provided in the ATMC statute.

There may be an expectation by the film industry that since they are included under the ATMC umbrella they should have representation on the Council. This could mean either expansion or reshuffling of current council makeup.

Tok Visitors Center Transfer: \$46.5

Considerations:

- Statute prohibits the ATMC from having more than three employees.
- With the current statute in place, the transfer assumes that the visitor industry will willingly agree to match operating funds for the Tok Visitor Center functions at 25%.
- Beyond the personnel transfer, the Division of Tourism estimates that an additional \$52.0 would be required to run the facility. Rent alone is \$42.0 per year and other operating expenses are approximately \$10.0. This also assumes that the three seasonal positions that are being eliminated can be successfully filled by volunteers.
- Authority for this function is not provided in the ATMC statute.

Inquiry Section Transfer: \$259.9

Considerations:

- Statute prohibits the ATMC from having more than three employees.
- With the current statute in place, the transfer assumes that the visitor industry will willingly agree to match operating funds for the Inquiry Section at 25%.
- The Division of Tourism estimates that an additional \$50.0 to \$75.0 would be required to run the inquiry section. The current proposal would require that ATMC take money from planned marketing programs.

Alaska Science and Technology Foundation

Eliminate ASTF staff and grants (\$9,013.1)

All funding for the Alaska Science and Technology Foundation (ASTF) is deleted. Through intent the subcommittee has proposed to reappropriate the balance of the \$100 million ASTF endowment to a yet to be established "Alaska Highway and Road Maintenance Fund." The ASTF is an important catalyst for technology development in Alaska, and is also a funding source for the Alaska Aerospace Development Corporation and the University of Alaska, Palmer Agriculture Station.

A skeletal staff of two is transferred to the Division of Administrative Services to close out existing grants. No grant authorization is included in the subcommittee proposal to cover existing grant obligations.

See the attached budget impact sheet prepared by ASTF executive director, Jamie Kenworthy, for a more detailed impact analysis.

Commissioner's Office

Eliminate Special Assistant II (84.8)

The number and range of responsibilities this department handles is beyond compare. The commissioner is statutorily required to sit on more than sixteen boards and commissions, including the Alaska Permanent Fund, Alaska Railroad, Alaska Industrial Development and Export Authority, as well as more than twenty task forces that range from such issues as Arctic/polar issues to seafood marketing. The commissioner is also responsible for giving direction and coordination to the divisions, and working with all sectors and political jurisdictions to keep our state's economy vibrant and growing. Currently, the level of support to the DCED Commissioner's Office is half of what it was under prior administrations, and the challenges have not been reduced accordingly. This reduction would hamstring the department's ability to help Alaska businesses succeed.

Alaska Public Utilities Commission

Travel Reduction (\$18.5)

The proposed reduction of \$18.5 to the Commission's travel represents a 25% cut to the Alaska Public Utilities Commission (APUC) travel budget. There is one key statutory provision that relates to the location of Commission hearings and meetings:

SECTION 42.05.171. FORMAL HEARINGS.... In determining the place of a hearing the commission shall give preference to holding the hearing at a place most convenient for those interested in the subject of the hearing.

The Commission is a small agency operating from one office, serving a statewide constituency. For example, the Commission held hearings in Fairbanks concerning the proposal by the City of Fairbanks to sell its utilities to private parties for \$130 million. Other out-of-town locations for hearings held this fiscal year on utility matters have included Juneau and Fairbanks.

The APUC is working toward greater competition, greater local input and more flexibility in regulation. This Commission has continued to hold hearings in the affected communities. Although this is more expensive than holding hearings in Anchorage, it is also more conducive to achieving locally acceptable solutions.

Measurement Standards

Travel Reduction (\$50.0)

Reducing or eliminating field inspections will cause illegal operation of a variety of scales and meters as the Division of Measurement Standards is the only agency in the State of Alaska authorized to inspect and test all weights and measures commercially used. If travel is not authorized to remote areas of Alaska, the companies will be in violation. In addition, should inspections on remote fish buying scales, petroleum meters and/or all other weighing devices be

reduced or eliminated, the accuracy of these devices will be uncertain and could greatly reduce individual income. The device owners in turn could possibly take advantage of the users of the devices, which could result in an inaccurate quantity of product causing economic impact to the buyer of that service.

Third party billing, through Designated Program Receipts, is a program that requires a company to pay the inspection costs for special request inspections. Because requests for special inspections have steadily increased during the last three years, we established a program to recover those inspection costs. The Division's travel budget as proposed by the subcommittee will not allow for these types of inspections.

Unallocated Reduction: Occupational Licensing, Insurance, Trade and Development. Alaska Seafood Marketing Institute (\$238.1)

The last action of the subcommittee was to make a 1% unallocated reduction to these divisions. These reductions will affect services provided by these organizations.

cc: Royce Weller
Guy Bell

Attachments

ASTF Budget Impacts

House Finance Subcommittee Action

Proposed budget cuts would allow ASTF to have minimal oversight of existing ASTF grant agreements and fund no new projects after July 1, 1997. All ASTF projects have benchmarks which must be met to justify continued funding. Some larger projects have staged funding and annual reviews so without funding for ASTF Board and management it is not clear how those projects would be administered or their status under the Subcommittee's proposal.

I General Impact

ASTF grant project spending rate supporting approximately 70 active projects has been approximately \$3 M/year with average leverage 2-1 of ASTF funds. A cut of \$3 M in project funding would cut an expected \$9 M in R&D projects with an undetermined portion of funding which now comes from outside the state. A 4 year old independent survey estimated ASTF projects as producing 624 direct jobs in the economic base, with an emerging number of technology based firms that number is certainly higher. Most Technology projects aim to produce a traded good for export or import substitution with a 3-7 year period between R&D and maximum job impact when product is manufactured. The primary unquantified impact is on the use of the technology in existing firms to lower product costs or avoid private and public costs. For example, the recently announced deal between Emerson Electric and Alaska Power System may lead to a 100 production jobs in Anchorage but the savings in widespread deployment of the remote monitoring power technology in Alaska could equal ASTF's annual grants budget.

About a quarter of ASTF projects are Knowledge projects aimed at developing non-proprietary science to lower cost of public services, improve environmental regulation, or direct economic benefit.

Most of those projects, or 20% of all ASTF funds, support projects at UAF or UAA. No overhead or indirect cost is paid by ASTF on any project, including UA projects. Rather UA co-invests with ASTF on projects. So while there would be a minimal budget impact on UA's budget from a ASTF close out what would be lost is the capability for UA faculty to do practical projects with Alaskan industry for the benefit of both parties.

II Industry Impacts

Seafood Industry

No further R&D projects on new production technology and processing to produce final food products from Alaska fish will be conducted. ASMI supports general marketing of Alaska fish; ASTF has supported projects to develop technology at Arctic Alaska, Fisheries Development Foundation, International Seafoods Alaska, and many others make final products from salmon and arrowtooth flounder, with expected projects from Southeast and Y-K Delta as well as continued projects from Kodiak and Anchorage. In addition, a group of firms are funded for development and joint marketing of specific salmon products.

There has been promising initial work to demonstrate a pin bone remover with all bones removed from 99% of fresh and frozen salmon in a single process step. Work is funded through October, 1997 with co-funding decision on licensing, final product design, and production expected to be made then.

Energy Support

An expected follow-on project with Alliance on security for electronic commerce of Alaska supplier network to serve Sakhalin Island would be discontinued.

Forest Products

ASTF has a 3 year \$200K/year project to fund technical assistance and grading services for Alaska sawmill operators and other forest product firms. These funds are matched by federal funds with annual goals set by sawmill operators and other owners. It is not clear the impact of proposed cuts on Year 2 and 3 of the grant. It is clear that expected projects for innovative technology for kiln drying and production technology expected from Southeast and Interior could not be considered.

Telemedicine

In response to an RFP two proposals are being prepared by the State Telemedicine Project administered from UAA and a smaller project to link mental health referrals in the Kenai with Anchorage facilities. Projects must demonstrate innovative technology, proven public sector cost savings, and improved patient care.

Mining

A project is being developed to integrate synthetic aperture radar with existing state geomagnetic mapping program to develop tools for placer miners and Alaskan based mining operations. The planned follow up work in the Rampart or Wrangall area could not be considered for funding.

Environmental Engineering

A project involving the military, the private sector, ADEC, and EPA to develop standard assessment tools to measure technology effectiveness for different Arctic soil types promises major cost savings and improved cleanup. Another possible project with Producers Council and ADEC could involve ASTF co-funding of science to improve water quality regulations impacting the mining and other resource development industry.

Internet Connectivity Projects

Grants of up to \$10 K/school grants for one time hardware costs only (routers, wiring) are available for K-12 public and charter schools with clear plans to connect classrooms to Internet using donated labor of parents and interested citizens. Schools and communities would be responsible for computers in the classroom and telecommunications companies would compete to provide access to building. An

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estimated half of Anchorage schools will remain unconnected after this year and most of rest of state except Fairbanks and Juneau.

Rural Sanitation

ADEC, US Public Health Service, and ASTF have agreed on process to assess appropriate technology for rural sanitation which is more cost effective than use of existing state and federal funds. Presently gravity feed systems cost over \$80 K per house and can be unsuitable for low water table conditions like the Y-K delta region. The new process allows local communities to have more choice over project design and more responsibility for maintenance costs. With proposed cuts any implementation project would be foreclosed.

Other

Proposals in agriculture, arctic engineering, and electronics are expected.

III Conclusion

All projects are reviewed for scientific merit and economic feasibility. In addition, funded projects must contain clear R&D plans, real cost sharing, and direct benefit to Alaska's economy. ASTF funds science and technical innovation and does not finance the acquisition of existing equipment and working capital which should qualify for conventional financing.

Since approximately two thirds of potential projects are not known a year in advance, this list does not predict the projects which would be funded. ASTF is the only significant source of early stage business development capital to fund technical innovation in the state in support of Alaska's private sector firms. A smaller number of technology-based firms to support Alaska's resource development economy is a predictable result of an ASTF close out.



Agency Totals - FY98 Operating Budget

Agency: Department of Community & Regional Affairs

	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Totals for Agency	140,453.1	138,416.4	146,231.3	139,985.9	-6,245.4	-4.3%
<u>Objects of Expenditure:</u>						
Personal Services	10,583.0	10,410.7	10,758.3	9,013.0	-1,745.3	-16.2%
Travel	909.5	1,247.6	1,295.3	888.9	-406.4	-31.4%
Contractual	1,855.4	2,994.8	5,525.5	3,993.4	-1,532.1	-27.7%
Commodities	139.9	173.7	198.7	159.8	-38.9	-19.6%
Equipment	391.4	106.5	2,033.5	82.8	-1,950.7	-95.9%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	126,573.9	123,483.1	126,671.2	126,167.9	-503.3	-0.4%
Miscellaneous	0.0	0.0	-251.2	-319.9	-68.7	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	21,195.2	29,107.6	34,870.1	30,713.4	-4,156.7	-11.9%
1003 G/F Match	1,811.2	1,912.8	1,884.0	1,881.0	-3.0	-0.2%
1004 Gen Fund	88,946.6	79,980.4	78,374.9	76,560.4	-1,814.5	-2.3%
1005 GF/Prgm	50.5	88.2	88.7	88.7	0.0	0.0%
1007 I/A Rcpts	8,448.5	8,906.2	12,483.1	12,211.9	-271.2	-2.2%
1051 Rural Dev	77.7	96.5	97.8	97.8	0.0	0.0%
1061 CIP Rcpts	180.2	454.9	557.5	557.5	-0.0	-0.0%
1062 Power Proj	366.0	670.7	675.1	675.1	0.0	0.0%
1063 NPR Fund		50.0	50.0	50.0	0.0	0.0%
1074 Bulk Fuel	47.5	49.3	50.3	50.3	0.0	0.0%
1077 Gifts/Grnt		99.8	99.8	99.8	0.0	0.0%
1089 Power Cost	19,329.7	17,000.0	17,000.0	17,000.0	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	185.0	171.0	171.0	150.0	-21.0	-12.3%
Perm Part Time	7.0	3.0	4.0	4.0	0.0	0.0%
Non-Perm	6.0	0.0	2.0	2.0	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Community & Regional Affairs

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Administration and Support							
1	Office of the Commissioner	669.0	661.2	516.5	414.9	-101.6	-19.7%
2	Administrative Services	1,637.8	1,419.2	1,342.1	1,321.7	-20.4	-1.5%
3	Data and Word Processing	424.6	440.6	365.0	362.7	-2.3	-0.6%
	* BRU Total	2,731.4	2,521.0	2,223.6	2,099.3	-124.3	-5.6%
Senior Citizens/Disabled Veterans Tax Relief							
5	Homeowners Property Tax Exempt	1,163.8				0.0	0.0%
6	Renters' Equivalency Rebate	336.2	300.0	300.0	300.0	0.0	0.0%
	* BRU Total	1,500.0	300.0	300.0	300.0	0.0	0.0%
Municipal Revenue Sharing							
8	State Revenue Sharing	26,271.7	24,170.0	23,614.1	23,614.1	0.0	0.0%
9	Municipal Assistance	31,959.0	29,402.3	28,726.0	28,726.0	0.0	0.0%
	* BRU Total	58,230.7	53,572.3	52,340.1	52,340.1	0.0	0.0%
Local Government Assistance							
10	Training and Development	2,179.6	2,150.1	2,240.9	1,911.3	-329.6	-14.7%
11	State Assessor	144.3	153.1	154.8	154.1	-0.7	-0.5%
12	Local Boundary Commission	253.1	253.6	256.4	255.3	-1.1	-0.4%
13	Statewide Assistance	379.2	384.9	389.6	388.3	-1.3	-0.3%
15	Municipal Lands Trustee	153.1				0.0	0.0%
	* BRU Total	3,109.3	2,941.7	3,041.7	2,709.0	-332.7	-10.9%
Community and Economic Development							
16	Community & Econ Develop			463.6	459.3	-4.3	-0.9%
	* BRU Total	0.0	0.0	463.6	459.3	-4.3	-0.9%
Child Assistance							
17	Child Care	2,809.9	2,722.2	2,642.2	345.9	-2,296.3	-86.9%
18	Day Care Assistance Programs	11,211.1	11,211.1	11,211.1	12,796.9	1,585.8	14.1%
19	Head Start Grants	5,733.4	5,734.5	6,036.2	6,034.1	-2.1	-0.0%
	* BRU Total	19,754.4	19,667.8	19,889.5	19,176.9	-712.6	-3.6%
Employment Training/Rural Development							
20	Job Training Partnership Act	58.6	93.9	93.9	85.4	-8.5	-9.1%
22	Statewide Service Delivery	542.0	495.4	485.0	478.4	-6.6	-1.4%
23	Block Grants CIP	57.7	58.1	0.0	0.0	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Community & Regional Affairs

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	Employment Training/Rural Development						
24	Community Development Assist.	851.6	626.6	327.4	319.3	-8.1	-2.5%
25	Rural Development Grants	1,670.7	136.2	0.0	0.0	-0.0	0.0%
	* BRU Total	3,180.6	1,410.2	906.3	863.1	-23.2	-2.6%
	Rural Energy Program--Energy Operations						
26	Energy Operations	2,301.9	1,568.4	1,182.8	137.4	-1,045.4	-88.4%
	* BRU Total	2,301.9	1,568.4	1,182.8	137.4	-1,045.4	-88.4%
	Circuit Rider Program						
	Circuit Rider				425.0	425.0	%
	* BRU Total	0.0	0.0	0.0	425.0	425.0	%
***	Total Agency Expenditure	90,808.3	81,981.4	80,347.6	78,530.1	-1,817.5	-2.3%

Component Summary - FY98 Operating Budget

Agency: Department of Community & Regional Affairs

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Administration and Support							
1	Office of the Commissioner	768.0	872.3	629.3	454.2	-175.1	-27.8%
2	Administrative Services	2,807.1	1,650.5	1,824.8	1,706.7	-118.1	-6.5%
3	Data and Word Processing	456.3	506.3	731.9	629.6	-102.3	-14.0%
4	One Stop			3,656.7	0.0	-3,656.7	-100.0%
	* BRU Total	4,031.4	3,029.1	6,842.7	2,790.5	-4,052.2	-59.2%
Senior Citizens/Disabled Veterans Tax Relief							
5	Homeowners Property Tax Exempt	1,163.8				0.0	0.0%
6	Renters' Equivalency Rebate	336.2	300.0	300.0	300.0	0.0	0.0%
	* BRU Total	1,500.0	300.0	300.0	300.0	0.0	0.0%
National Forest Receipts							
7	National Forest Receipts	6,950.4	10,000.0	10,000.0	10,000.0	0.0	0.0%
	* BRU Total	6,950.4	10,000.0	10,000.0	10,000.0	0.0	0.0%
Municipal Revenue Sharing							
8	State Revenue Sharing	26,271.7	24,170.0	23,614.1	23,614.1	0.0	0.0%
9	Municipal Assistance	31,959.0	29,402.3	28,726.0	28,726.0	0.0	0.0%
	* BRU Total	58,230.7	53,572.3	52,340.1	52,340.1	0.0	0.0%
Local Government Assistance							
10	Training and Development	2,707.2	2,466.9	3,024.4	2,194.8	-829.6	-27.4%
11	State Assessor	144.3	153.1	154.8	154.1	-0.7	-0.5%
12	Local Boundary Commission	253.1	253.6	256.4	255.3	-1.1	-0.4%
13	Statewide Assistance	2,376.9	2,855.0	2,766.0	2,764.7	-1.3	-0.0%
14	National Petroleum Reserve		50.0	50.0	50.0	0.0	0.0%
15	Municipal Lands Trustee	153.1				0.0	0.0%
	* BRU Total	5,634.6	5,778.6	6,251.6	5,418.9	-832.7	-13.3%
Community and Economic Development							
16	Community & Econ Develop			1,695.7	1,691.4	-4.3	-0.3%
	* BRU Total	0.0	0.0	1,695.7	1,691.4	-4.3	-0.3%
Child Assistance							
17	Child Care	3,585.7	3,612.3	4,521.3	2,225.0	-2,296.3	-50.8%
18	Day Care Assistance Programs	14,322.3	13,875.5	15,370.1	16,955.9	1,585.8	10.3%
19	Head Start Grants	5,819.7	5,884.5	6,186.2	6,184.1	-2.1	-0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Community & Regional Affairs

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
	Child Assistance						
	* BRU Total	23,727.7	23,372.3	26,077.6	25,365.0	-712.6	-2.7%
	Employment Training/Rural Development						
20	Job Training Partnership Act	6,847.6	10,880.8	11,453.7	11,445.2	-8.5	-0.1%
21	State Training and Employment	1,573.5	1,824.6	1,763.3	1,763.3	0.0	0.0%
22	Statewide Service Delivery	5,058.6	5,885.1	7,338.0	7,331.4	-6.6	-0.1%
23	Block Grants CIP	231.2	291.6	0.0	0.0	0.0	0.0%
24	Community Development Assist.	2,167.8	3,015.4	2,952.0	2,943.9	-8.1	-0.3%
25	Rural Development Grants	2,122.3	861.8	0.0	0.0	0.0	0.0%
	* BRU Total	18,001.0	22,759.3	23,507.0	23,483.8	-23.2	-0.1%
	Rural Energy Program--Energy Operations						
26	Energy Operations	3,047.6	2,604.8	2,216.6	1,171.2	-1,045.4	-47.2%
27	Power Cost Equalization	19,329.7	17,000.0	17,000.0	17,000.0	0.0	0.0%
	* BRU Total	22,377.3	19,604.8	19,216.6	18,171.2	-1,045.4	-5.4%
	Circuit Rider Program						
	Circuit Rider				425.0	425.0	%
	* BRU Total	0.0	0.0	0.0	425.0	425.0	%
	*** Total Agency Expenditure	140,453.1	138,416.4	146,231.3	139,985.9	-6,245.4	-4.3%
	Federal Funds	21,195.2	29,157.6	34,920.1	30,763.4	-4,156.7	-11.9%
	General Funds	90,808.3	81,981.4	80,347.6	78,530.1	-1,817.5	-2.3%
	Other Funds	28,449.6	27,277.4	30,963.6	30,692.4	-271.2	-0.9%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Community & Regional Affairs

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Administration and Support													
Office of the Commissioner													
Delete funds, authorization for two PFT Special Assistants	Dec	-163.9	-163.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	0.0	0.0
1004 Gen Fund		-90.4											
1007 I/A Rcpts		-73.5											
General GF reduction to travel	Dec	-10.0	0.0	-10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-10.0											
Department-wide GF reduction to Gov. Amend. travel	Dec	-1.2	0.0	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-1.2											
		-175.1	-163.9	-11.2	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	0.0	0.0
Administrative Services													
Deny I/A Rcpts. increment for One-Stop	Dec	-97.7	-78.7	-7.5	-9.5	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1007 I/A Rcpts		-97.7											
Add GF for Ak. Marine Safety Education Association	Inc	150.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	150.0	0.0	0.0	0.0
1004 Gen Fund		150.0											
Unallocated GF reduction	Dec	-169.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-169.1	0.0	0.0	0.0
1004 Gen Fund		-169.1											
Department-wide GF reduction to Gov. Amend. travel	Dec	-1.3	0.0	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-1.3											
		-118.1	-78.7	-8.8	-9.5	-2.0	0.0	0.0	0.0	-19.1	0.0	0.0	0.0
Data and Word Processing													
Deny I/A Rcpts. increment for One-Stop	Dec	-100.0	-38.3	-30.0	-27.7	-4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1007 I/A Rcpts		-100.0											
Department-wide GF reduction to Gov. Amend. travel	Dec	-2.3	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-2.3											
		-102.3	-38.3	-32.3	-27.7	-4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
One Stop													
Deny federal receipts for One Stop	Dec	-3,656.7	0.0	-89.0	-1,625.0	-9.0	-1,933.7	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		-3,656.7											
		-3,656.7	0.0	-89.0	-1,625.0	-9.0	-1,933.7	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-4,052.2	-280.9	-141.3	-1,662.2	-15.0	-1,933.7	0.0	0.0	-19.1	-2.0	0.0	0.0
Local Government Assistance													
Training and Development													
Deny GF, fed fund increment for RUBA program	Dec	-725.0	-337.0	-80.0	-200.0	-21.0	-17.0	0.0	-70.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		-500.0											
1004 Gen Fund		-225.0											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Community & Regional Affairs

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Local Government Assistance													
Training and Development													
Delete general funds, 0. PFT position	Dec	-89.6	-89.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-89.6											
Department-wide GF reduction to Gov.	Dec	-15.0	0.0	-15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel (6.8%)													
1004 Gen Fund		-15.0											
		-829.6	-426.6	-95.0	-200.0	-21.0	-17.0	0.0	-70.0	0.0	-1.0	0.0	0.0
State Assessor													
Department-wide GF reduction to Gov.	Dec	-0.7	0.0	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel													
1004 Gen Fund		-0.7											
		-0.7	0.0	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Local Boundary Commission													
Department-wide GF reduction to Gov.	Dec	-1.1	0.0	-1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel													
1004 Gen Fund		-1.1											
		-1.1	0.0	-1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statewide Assistance													
Department-wide GF reduction to Gov.	Dec	-1.3	0.0	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel													
1004 Gen Fund		-1.3											
		-1.3	0.0	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-832.7	-426.6	-98.1	-200.0	-21.0	-17.0	0.0	-70.0	0.0	-1.0	0.0	0.0
Community and Economic Development													
Community and Economic Development													
Department-wide GF reduction to Gov.	Dec	-4.3	0.0	-4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel													
1004 Gen Fund		-4.3											
		-4.3	0.0	-4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-4.3	0.0	-4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Assistance													
Child Care													
Reduce direct grants, admin. support to child care providers	Dec	-2,293.3	-124.4	-2.4	-94.9	-2.9	0.0	0.0	-2,019.1	-49.6	-4.0	0.0	0.0
1004 Gen Fund		-2,293.3											
Department-wide GF reduction to Gov.	Dec	-3.0	0.0	-3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amend travel													
1003 G/F Match		-3.0											
		-2,296.3	-124.4	-5.4	-94.9	-2.9	0.0	0.0	-2,019.1	-49.6	-4.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Community & Regional Affairs

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Child Assistance													
Day Care Assistance Programs													
Increase grant funds to parents for day care assistance	Inc	1,585.8	00	00	00	00	00	00	1,585.8	00	00	00	00
1004 Gen Fund		1,585.8											
		1,585.8	00	00	00	00	00	00	1,585.8	00	00	00	00
Head Start Grants													
Department-wide GF reduction to Gov. Amend. travel	Dec	-2.1	00	-2.1	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-2.1											
		-2.1	00	-2.1	00	00	00	00	00	00	00	00	00
*** BRU Total ***		-712.6	-124.4	-7.5	-94.9	-2.9	00	00	-433.3	-49.6	-4.0	00	00
Employment Training/Rural Development													
Job Training Partnership Act													
General GF reduction for travel	Dec	-3.5	00	-3.5	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-3.5											
Department-wide GF reduction to Gov. Amend. travel	Dec	-5.0	00	-5.0	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-5.0											
		-8.5	00	-8.5	00	00	00	00	00	00	00	00	00
Statewide Service Delivery													
Department-wide GF reduction to Gov. Amend. travel	Dec	-6.6	00	-6.6	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-6.6											
		-6.6	00	-6.6	00	00	00	00	00	00	00	00	00
Community Development Assistance													
Department-wide GF reduction to Gov. Amend. travel	Dec	-8.1	00	-8.1	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-8.1											
		-8.1	00	-8.1	00	00	00	00	00	00	00	00	00
*** BRU Total ***		-23.2	00	-23.2	00	00	00	00	00	00	00	00	00
Rural Energy Program--Energy Operations													
Energy Operations													
Reduce general funds, PFT positions for energy programs	Dec	-913.4	-913.4	00	00	00	00	00	00	00	-14.0	00	00
1004 Gen Fund		-913.4											
General fund reduction to travel	Dec	-120.0	00	-120.0	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-120.0											
Department-wide GF reduction to Gov. Amend. travel	Dec	-12.0	00	-12.0	00	00	00	00	00	00	00	00	00
1004 Gen Fund		-12.0											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Community & Regional Affairs

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Rural Energy Program--Energy Operations												
Energy Operations	-1,045.4	-913.4	-132.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	0.0	0.0
*** BRU Total ***	-1,045.4	-913.4	-132.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	0.0	0.0
Circuit Rider Program												
Circuit Rider												
Add GF for circuit rider program 1004 Gen Fund 425.0	425.0	0.0	0.0	425.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	425.0	0.0	0.0	425.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***	425.0	0.0	0.0	425.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
***** Agency Total *****	-8,245.4	-1,745.3	-406.4	-1,532.1	-38.9	-1,950.7	0.0	-503.3	-68.7	-21.0	0.0	0.0

House Finance Budget Subcommittee Community and Regional Affairs Recommendations

Administration and Support

Office of the Commissioner

The commissioner's office has two special assistant positions. One of those positions was added by the Governor for his Children's Cabinet. The subcommittee's recommendation is that the governor should fund any Children's Cabinet positions out of his own budget. The subcommittee also recommends that the commissioner, in time's of budget cuts, already has at his disposal an executive secretary, a deputy commissioner and an administrative clerk, therefore, the second special assistant position should be cut, 163.9 (90.4 GF, 73.5 I/A Receipts).

An additional decrement of 10.0 GF was cut from travel for the Commissioner's Office. This decrement is in conjunction with the above cuts taken to personnel.

Administrative Services

Deny increment to interagency receipts for the One-Stop component. Setting up a new component, even with federal funds, sets up additional bureaucracy. When the federal grant money runs out, the state will still need to support this additional program, 97.7 I/A Receipts.

Increment to designated grants line for Alaska Marine Safety Education Association. This increment is for House Bill 13 which was passed without a fiscal note, 150.0 General Funds.

An additional 169.1 unallocated general fund reduction was taken from this component to fund a circuit rider program for energy systems.

Data and Word Processing

Deny increment to interagency receipts for the One-Stop component. Setting up a new component, even with federal funds, sets up additional bureaucracy. When the federal grant money runs out, the state will still need to support this additional program, 100.0 Inter-Agency Receipts.

One Stop

Deny increment of federal receipts for the one-stop component. Setting up a new component, even with federal funds, sets up additional bureaucracy. When the federal grant money runs out, the state will still need to support this additional program, 3,656.7 Federal Funds.

Local Government Assistance

Training and Development

Deny increment for federal receipts to set up additional training program for Rural Utility Business Assistance, 500.0 Federal Funds.

Deny increment of General Funds to set up additional training program for Rural Utility Business Assistance, 225.0 General Funds.

An additional 89.6 unallocated general fund reduction was taken from this component to fund a circuit rider program for energy systems.

Child Assistance

Child Care

Reduce direct grants to day care providers in order to make additional money available to parents on the waiting list. These moneys are currently granted to day care providers who accept children of parents on Day Care Assistance. The grants are used to fund additional training, referral services, and direct grants to day care providers, 2,293.3 GF.

Day Care Assistance

Increase day care assistance grant funds available, 1,585.8 General Funds.

Employment Training

JTPA

Reduce travel for division coordination and legislative hearings, 3.5 General Funds.

Rural Energy Program

Energy Operations

Decrease personnel in Energy Operations back to its original legislative intent, 913.4 GF.

An additional 120.0 general fund reduction to travel was taken from this component to fund a circuit rider program for energy systems. This reduction still leaves approximately 120.0 in travel.

Departmentwide

An additional 64.0 general fund reduction to travel (5%) was taken to fund a circuit rider program for energy systems.

Community and Regional Affairs

	FY97 Auth	FY98 Gov	Changes	FY98 Subcommittee
Administration and Support				
Office of the Commissioner	872.3	629.3	175.1	454.2
Administrative Services	1,650.5	1,824.8	118.1	1,706.7
Data and Word Processing	506.3	731.9	102.3	629.6
One Stop	.0	3,656.7	3,656.7	.0
BRU Total	3,029.1	6,842.7	4,052.2	2,790.5
Senior Citizens/Disabled Veterans Tax Relief				
Homeowners Property Tax Exempt	.0	.0	.0	.0
Renters Equivalency Rebate	300.0	300.0	.0	300.0
BRU Total	300.0	300.0	.0	300.0
National Forest Receipts				
National Forest Receipts	10,000.0	10,000.0	.0	10,000.0
BRU Total	10,000.0	10,000.0	.0	10,000.0
Municipal Revenue Sharing				
State Revenue Sharing	24,170.0	23,614.1	.0	23,614.1
Municipal Assistance	29,402.3	28,726.0	.0	28,726.0
BRU Total	53,572.3	52,340.1	.0	52,340.1
Local Government Assistance				
Training and Development	2,466.9	3,024.4	829.6	2,194.8
State Assessor	153.1	154.8	.7	154.1
Local Boundary Commission	253.6	256.4	1.1	255.3
Statewide Assistance	2,855.0	2,766.0	1.3	2,764.7
National Petroleum Reserve	50.0	50.0	.0	50.0
Municipal Lands Trustee	.0	.0	.0	.0
BRU Total	5,778.6	6,251.6	832.7	5,418.9
Community and Economic Development				
Community and Economic Development	.0	1,695.7	4.3	1,691.4
BRU Total	.0	1,695.7	4.3	1,691.4
Child Assistance				
Child Care	3,612.3	4,521.3	2,296.3	2,225.0
Day Care Assistance Programs	13,875.5	15,370.1	-1,585.8	16,955.9
Head Start Grants	5,884.5	6,186.2	2.1	6,184.1
BRU Total	23,372.3	26,077.6	712.6	25,365.0
Employment Training/Rural Development				
Job Training Partnership Act	10,880.8	11,453.7	8.5	11,445.2
State Training and Employment	1,824.6	1,763.3	.0	1,763.3
Statewide Service Delivery	5,885.1	7,338.0	6.6	7,331.4
Block Grants CIP	291.6	.0	.0	.0
Community Development Assistance	3,015.4	2,952.0	8.1	2,943.9
Rural Development Grants	861.8	.0	.0	.0
BRU Total	22,759.3	23,507.0	23.2	23,483.8
Rural Energy Program				
Energy Operations	2,604.8	2,216.8	1,045.4	1,171.2
Power Cost Equalization	17,000.0	17,000.0	.0	17,000.0
BRU Total	19,604.8	19,216.8	1,045.4	18,171.2
Circuit Rider				
Circuit Rider Program	.0	.0	-425.0	425.0
BRU Total	.0	.0	-425.0	425.0
Total Agency Expenditure				
	138,416.4	146,231.3	6,245.4	139,985.9
Federal Funds				
Federal Funds	29,157.6	34,920.1	4,156.7	30,763.4
General Funds				
General Funds	81,981.4	80,347.8	1,817.5	78,530.1
Other Funds				
Other Funds	27,277.4	30,963.6	271.2	30,692.4

MEMORANDUM

STATE OF ALASKA

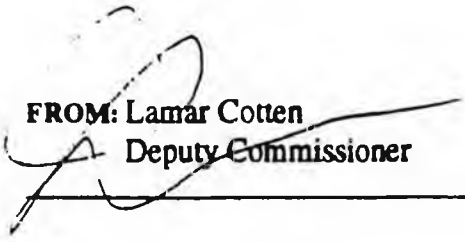
Community and Regional Affairs

TO: Anna Lee Mc Connell

DATE: 3.20.97

FILE:

PHONE: 4703


FROM: Lamar Cotten
Deputy Commissioner

SUBJECT: Impact Statements

Attached please find ANCRRA's impact statement for the house finance sub-committee action held at yesterday's close out hearing. We are of course concerned about all the proposed cuts. However of particular concern is the **one stop program** which is a \$7.2 million federal grant. This multi-agency effort is a critical part of the administration's welfare reform effort. It is not a new program nor does it require state funding. I would urge a coordinated effort by HESS, Labor, Education and DCRA to explain to key finance members the benefits of this program.

Department of Community and Regional Affairs
Impact Statements

Local Government Assistance BRU

Training and Development

Eliminate GF (\$225.0) and Federal (\$500.0) for RUBA

Elimination of this funding will result in the loss of three current positions associated with the Rural Utility Business Assistance (RUBA) program, reducing the program's staffing by approximately 60%. Reduction of this program will result in some rural sewer and water systems failing because of poor management and operating practices. Since these systems typically represent multi-million dollar state and federal investments, the consequence of failed systems could result in the need for system repairs costing millions of dollars. Failed systems will also result in unsanitary living conditions for residents of the community in which the system is located.

While these funds are shown as an increment, the \$225.0 GF has been provided to the department via the capital budget for the last three years; either directly to DCRA (FY97) or as part of DEC's budget (FY95 & FY96).

The \$500.0 increment of federal funds represents a program expansion of three additional staff. The money would come from the EPA and is anticipated for approximately a five-year period. The RUBA program can easily, and appropriately, be phased back at that point to recognize the decrease in federal support.

The expansion of the RUBA program was the number one recommendation of the Rural Sanitation Council under both Governor Knowles and Governor Hickel. The Council was composed of representatives of both the state and federal government, private sector, local government officials, and legislators.

Eliminate GF (\$89.6) for LGS V Position

Elimination of a Local Government Specialist V position will result in the loss of the manager and senior staff person of the Rural Utility Business Advisor program. This action, coupled with the decision to eliminate an additional \$225.0 from this program will virtually eliminate the RUBA program. This program has been a high priority of the Rural Sanitation Council under both Governors Knowles and Hickel. Eliminating this program will result in sewer and water systems that are, at best, poorly managed, do not generate sufficient income to cover costs, and ultimately fail. System failure generates substantial increases in health problems and results in the expenditure of additional public funds on repairs. The sanitation council has gone on record as considering this one of the most cost effective programs being provided by the state.

Child Assistance BRU

Child Care

Eliminate GF (\$2,293.3) for Child Care Grants and Personal Services

Grants Reduction (\$2,019.1)

Education and Training Grants Reduction of (\$200.0) eliminates Education and Training Grants to licensed child care providers thereby reducing the quality of child care provided in homes and centers. These funds are an important part of our efforts to improve the quality of child care. They are granted to the Child Care Resource and Referral agencies and leverage federal quality funds from the Child Care and Development Fund.

Child Care Grant Program Reduction of (\$1,819.1) eliminates the Child Care Grant program to licensed child care providers which reduces the quality of child care services and increases costs to families for child care services.

- 1) Some licensed facilities may close as many facilities are able to remain open only because of the Child Care Grant program. This may have the effect of placing more children in care that does not meet the basic standards of safety. This reduction may also reduce the availability of care to currently employed persons and prevent welfare clients from going to work for lack of child care.
- 2) Those facilities struggling to remain open would have to increase their rates which would:
 - a) increase child care costs to low income parents;
 - b) increase costs of care to parents on welfare; and,
 - c) increased rates will effect the Market Rate Survey used to establish subsidy payments and therefore increase the cost to the state of the DCAP program, thereby reducing the number of children that could be served.
- 3) We will see lower levels of services to current and future children in child care facilities because expected rate increases will meet only basic operating costs. This is in sharp contrast to the current effect of Child Care Grant funds which now enhance the quality of care that all children in these facilities receive.
- 4) Specific impact to child care providers and children will be:
 - a) decreased food supply and nutrition for the children. CCG funds are frequently used to provide food for children in care. The federal child care

food program has been drastically reduced so there is a double negative impact on our child care facilities to provide food for children;

- b) reduction in staff -- too many children for one caregiver to take care of for minimum health and safety assurance;
 - c) income of child care facility staff will move closer to poverty levels (average wages are now approximately \$14,500 per year);
 - d) reduction in supplies and learning materials available to the children and consequent loss of positive learning environment; and
 - e) loss of even minimal fringe benefits -- no health care for employees or their children.
5. Child Care Grants increase the quality of care and quality of the environment in the licensed facilities. Licensing standards are minimum standards of acceptable care for children. The cost of maintaining those standards are high. Required education and training of staff costs money. Standards of heating, plumbing, electricity, and adequate space per child cost money. Parents cannot afford to pay the total cost of care and the Child Care Grants help to reduce the costs that would otherwise be passed on to families.

This reduction eliminates all General Fund administrative support to the Child Care Programs. There are no other General Fund dollars to support personal services, travel, or contractual administrative expenditure in this unit.

The Child Care Programs unit is charged with administration of the Day Care Assistance Program (\$9.846 million GF), Child Care and Development Fund (\$4.823 million Federal), and other essential services to parents, children, and the child care industry in Alaska.

Child Care Programs were budgeted at under 3% GF administrative support in SFY 98. No other unit of state government is as efficient and effective in managing multi-million dollar grant programs. (\$274.2 administrative support and \$9,846.7 Day Care Assistance Program grants)

Personal Services Reduction (\$174.0)

This reduction results in the elimination of at least three essential positions in the unit. This will cause the Department to eliminate the last vestiges of program accountability. We will no longer be able to monitor Day Care Assistance or Child Care Grant programs or to apply the high standards of accountability for management of state dollars that we have in the past. We will not be able to provide the level of technical assistance to our Local Administrators that they need.

Travel Reduction (\$2.4)

Five fewer compliance monitoring and technical assistance trips.

Contractual Reduction (\$94.9)

Effectively eliminates communications, printing forms, and the annual meeting with the Local Administrators of the child care assistance programs.

Supplies Reduction (\$2.9)

Day Care Assistance

Increase GF \$1,585.8 for Day Care Assistance Grants

It is difficult to measure the impact of an increase of \$1,585.8 in the Day Care Assistance Program due to the elimination of the child care grant program. If child care homes and centers increase child care rates, the additional funds will be necessary to keep current parents and children on the program. If rates and demand remain stable, it would be possible to address a waiting list should one exist.

Rural Energy Programs BRU

Energy Operations

Eliminate GF (\$913.4) for Operations

The Energy Operations component funds the staff and basic support services required to administer the following energy programs:

- Power Cost Equalization
- Bulk Fuel Upgrades and Repairs
- Rural Electric Power Systems Upgrades & Emergency Response
 - Emergency Response
 - Powerhouse Operator Training
- Alternative Energy
- Alaska Bioenergy Program
- Rebuild America
- Loan Programs
 - Power Project Fund
 - Bulk Fuel Revolving Loan Fund
 - Rural Electrification Revolving Loan Fund

Other Statutory Programs
Utility Improvements
Electrical Service Extension Fund
Southeast Energy Fund
Four Dam Pool Transfer Fund
Alaska Electric Power Statistics

The Governor's FY 98 Budget provides \$2,216.6 for the Energy Operations component. This level of funding already includes a reduction of (\$400.0). The Division is now asked to further reduce the component by (\$913.4) and to retain only 9 positions out of the proposed 24 positions

Chapter 18 SLA 1993 created the statutes under which the Division performs, and that has been the guide in the transition of programs and personnel from the former AEA. Section 35 (copy attached) authorized the Department of Community and Regional Affairs to determine which employees of the former AEA were to continue to be employed to insure uninterrupted services to programs. In no other sections of the bill is there reference to the number of employees that the Department should employ to administer the rural energy programs.

The Division has retained only the positions necessary to continue uninterrupted services to the programs transferred from the former AEA. AEA/AIDEA retained ownership and administration of the Four Dam Pool power projects and Anchorage-Fairbanks Intertie.

The Division contracts out work for assessment of emergencies. After staff performs a preliminary damage assessment, the actual repair work is contracted out. Work is also contracted out for projects funded through Community Development Block Grants (ICDBG) and American Native Association (ANA) grants. The Division is not staffed to do field work—the only work currently performed by staff in the field is associated with the close-out of a few projects that began when the Division had more technical staff.

With nine positions, the Division would not be able to provide basic performance reviews of its contractors; nor could it respond to emergencies by organizing the specific contractor(s) required to respond to a specific emergency. The Division would lose its engineering and specialized technical expertise in energy programs. Since FY 94 the Division has continued to streamline the administration of its programs; however, cutting 15 positions (62.5% of the staff) would create serious damage to the projects that are underway. The 24 positions proposed in the Governor's FY 98 Energy Operations component represent the minimum staff required to maintain basic levels of service to programs listed earlier in this section. Since FY 94, the Division has continued to streamline the administration of its programs, as demonstrated by the fact that the FY 98 Energy Operations component proposes 24 positions while the AEA, prior to the enactment of Chapter 18 SLA 1993, was staffed by 76 positions.

Eliminate GF (\$120.0) for Travel

Increment GF \$425.0 for Circuit Rider Program

Administration and Support BRU

Office of the Commissioner

Eliminate I/A (\$70.1) for Special Assistant to the Children's Cabinet

The position of Special Assistant to the Children's Cabinet was established to coordinate and facilitate the actions of the Governor's mini-cabinet on children, youth, and education. The special assistant serves as staff to the commissioners of Community and Regional Affairs, Health and Social Services, Education, Law, Public Safety, Corrections, the director of the Governor's Office of Management and Budget, and the Lieutenant Governor.

The special assistant position is paid for through interagency receipts, and is critical to implementation of the goals of the Children's Cabinet. To date, the Children's Cabinet special assistant has been instrumental in implementation of Children's Cabinet initiatives including assistance in activation of the Children's Trust, writing a successful grant application for the Danforth Foundation grant, planning the Children's Summit and the Governor's Conference on Youth and Justice, and reviewing recommendations of the Tribal/State Collaboration and the Quality Schools initiative.

Elimination of the special assistant position would severely hinder the abilities of this inter-agency effort at improving delivery of state services to Alaska's most vulnerable residents.

Eliminate GF (\$90.4) for Special Assistant

The Special Assistant to Commissioner Irwin (PCN 21516X) fulfills a number of duties which are integral to the efficient functioning of the commissioner's office.

As the commissioner's professional staff, the special assistant's most important duty is that of liaison to the Legislature. The legislative liaison's responsibilities include tracking and reviewing legislation that affects the Department, scheduling staff testimony, working with legislators and their staff to fulfill requests for information, working with other executive agencies and staff to coordinate responses to legislative requests, serving as departmental spokesperson, and performing or directing departmental research in response to legislative requests.

In addition to legislative duties, the special assistant acts as the commissioner's designee to state boards and commissions and other public and private-sector entities. The special assistant has served as the commissioner's representative on the Commission on Aging, Rural CAP, the Alaska Head Start Association, the Alaska Federation of Natives, Rural Provider's Conference, and others.

The special assistant also works to implement the commissioner's directives regarding internal and external departmental communication.

Elimination of the special assistant position would be extremely detrimental to the efficient functioning of the commissioner's office. This cut is inadvisable and strongly recommended against.

Eliminate GF (\$10.0) for Travel

Administrative Services

Eliminate GF (\$169.1) for Personal Services and Consolidate Juneau and Anchorage Fiscal Offices

Eliminate I/A (\$97.7) for One-Stop Increment

There were no new positions added as a result of the increase in I/A for the One-Stop Shop program. The I/A replaced a portion of the (\$120.0) GF reduction in the Governor's request. Fiscal, procurement, and grant (contract) administration activities related to the One-Stop Shop program would have been absorbed by existing staff. Also included in the Governor's Budget is an increment of \$173.0 in I/A, which included \$85.0 from the JTPA. It is not certain whether these administrative dollars will be received due to JTPA administrative cost limitations.

Therefore, as a result of the above reductions, this component faces a potential shortfall of (\$351.8), excluding the allowance for vacancy of (\$96.8), or (\$448.6) including vacancy. This will equate to a reduction of six to nine positions. These reductions will result in slower payments to recipients of departmental programmatic funds which include day care homes and centers, municipalities and unincorporated communities, non-profits, various grantees, and contractors (some of which are small entities who will be unable to meet payroll and pay local employees). They will also result in delayed filing of required federal reports which results in the loss of federal funds.

Consolidation of the Juneau and Anchorage offices will achieve only a minimal reduction in workload as there is currently no duplication of work being performed.

Data and Word Processing

Eliminate I/A (\$100.0) for One-Stop Increment

This reduction is entirely associated with the data processing aspects of the One-Stop Shop program and essentially means there will be no data processing enhancement for the One-Stop Shop program since the program is eliminated as described below.

One-Stop

Eliminate Federal (\$3,565.7) for One-Stop Shop Program

One-Stop is an idea whose time has come: the idea that government should operate more like the private sector. We operate a customer service business. And we need to use some of the techniques of business management in order to serve our customers better and do it more efficiently than we have in the past.

One-Stop is not an ongoing program. It is federal funding to provide temporary assistance to states to implement this idea. It pays for the development of infrastructure for the leaner and more efficient government services of the future. It provides funding for two types of infrastructure:

Human Infrastructure

- 1) Training for line staff and line supervisors in how to integrate services, as well as how to think more entrepreneurially in order to fund Alaska's jobs and assistance programs.
- 2) Coordination between departments, non-profits, and the private sector in order to co-locate services, avoid duplication of services, and more effectively get Alaskans to work.

Electronic Infrastructure

- 1) Computers and software for the desks of line workers. One-Stop will purchase approximately three million dollars worth of new computers, cabling, and software. These will replace outdated systems and provide for more efficiency for state workers. Computers being replaced will become training machines for clients in job training programs and provide opportunities for Alaska's employers to hire Alaskans ready to work.
- 2) Integration software. New software will be developed which will integrate the programs of five departments. This will enable us to avoid duplication of services, eliminate potential fraud and redundant paperwork, and reduce staff time.

What will happen if we do not accept the federal funding for One-Stop:

Alaska could lose other funds and risk non-compliance with Federal legislation:

- **Welfare Reform mandates moving people from welfare to work.**

If we do not meet our work participation requirements, we could be facing up to 21% cuts in the TANF block grant, which would be required to be made up with state funds.

- **Consolidation of Employment and Training Programs.**

Services to veterans, youths, disabled, and displaced workers, et cetera, will be consolidated in Congress this year. In order to serve these Alaskans we must streamline our services.

- **School to Work, ensuring job-ready high school graduates.**

Businesses have demanded that our high schools produce graduates who are prepared for the workplace. One-Stop maximizes these job-ready efforts for Alaska's employers.

- **Research and Analysis - Labor Market Information**

Employers dependent on this information could not access this data as budgets are cut.

Alaska faces the challenge of developing a stable growing economy. We must use all resources available.

In a nutshell - One-Stop will:

- Save administrative funds that can be used for getting Alaskans jobs!
- Eliminate burdensome bureaucratic systems that waste time and money.
- Increase service delivery - get people to work faster!
- Free up staff to provide services rather than fill out paper work.
- Evaluate the effectiveness of our jobs programs, increasing accountability.
- Do more with less and do it better - who can argue with that!

Department of Community & Regional Affairs

Eliminate GF (\$64.0) for Travel Department-wide

CORRECTIONS

CORRECTIONS

Agency Totals - FY98 Operating Budget

Agency: Department of Corrections

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	135,315.2	138,745.5	140,744.8	137,848.5	-2,896.3	-2.1%
<u>Objects of Expenditure:</u>						
Personal Services	81,914.5	84,439.0	86,096.6	86,096.6	0.0	0.0%
Travel	1,153.9	1,258.3	1,231.0	1,231.0	0.0	0.0%
Contractual	35,194.5	39,861.5	40,175.6	41,298.4	1,122.8	2.8%
Commodities	11,914.5	11,017.9	11,025.4	11,025.4	0.0	0.0%
Equipment	3,182.4	83.9	83.9	83.9	0.0	0.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	1,955.4	2,084.9	2,132.3	2,084.9	-47.4	-2.2%
Miscellaneous	0.0	-0.0	0.0	-3,971.7	-3,971.7	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	1,377.7	1,687.3	1,708.3	4,142.5	2,434.2	142.5%
1004 Gen Fund	123,524.6	126,623.4	127,925.2	122,115.2	-5,810.0	-4.5%
1005 GF/Prgm	2,405.6	2,413.5	2,465.3	3,276.3	810.0	32.8%
1006 GF/MHTIA	781.3				0.0	0.0%
1007 I/A Rcpts	438.0	496.0	759.7	500.0	-259.7	-34.2%
1037 GF/MH	2,669.7	3,426.5	3,462.2	3,462.2	0.0	0.0%
1050 PFD Fund	802.9	802.9	1,047.3	1,047.3	0.0	0.0%
1059 Corr. Ind.	3,148.5	2,750.6	2,750.6	2,750.6	0.0	0.0%
1061 CIP Rcpts	166.9	545.3	625.2	554.4	-70.8	-11.3%
<u>Positions:</u>						
Perm Full Time	1,349.0	1,352.0	1,355.0	1,355.0	0.0	0.0%
Perm Part Time	6.0	4.0	4.0	4.0	0.0	0.0%
Non-Perm	21.0	24.0	0.0	0.0	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Corrections

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Administration & Operations							
1	Office of the Commissioner	1,712.9	2,268.3	1,685.9	-0.0	-1,685.9	-100.0%
2	Parole Board	486.1	488.2	491.9	-0.0	-491.9	-100.0%
3	Correctional Academy	678.2	771.8	779.7	-0.0	-779.7	-100.0%
4	Administrative Services	2,519.9	2,632.0	2,659.5	-0.0	-2,659.5	-100.0%
5	Data and Word Processing	512.7	529.9	534.2	-0.0	-534.2	-100.0%
8	Inmate Health Care	14,339.7	14,857.2	14,997.6	3,120.9	-11,876.7	-79.2%
9	Inmate Programs	1,899.7	1,946.8	1,950.2	369.3	-1,580.9	-81.1%
10	Correctional Industries Admin	1,145.6	1,171.2	1,192.6	0.0	-1,192.6	-100.0%
12	Institution Director's Office	403.8	502.0	508.9	0.0	-508.9	-100.0%
14	Anvil Mtn Correctional Center	3,847.3	3,915.8	3,963.4	-0.0	-3,963.4	-100.0%
15	Combined Hiland Mtn Corr Ctr	7,171.8	7,257.5	7,356.3	295.0	-7,061.3	-96.0%
16	Cook Inlet Correctional Center	8,328.5	7,998.0	8,107.7	249.2	-7,858.5	-96.9%
17	Fairbanks Correctional Center	6,909.1	7,015.7	7,110.2	21.3	-7,088.9	-99.7%
18	Ketchikan Correctional Center	2,689.5	2,613.0	2,649.0	20.8	-2,628.2	-99.2%
19	Lemon Creek Correctional Ctr	5,959.9	6,012.7	6,094.0	103.6	-5,990.4	-98.3%
20	Mat-Su Correctional Center	2,785.9	2,752.1	2,788.8	60.4	-2,728.4	-97.8%
21	Palmer Correctional Center	8,953.8	8,618.7	8,725.9	158.6	-8,567.3	-98.2%
22	Sixth Avenue Correctional Ctr	3,544.9	3,590.6	3,641.5	903.5	-2,738.0	-75.2%
23	Spring Creek Correctional Ctr	13,355.7	13,914.8	14,112.0	0.0	-14,112.0	-100.0%
24	Wildwood Correctional Center	8,624.1	8,325.4	8,428.3	15.9	-8,412.4	-99.8%
25	Yukon-Kuskokwim Corr Center	3,932.4	4,017.5	4,067.9	0.0	-4,067.9	-100.0%
33	Community Jails	4,374.6	4,812.1	4,813.3	-0.0	-4,813.3	-100.0%
27	Community Corrections Director	10,023.7	1,038.7	837.3	0.0	-837.3	-100.0%
29	Northern Region Probation	2,471.3	2,452.6	2,496.5	0.0	-2,496.5	-100.0%
30	Southcentral Region Probation	4,151.7	3,908.3	4,194.2	0.0	-4,194.2	-100.0%
31	Southeast Region Probation	913.0	839.2	896.0	0.0	-896.0	-100.0%
	Administration and Operations				106,075.7	106,075.7	%
	* BRU Total	121,735.8	114,250.1	115,082.8	111,394.2	-3,688.6	-3.2%
Administration and Support							
7	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
		0.0	0.0	0.0	0.0	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Corrections

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	Administration and Support						
	* BRU Total						
	Institutions						
26	Unallocated		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	0.0	0.0	0.0	0.0	0.0	0.0%
	Community Corrections						
28	Community Residential Centers		10,333.7	10,333.7	0.0	-10,333.7	-100.0%
	* BRU Total	0.0	10,333.7	10,333.7	0.0	-10,333.7	-100.0%
	Out of State Contracts						
13	Out-of-State Contractual	5,743.9	5,897.9	6,437.9	5,757.5	-680.4	-10.6%
	* BRU Total	5,743.9	5,897.9	6,437.9	5,757.5	-680.4	-10.6%
	Existing Community Residential Centers						
	Existing CRC Facilities				9,709.7	9,709.7	%
	* BRU Total	0.0	0.0	0.0	9,709.7	9,709.7	%
	Point MacKenzie						
32	Point MacKenzie Rehab Program	1,901.5	1,981.7	1,999.3	1,942.3	-57.0	-2.9%
	* BRU Total	1,901.5	1,981.7	1,999.3	1,942.3	-57.0	-2.9%
	Cultural Relevance Study						
	Cultural Relevance Study				50.0	50.0	%
	* BRU Total	0.0	0.0	0.0	50.0	50.0	%
	*** Total Agency Expenditure	129,381.2	132,463.4	133,853.7	128,853.7	-5,000.0	-3.7%

Component Summary - FY98 Operating Budget

Agency: Department of Corrections

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
	Administration & Operations						
1	Office of the Commissioner	1,945.8	2,542.2	2,025.3	273.9	-1,751.4	-86.5%
2	Parole Board	486.1	488.2	491.9	0.0	-491.9	-100.0%
3	Correctional Academy	678.2	771.8	779.7	-0.0	-779.7	-100.0%
4	Administrative Services	2,519.9	2,632.0	2,924.5	-0.0	-2,924.5	-100.0%
5	Data and Word Processing	512.7	1,083.7	1,097.3	563.1	-534.2	-48.7%
6	Fac-Capital Improvement Unit	166.9	210.6	214.4	214.4	0.0	0.0%
8	Inmate Health Care	14,368.8	14,857.2	14,997.6	3,120.9	-11,876.7	-79.2%
9	Inmate Programs	2,671.3	2,578.0	2,778.4	1,197.5	-1,580.9	-56.9%
10	Correctional Industries Admin	1,145.6	1,171.2	1,192.6	0.0	-1,192.6	-100.0%
11	Corr Industries Product Cost	3,148.5	2,750.6	2,750.6	2,750.6	0.0	0.0%
12	Institution Director's Office	578.5	676.7	731.0	222.1	-508.9	-69.6%
14	Anvil Mtn Correctional Center	3,847.3	3,915.8	3,963.4	-0.0	-3,963.4	-100.0%
15	Combined Hiland Mtn Corr Ctr	7,206.9	7,292.9	7,392.2	330.9	-7,061.3	-95.5%
16	Cook Inlet Correctional Center	9,281.9	9,250.2	9,374.4	1,515.9	-7,858.5	-83.8%
17	Fairbanks Correctional Center	6,973.2	7,080.5	7,176.1	87.2	-7,088.9	-98.8%
18	Ketchikan Correctional Center	2,692.2	2,615.7	2,651.7	23.5	-2,628.2	-99.1%
19	Lemon Creek Correctional Ctr	5,968.1	6,021.0	6,102.5	112.1	-5,990.4	-98.2%
20	Mat-Su Correctional Center	2,785.9	2,752.1	2,788.8	60.4	-2,728.4	-97.8%
21	Palmer Correctional Center	8,957.8	8,622.7	8,729.9	162.6	-8,567.3	-98.1%
22	Sixth Avenue Correctional Ctr	3,837.5	3,886.5	3,942.1	1,204.1	-2,738.0	-69.5%
23	Spring Creek Correctional Ctr	13,360.0	13,938.8	14,136.0	24.0	-14,112.0	-99.8%
24	Wildwood Correctional Center	8,624.1	8,325.4	8,428.3	15.9	-8,412.4	-99.8%
25	Yukon-Kuskokwim Corr Center	3,978.3	4,017.5	4,067.9	0.0	-4,067.9	-100.0%
33	Community Jails	4,374.6	4,812.1	4,813.3	0.0	-4,813.3	-100.0%
27	Community Corrections Director	10,023.7	1,038.7	837.3	0.0	-837.3	-100.0%
29	Northern Region Probation	2,471.3	2,452.6	2,496.5	0.0	-2,496.5	-100.0%
30	Southcentral Region Probation	4,151.7	3,908.3	4,194.2	-0.0	-4,194.2	-100.0%
31	Southeast Region Probation	913.0	839.2	896.0	0.0	-896.0	-100.0%
	Administration and Operations				106,075.7	106,075.7	%
	* BRU Total	127,669.8	120,532.2	121,973.9	117,954.8	-4,019.1	-3.3%

Component Summary - FY98 Operating Budget

Agency: Department of Corrections

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Administration and Support							
7	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	0.0	0.0	0.0	0.0	0.0	0.0%
Institutions							
26	Unallocated		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	0.0	0.0	0.0	0.0	0.0	0.0%
Community Corrections							
28	Community Residential Centers		10,333.7	10,333.7	0.0	-10,333.7	-100.0%
	* BRU Total	0.0	10,333.7	10,333.7	0.0	-10,333.7	-100.0%
Out of State Contracts							
13	Out-of-State Contractual	5,743.9	5,897.9	6,437.9	6,881.7	443.8	6.9%
	* BRU Total	5,743.9	5,897.9	6,437.9	6,881.7	443.8	6.9%
Existing Community Residential Centers							
	Existing CRC Facilities				10,709.7	10,709.7	%
	* BRU Total	0.0	0.0	0.0	10,709.7	10,709.7	%
New Community Residential Centers							
	New CRC Facilities				310.0	310.0	%
	* BRU Total	0.0	0.0	0.0	310.0	310.0	%
Point MacKenzie							
32	Point MacKenzie Rehab Program	1,901.5	1,981.7	1,999.3	1,942.3	-57.0	-2.9%
	* BRU Total	1,901.5	1,981.7	1,999.3	1,942.3	-57.0	-2.9%
Cultural Relevance Study							
	Cultural Relevance Study				50.0	50.0	%
	* BRU Total	0.0	0.0	0.0	50.0	50.0	%

Component Summary - FY98 Operating Budget

Agency: Department of Corrections

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	*** Total Agency Expenditure	135,315.2	138,745.5	140,744.8	137,848.5	-2,896.3	-2.1%
	Federal Funds	1,377.7	1,687.3	1,708.3	4,142.5	2,434.2	142.5%
	General Funds	129,381.2	132,463.4	133,853.7	128,853.7	-5,000.0	-3.7%
	Other Funds	4,556.3	4,594.8	5,182.8	4,852.3	-330.5	-6.4%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Imp
Administration & Operations												
Office of the Commissioner												
GF Out												
1004 Gen Fund	-1,685.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,685.9	0.0	0.0	0.0
Deny I/A Rcpts												
1007 I/A Rcpts	-65.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-65.5	0.0	0.0	0.0
	-1,751.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,751.4	0.0	0.0	0.0
Parole Board												
GF Out												
1004 Gen Fund	-491.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-491.9	0.0	0.0	0.0
	-491.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-491.9	0.0	0.0	0.0
Correctional Academy												
GF Out												
1004 Gen Fund	-779.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-779.7	0.0	0.0	0.0
	-779.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-779.7	0.0	0.0	0.0
Administrative Services												
GF Out												
1004 Gen Fund	-2,659.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,659.5	0.0	0.0	0.0
Deny I/A Rcpts												
1007 I/A Rcpts	-194.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-194.2	0.0	0.0	0.0
Deny CIP Rcpts												
1061 CIP Rcpts	-70.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-70.8	0.0	0.0	0.0
	-2,924.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,924.5	0.0	0.0	0.0
Data and Word Processing												
GF Out												
1004 Gen Fund	-534.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-534.2	0.0	0.0	0.0
	-534.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-534.2	0.0	0.0	0.0
Inmate Health Care												
GF Out												
1004 Gen Fund	-11,876.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-11,876.7	0.0	0.0	0.0
	-11,876.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-11,876.7	0.0	0.0	0.0
Inmate Programs												
GF Out												
1004 Gen Fund	-1,383.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,383.9	0.0	0.0	0.0
Dec GF for PFD												
1004 Gen Fund	-197.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-197.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Trip
Administration & Operations												
Inmate Programs												
	-1,680.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,580.9	0.0	0.0	0.0
Correctional Industries Administration												
GF Out	-1,192.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,192.6	0.0	0.0	0.0
1004 Gen Fund	-1,192.6											
	-1,192.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,192.6	0.0	0.0	0.0
Institution Director's Office												
GF Out	-461.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-461.5	0.0	0.0	0.0
1004 Gen Fund	-461.5											
GF for PFD	-47.4	0.0	0.0	0.0	0.0	0.0	0.0	-47.4	0.0	0.0	0.0	0.0
1004 Gen Fund	-47.4											
	-508.9	0.0	0.0	0.0	0.0	0.0	0.0	-47.4	-461.5	0.0	0.0	0.0
Anvil Mountain Correctional Center												
GF Out	-3,963.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3,963.4	0.0	0.0	0.0
1004 Gen Fund	-3,963.4											
	-3,963.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3,963.4	0.0	0.0	0.0
Combined Hiland Mountain Correctional Center												
GF Out	-7,061.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,061.3	0.0	0.0	0.0
1004 Gen Fund	-7,061.3											
	-7,061.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,061.3	0.0	0.0	0.0
Cook Inlet Correctional Center												
GF Out	-7,858.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,858.5	0.0	0.0	0.0
1004 Gen Fund	-7,858.5											
	-7,858.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,858.5	0.0	0.0	0.0
Fairbanks Correctional Center												
GF Out	-7,088.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,088.9	0.0	0.0	0.0
1004 Gen Fund	-7,088.9											
	-7,088.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7,088.9	0.0	0.0	0.0
Ketchikan Correctional Center												
GF Out	-2,628.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,628.2	0.0	0.0	0.0
1004 Gen Fund	-2,628.2											
	-2,628.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,628.2	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Trnp
Administration & Operations												
Lemon Creek Correctional Center												
GF Out	-5,990.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5,990.4	0.0	0.0	0.0
1004 Gen Fund	-5,990.4											
	-5,990.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5,990.4	0.0	0.0	0.0
Matanuska-Susitna Correctional Center												
GF Out	-2,728.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,728.4	0.0	0.0	0.0
1004 Gen Fund	-2,728.4											
	-2,728.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,728.4	0.0	0.0	0.0
Palmer Correctional Center												
GF Out	-8,567.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-8,567.3	0.0	0.0	0.0
1004 Gen Fund	-8,567.3											
	-8,567.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-8,567.3	0.0	0.0	0.0
Sixth Avenue Correctional Center												
GF Out	-2,738.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,738.0	0.0	0.0	0.0
1004 Gen Fund	-2,738.0											
	-2,738.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,738.0	0.0	0.0	0.0
Spring Creek Correctional Center												
GF Out	-14,112.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14,112.0	0.0	0.0	0.0
1004 Gen Fund	-14,112.0											
	-14,112.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14,112.0	0.0	0.0	0.0
Wildwood Correctional Center												
GF Out	-8,412.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-8,412.4	0.0	0.0	0.0
1004 Gen Fund	-8,412.4											
	-8,412.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-8,412.4	0.0	0.0	0.0
Yukon-Kuskokwim Correctional Center												
GF Out	-4,067.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,067.9	0.0	0.0	0.0
1004 Gen Fund	-4,067.9											
	-4,067.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,067.9	0.0	0.0	0.0
Community Jails												
GF Out	-4,813.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,813.3	0.0	0.0	0.0
1004 Gen Fund	-4,813.3											
	-4,813.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,813.3	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Trp
Administration & Operations												
Community Corrections Director's Office												
GF Out												
1004 Gen Fund	-837.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-837.3	0.0	0.0	0.0
	-837.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-837.3	0.0	0.0	0.0
Northern Region Probation												
GF Out												
1004 Gen Fund	-2,496.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,496.5	0.0	0.0	0.0
	-2,496.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2,496.5	0.0	0.0	0.0
Southcentral Region Probation												
GF Out												
1004 Gen Fund	-4,194.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,194.2	0.0	0.0	0.0
	-4,194.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,194.2	0.0	0.0	0.0
Southeast Region Probation												
GF Out												
1004 Gen Fund	-896.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-896.0	0.0	0.0	0.0
	-896.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-896.0	0.0	0.0	0.0
Administration and Operations												
BRU General Funds												
1004 Gen Fund	106,075.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	106,075.7	0.0	0.0	0.0
	106,075.7	0	0.0	0.0	0.0	0.0	0.0	0.0	106,075.7	0.0	0.0	0.0
*** BRU Total ***	-4,019.1	0.0	0.0	0.0	0.0	0.0	0.0	-47.4	-3,971.7	0.0	0.0	0.0
Community Corrections												
Community Residential Centers												
Existing CRCs												
1004 Gen Fund	-10,333.7	0.0	0.0	-10,333.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	-10,333.7	0.0	0.0	-10,333.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***	-10,333.7	0.0	0.0	-10,333.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Out of State Contracts												
Out-of-State Contractual												
Out of State Contracts												
1004 Gen Fund	443.8	0.0	0.0	443.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fnd Chg to Fed												
1002 Fed Rcpts	1,124.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Typo	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Out of State Contracts												
Out-of-State Contractual												
Fnd Chg to Fed	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-1,124.2										
		443.8	0.0	0.0	443.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		443.8	0.0	0.0	443.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Existing Community Residential Centers												
Existing Community Residential Centers												
Existing CRC facilities	Trln	10,333.7	0.0	0.0	10,333.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		1,000.0										
1004 Gen Fund		8,523.7										
1005 GF/Prgm		810.0										
Existing CRC Contracts	Inc	376.0	0.0	0.0	376.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		376.0										
		10,709.7	0.0	0.0	10,709.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		10,709.7	0.0	0.0	10,709.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Community Residential Centers												
New Community Residential Centers												
New CRC facilities	Inc	310.0	0.0	0.0	310.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		310.0										
		310.0	0.0	0.0	310.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		310.0	0.0	0.0	310.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Point MacKenzie												
Point MacKenzie Rehabilitation Program												
GF Dec - Pt. MacKenzie	Dec	-57.0	0.0	0.0	-57.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-57.0										
		-57.0	0.0	0.0	-57.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-57.0	0.0	0.0	-57.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cultural Relevance Study												
Cultural Relevance Study												
Cultural Relevance Study	Inc	50.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		50.0										
		50.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		50.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Corrections

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
***** Agency Total *****	-2,896.3	0.0	0.0	1,122.8	0.0	0.0	0.0	-47.4	-3,971.7	0.0	0.0	0.0



REPRESENTATIVE ELDON MULDER
DISTRICT 23 MULDOON-Ft. RICHARDSON



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES

MEMORANDUM

DATE: March 18, 1997

TO: Representative Mark Hanley, CoChair
House Finance Committee

FROM: Representative Mulder *Eldon Mulder*

RE: Subcommittee on Corrections Report

We reviewed the proposal from the governor for the Department of Corrections. I attached several spread sheets reflecting the subcommittee work. This proposal helps move toward the goal of a balanced state budget.

We propose a total budget slightly less than FY97. We achieved the general fund mark of \$128,853,700 established by the CoChair.

In doing so, we:

- Recommend a budget of \$138,460,900 which is up from \$125,531,500 in FY95
- Provided for almost 150 new beds over the FY97 budget
- Reduced the general fund appropriation by \$5,000,000
- Included funds for a report on making treatment programs relevant to the 37% of the prison population that is native

The report recommends a structural change in the BRUs. The Administrative & Services BRU received a single allocation of General Funds. We believe this will assist the Department flexibly manage its operations. The appropriations for out-of-state beds, Community Residential Centers, Point MacKenzie Rehabilitation Farm, and a Cultural Relevance Study are separate. We believe These programs need specific visibility, accountability, and encouragement.

Report Attached

Corrections Subcommittee Report
March 17, 1997

Explanation of attached Spread sheets for the Department of Corrections FY98 Budget Recommendation

Subcommittee Reccomm column equals Committee GF + GF/Program Receipts + GF/Mental Health + Federal Receipts + PFD Funds + Correctional Industries + CIP Receipts + I/A Receipts.

The Subcommittee recommendation allocates all funds except General Funds (GF) in the Administrative & Operations BRU. The Subcommittee opted to offer the Department the flexibility to distribute GF as management decisions require.

It appropriates 106,075.7 to the BRU without specific allocation. The Subcommittee expects the Department to allocate funds to manage within available funds.

The Subcommittee outlined opportunities it sees to reduce expenditures in the Administrative & Operations BRU in sheets attached to the main spread sheet.

Subcomm Reccomendations for DEPARTMENT OF CORRECTIONS FY 98 Budget

Budget Component	FY95 Actual	FY96 Actual	FY97 Authorized	Gov FY98 Request	Subcom Recomm	Difference Gov FY98 - Subcom	Committee GF	Subcommittee Recommendations									
								GF/Program Receipts	GF/ Mental Health	Federal Receipts	PFD Funds	Correctional Industries	CIP Receipts	UA Receipts			
Admin & Operations							0.00										273.90
Office of the Comm	2,026.10	1,945.80	2,542.20	2,025.30	273.90		0.00										
Parole Board	417.70	486.10	488.20	401.90	0.00		0.00										
Corr. Academy	447.90	678.20	771.80	779.70	0.00		0.00										
Admin Services	2,587.90	2,519.90	2,632.00	2,924.50	0.00		0.00										
Data & Word Proc	430.00	512.70	1,083.70	1,097.30	563.10		0.00									340.00	223.10
Fac. Capital Imp. Unit	136.80	166.90	210.60	214.40	214.40		0.00									214.40	
Inmate Health Care							0.00	28.00	3,082.80								
Inmate programs	14,509.00	14,368.80	14,857.20	14,997.60	3,120.80		0.00		399.30			825.20					3.00
Corr. Industry Admin	2,463.80	2,871.30	2,578.00	2,581.40	1,197.50		0.00										
Corr Ind. Product Cost	1,150.50	1,145.80	1,171.20	1,192.60	0.00		0.00										
Inst Dir Off	2,227.50	3,148.50	2,750.60	2,750.60	2,750.60		0.00					222.30		2,750.60			
Anvil Mountain	586.30	578.50	878.70	683.60	222.30		0.00						222.30				
Combined Hand Mtn	3,924.20	3,847.30	3,915.80	3,863.40	0.00		0.00										
Cook Inlet Cor Cntr	7,332.80	7,206.80	7,292.90	7,392.20	330.90		0.00	295.00		35.90							
Fairbanks	9,333.30	9,281.90	9,250.20	9,374.40	1,515.90		0.00	249.20		1,266.70							
Ketchikan	7,758.40	6,973.20	7,080.50	7,176.10	87.20		0.00	21.30		65.80							
Lemon Creek	2,610.80	2,692.20	2,615.70	2,651.70	23.50		0.00	20.80		2.70							
Mat-Su Cor. Cntr	6,070.50	5,968.10	6,021.00	6,102.50	112.10		0.00	103.60		8.50							
Palmx Cor. Cntr	2,743.90	2,785.90	2,752.10	2,788.80	60.40		0.00	60.40									
6th Avenue	8,810.90	8,957.80	8,622.70	8,729.90	162.60		0.00	158.60		4.00							
Spring Creek	3,829.90	3,837.50	3,886.50	3,942.10	1,204.10		0.00	903.50		300.60							
Wildwood	13,825.90	13,360.00	13,938.80	14,136.00	24.00		0.00			24.00							
Yukon-Kuskokwim	7,860.50	8,624.10	8,325.40	8,428.30	15.90		0.00	15.90									
Yukon-Kuskokwim	3,956.00	3,878.30	4,017.50	4,067.80	0.00		0.00										
Community Jails	(Pub Safety)	4,374.60	4,812.10	4,813.30	0.00		0.00										
Community Corr. Dir.	9,274.00	10,023.70	1,038.70	837.30	0.00		0.00										
Northern Reg. Probation	2,237.40	2,471.30	2,452.60	2,496.50	0.00		0.00										
Southcentral Reg. Prob.	3,366.00	4,151.70	3,988.30	4,194.20	0.00		0.00										
Southeast Probation	736.80	913.00	839.20	896.00	0.00		0.00										
GF Appropriation to BRU					106,075.70		106,075.70										
BRU Total	120,304.80	127,669.80	120,532.20	121,729.50	117,955.00	(3,774.50)	106,075.70	1,856.30	3,462.20	1,708.30	1,047.50	2,750.60	554.40	500.00			
Out-of-State Contracts																	
Out-of-State Contracts	3,549.20	5,743.90	5,897.90	6,898.10	6,881.70	(16.40)	5,757.50			1,124.20							
BRU Total	3,549.20	5,743.90	5,897.90	6,898.10	6,881.70	(16.40)	5,757.50	0.00	0.00	1,124.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Existing CRC Facilities																	
Comm Residential Centers			10,333.70	9,873.50	10,709.70	836.20	8,899.70	810.00		1,000.00							
BRU Total			10,333.70	9,873.50	10,709.70	836.20	8,899.70	810.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New CRC Facilities																	
Comm Residential Centers					310.00	310.00	0.00			310.00							
BRU Total					310.00	310.00	0.00	0.00	0.00	310.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Point Macenzie Rehab	1,623.50	1,901.50	1,981.70	1,999.30	1,942.30	(57.00)	1,942.30										
Cultural Relevance Study					50	50.00											
DEPARTMENT TOTAL	125,477.50	135,315.20	138,745.50	140,500.40	137,848.70	(2,651.70)	122,725.20	2,666.30	3,462.20	4,142.50	1,047.50	2,750.60	554.40	500.00			
Carry Forward		[2300.00]	[727.10]														
Revenue Source																	
General Funds	120,348.30	129,381.20	132,463.40	133,853.70	128,853.70	(5,000.00)											
Federal Funds	1,648.40	1,377.70	1,687.30	1,708.30	4,142.50	2,434.20											
Other Funds	3,534.00	4,556.30	4,594.80	4,938.40	4,852.50	(85.90)											
TOTAL BUDGET	125,531.50	135,315.20	138,745.50	140,500.40	137,848.70	(2,651.70)											

DEPARTMENT OF CORRECTIONS FY 98 Subcom recommendation

Budget Component	Potential GF Reduction	Subcommittee Recommendations for Specific Reductions
Admin. & Support		
Office of the Com.	(223.20)	Disallow I/A transfer to commissioner to fund internal auditor, eliminate special assistant - reduce personal services 80.0, reduce travel 43.2, reduce contractual by 100.0, (specifically no transfer to C&RA) disallow I/A receipts from DOC 65.5
Parole Board	(3.70)	3.7 savings from recruiting new director at step A
Cor. Academy	(155.50)	Accept reduction of 24 Non-Perm positions saving 155.5
Admin. Services	(112.60)	Eliminate Federal Aide Coordinator 70.8 CIP funds; deny DOC I/A transfers 194.2; eliminate budget analyst 54.6; deny increase in Contractual - Professional Services (Savings 50); reduce supplies 8.0
Data & Word Proc	(180.00)	Reduce 180.0
Fac- Capital Imp. Unit		none
Inmate Health care	(104.80)	Deny increase in GF 76.7; deny I/A transfer to Admin. Serv & Com. Office 28.1
Inmate programs	(216.10)	Reduce travel & per diem 10.3; deny I/A transfer to Admin. Serv & Com. Office 8.8
Cor. Industry Admin.		
Cor. Ind. Product Cost	0	Deny I/A transfer to Admin. Serv & Com. Office 2.1 Cor. Ind. Funds
Inst. Dir. Off	(115.40)	Eliminate deputy director or assistant director 94.3; reduce travel 16.5; reduce supplies 4.0; deny I/A transfer to Admin. Services 0.6
Anvil Mountain	(5.00)	Deny I/A transfer to Admin. Serv & Com. Office 5.0
Combined Highland Mt	(111.70)	Reduce premium pay 75.0; reduce travel 5.0; reduce contractual services 20.0; deny I/A transfer to Admin. Serv & Com. Office 11.7

DEPARTMENT OF CORRECTIONS FY 98 Subcom recommendation		
Budget Component	Potential GF Reduction	Subcommittee Recommendations for Specific Reductions
Cook Inlet Cor. Cntr	(45.70)	PCN20-6607 remains vacant; reduce travel 6.0; reduce contractual 25.0; deny I/A transfer to Admin. Serv & Com. Office 14.7
Fairbanks	(106.20)	Reduce premium pay 80.0; reduce travel 10.0; reduce contractual 5.0; deny I/A transfer to Admin. Serv & Com. Office 11.2
Ketchikan	(12.40)	Reduce travel 8.0; deny I/A transfer to Admin. Serv & Com. Office 4.4
Lemon Creek	(89.90)	Reduce premium pay 80.0; deny I/A transfer to Admin. Serv & Com. Office 9.9
Mat-Su Cor. Cntr	(11.90)	Reduce travel 0.7; Reduce contractual 7.0; deny I/A transfer to Admin. Serv & Com. Office 4.2
Palmer Cor. Cntr 6th Avenue	(103.10) (6.80)	Reduce premium pay 80.0; reduce contractual 10.0; deny I/A transfer to Admin. Serv & Com. Office 13.1 Deny I/A transfer to Admin. Serv & Com. Office 6.8
Spring Creek	(169.30)	Reduce premium pay 100.0; reduce travel 15.0; reduce contractual services 30.0; deny I/A transfer to Admin. Serv & Com. Office 24.3
Wildwood	(113.00)	Reduce premium pay 80.0; reduce contractual 20.0; deny I/A transfer to Admin. Serv & Com. Office 13.0
Yukon-Kuskokwim	(21.10)	Reduce travel 10.0; reduce contractual 6.0; deny I/A transfer to Admin. Serv & Com. Office 5.1
Community Cor. Dir.	(103.30)	Reduce personal services 10.0; eliminate Admin. Mg. II 91.9; retain contract. serv. for treatment beds; deny I/A to Admin. Serv. 1.4; the Dept should consider contracting collection services to private contractor as this I/A will be disallowed in FY99
Northern Reg. Probation	(3.90)	Deny I/A to Admin. Serv 3.9
Southcentral Reg. Prob.	(82.70)	Eliminate PO IV 75.4; Deny I/A to Admin. Serv 7.3
Southeast Probation	(1.50)	Deny I/A transfer to Admin. Serv 1.5

DEPARTMENT OF CORRECTIONS FY 98 Subcom recommendation		
Budget Component	Potential GF Reduction	Subcommittee Recommendations for Specific Reductions
Community Jails	(10.00)	Reduce travel 10.0
New BRU for Out-of-State-Contract	5,757.50	Appropriate 1,124.2 fed crime funds; deny I/A transfer to Com. Office 16.4
New BRU for Existing Community Residential Centers	(63.80)	Deny I/A transfer to Admin. Serv & Com. Office 63.8; increase GF/Program receipt 200.0; Reduce GF by 200.0 replaced by GF/PR; no purchase of beds from new facilities and all beds meet Dept. CRC standards; add 1,000.0 fed crime funds for new beds
New BRU for beds in new Community Residential Centers		310.0 fed crime funds appropriated for new CRC beds conditioned on no purchases from governmental entities and beds all meet dept CRC standards.
New BRU for Point MacKenzie Rehab	(57.00)	Reduce contractual personal services 15.0; reduce gratuities 40.0; deny I/A transfer to Admin. Serv 2.0
New BRU for Cultural Relevance Study	50.00	Rural Affairs Coordinator will develop a plan for culturally relevant substance abuse programs, after on-site review of the effectiveness of current programs and consultation with relevant groups in and out of the prison system.

Legislative Intent and Conditions

It is the intent of the legislature to open space in institutions for felons:

1. Pursuant to authority in AS 33.30.111, no felon should be released from custody, or placed on discretionary or mandatory parole or otherwise released into the community without participating in a residential pre-release furlough program during at least the last six months of incarceration, unless an individual determination is made that the offender presents an immediate threat to public safety.
2. Pursuant to authority in AS 33.30.031 and AS 33.30.061, pretrial misdemeanants should be transferred where practical from state operated jails and prisons to available CRCs within 12 hours of booking unless an individual determination is made that the prisoner is an immediate threat to public safety.
3. Pursuant to authority in AS 33.30.031 and AS 33.30.061, sentenced misdemeanants should serve their incarceration period in a CRC where practical, unless an individual determination is made that the prisoner is an immediate threat to public safety.

It is the intent of the legislature that the management responsibility of Community Residential Centers will be moved out of the Community Corrections Division to the Commissioner's Office.

Out-of-state-contracts BRU

1. Current beds and an additional 44 beds be utilized to increase space in in-state institutions for felons.

Condition of appropriation language

A. BRU for beds in existing CRC facilities:

Appropriation for CRC beds in the Communities of Anchorage, Barrow, Bethel, Fairbanks, Juneau to provide space in institutions for felons. CRC beds will meet all Department Standards.

B. BRU for new beds in new facilities:

Appropriation for new CRC beds, not owned or controlled by municipalities, to provide space in institutions for felons. All beds will meet Dept. standards for CRCs. Contracts will be competitively bid.

Component Intent & Notes - FY98 Operating Budget

Agency: Department of Corrections

Comp: Office of the Commissioner

BRU: Administration & Operation

House

It is the intent of the legislature that pursuant to authority in AS 33.30.111, no felon should be released from custody, or placed on discretionary or mandatory parole or otherwise released into the community without participating in a residential pre-release furlough program during at least the last six months of incarceration, unless an individual determination is made that the offender presents an immediate threat to public safety.

House

It is the intent of the legislature that pursuant to authority in AS 33.30.031 and AS 33.30.061, pretrial misdemeanants should be transferred where practical from state operated jails and prisons to available CRCs within 12 hours of booking unless an individual determination is made that the prisoner is an immediate threat to public safety.

House

It is the intent of the legislature that pursuant to authority in AS 33.30.031 and AS 33.30.061, sentenced misdemeanants should serve their incarceration period in a CRC where practical, unless an individual determination is made that the prisoner is an immediate threat to public safety.

House

It is the intent of the legislature that the management responsibility of Community Residential Centers will be moved out of the Community Corrections Division to the Commissioner's Office.

Comp: Community Corrections Director

BRU: Administration & Operation

House

It is the intent of the legislature that the management responsibility of Community Residential Centers will be moved out of the Community Corrections Division to the Commissioner's Office.

Comp: Out-of-State Contractual

BRU: Out of State Contracts

House

Component Intent & Notes - FY98 Operating Budget

Agency: Department of Corrections

Comp: Out-of-State Contractual

BRU: Out of State Contracts

It is the intent of the legislature that current beds and an additional 44 beds be utilized to increase space in in-state institutions for violent felons.

Comp: Existing CRC Facilities

BRU: Existing CRC Facilities

House

It is the intent of the legislature that this appropriation is for Community Residential Center beds in the communities of Anchorage, Barrow, Bethel, Fairbanks and Juneau, to provide space in institutions for violent felons. CRC beds will meet all department standards.

Comp: New CRC Facilities

BRU: New CRC Facilities

House

It is the intent of the legislature that the appropriation be for new CRC beds, not owned or controlled by municipalities, to provide space in institutions for violent felons. All beds will meet department standards for Community Residential Centers. Contracts will be competitively bid.

MEMORANDUM

State of Alaska
Department of Corrections
Division of Administrative Services
PHONE (907)465-3376; FAX (907)465-2006
P.O. Box 112000, Juneau, Alaska 99811-2000

TO: Annalee McConnell
Director
Office of Management and Budget
Office of the Governor

DATE: March 19, 1997

FROM: Margaret M. Pugh 
Commissioner

FILE: A-1-8H; A-1-20

SUBJECT: *House Finance
Subcommittee
Recommended FY98
Operating Budget*

The House Finance Subcommittee for Corrections FY 98 budget recommendation for the Department of Corrections FY98 Operating budget is as follows:

	Governor's Request	House Subcommittee Recommendation	Difference
General Funds	\$ 133,853.7	\$ 128,853.7	(\$ 5,000.0)
Federal Funds	\$ 1,708.3	\$ 4,142.5	\$ 2,434.2
Other Funds	\$ 4,938.4	\$ 4,852.5	(\$ 85.9)
Total	\$ 140,500.4	\$ 137,848.7	(\$ 2,651.7)

Effective General Fund Reduction of \$7.0 Million dollars:

- A \$5 million dollar general fund cut is proposed for the entire department. The subcommittee proposes to reduce the cut by the application of \$2,434.2 in federal funding, however, federal guidelines prohibit the replacement of all but \$473.8 of these federal funds.
- \$5 million dollar general fund reduction:

Institutions: The House Subcommittee proposes an "unallocated" reduction of \$3,774.5 to a new "super" appropriation which includes Institutions, Community Corrections and Community Jails as well as all the administrative components of the department.

It is the intent of the Subcommittee that all actual reductions to the operating budget be absorbed by this appropriation, and that the remaining appropriations be held harmless. The impact is that over 92 Correctional Officer positions will be held vacant for the year, An increase of 29 from this year's beginning forced vacancy of 63. The Department will examine if layoffs will have to occur to force the higher vacancies.

<u>Institution</u>	<u>Prisoners</u>		<u>Funded Staff</u>	<u>House Subcommittee Staff</u>
	<u>FY96</u> (As of 12/31/95)	<u>FY97</u> (As of 03/19/97)	<u>FY 97</u>	<u>Funding FY98</u>
Anvil Mtn. CC	94	103	36	35
Combined Hilland CC	292	298	89	86
Cook Inlet CC	413	422	111	108
Fairbanks CC	196	254	84	80
Ketchikan CC	60	61	34	33
Lemon Creek CC	172	206	75	73
Mat-Su CC	97	83	33	32
Palmer CC	396	426	97	94
Sixth Ave. CC	132	128	52	51
Spring Creek CC	490	555	185	179
Wildwood CC	325	334	98	95
Yukon-Kuskokwim CC	102	106	37	36
Total	2,769	2,976	931	902

Effect: 207 more inmates with 29 fewer staff.

Proposed replacement of existing general funds with federal funds: *prohibited by federal guidelines.*

- "Existing CRC Facilities": The Subcommittee recommends increasing the Department's request by \$836.2, by replacing general funds with \$1,000.0 federal funds and a fund source switch for the remainder.
- "Out of State Contracts": The Subcommittee recommends replacing \$1,124.2 of existing state general funds with federal funds.
- "New CRC Facilities": The subcommittee recommends \$310.0 in federal funds for this new appropriation. Federal guidelines will allow this if new beds are acquired. **The impact** is that this appropriation is to be held harmless from Department reductions.
- "Point MacKenzie Farm": The Subcommittee recommends this as a new stand alone appropriation. **The impact** is that the Farm will be held harmless for any spread of Department cuts.

COURT

COURT

Agency Totals - FY98 Operating Budget

Agency: Alaska Court System

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	46,560.5	48,984.4	52,400.8	50,400.8	-2,000.0	-3.8%
<u>Objects of Expenditure:</u>						
Personal Services	35,735.1	37,709.0	39,370.7	39,354.9	-15.8	-0.0%
Travel	977.0	955.7	955.7	955.7	0.0	0.0%
Contractual	7,992.4	9,022.1	10,688.5	10,675.9	-12.6	-0.1%
Commodities	688.2	803.0	798.5	796.0	-2.5	-0.3%
Equipment	311.9	258.0	370.8	370.8	-0.0	-0.0%
Lands/Buildings	805.9	186.6	206.6	206.6	0.0	0.0%
Grants, Claims	50.0	50.0	10.0	0.0	-10.0	-100.0%
Miscellaneous	0.0	0.0	0.0	-1,959.1	-1,959.1	0.0%
<u>Funding Sources:</u>						
1001 CBR Fund	400.0				0.0	0.0%
1002 Fed Rcpts	122.7				0.0	0.0%
1004 Gen Fund	45,998.5	48,905.1	52,321.5	50,321.5	-2,000.0	-3.8%
1006 GF/MHTIA	39.3				0.0	0.0%
1037 GF/MH		79.3	79.3	79.3	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	652.0	653.0	665.0	665.0	0.0	0.0%
Perm Part Time	39.0	42.0	48.0	48.0	0.0	0.0%
Non-Perm	25.0	21.0	24.0	24.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Alaska Court System

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
Alaska Court System							
1	Appellate Courts	3,858.1	4,001.8	4,196.1	4,196.1	-0.0	-0.0%
2	Trial Courts	35,867.4	37,944.3	39,237.2	39,237.2	0.0	0.0%
3	Administration and Support	5,839.8	6,158.6	8,022.6	8,022.6	0.0	0.0%
	Unallocated Reduction				-1,959.1	-1,959.1	0.0%
	* BRU Total	45,565.3	48,104.7	51,455.9	49,496.8	-1,959.1	-3.8%
Commission on Judicial Conduct							
4	Commission on Judicial Conduct	216.9	228.0	252.4	245.1	-7.3	-2.9%
	* BRU Total	216.9	228.0	252.4	245.1	-7.3	-2.9%
Judicial Council							
5	Judicial Council	778.3	651.7	692.5	658.9	-33.6	-4.9%
	* BRU Total	778.3	651.7	692.5	658.9	-33.6	-4.9%
	*** Total Agency Expenditure	46,560.5	48,984.4	52,400.8	50,400.8	-2,000.0	-3.8%
	Federal Funds	122.7				0.0	0.0%
	General Funds	46,037.8	48,984.4	52,400.8	50,400.8	-2,000.0	-3.8%
	Other Funds	400.0				0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Alaska Court System

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Alaska Court System							
1	Appellate Courts	3,858.1	4,001.8	4,196.1	4,196.1	0.0	0.0%
2	Trial Courts	35,867.4	37,944.3	39,237.2	39,237.2	0.0	0.0%
3	Administration and Support	5,839.8	6,158.6	8,022.6	8,022.6	0.0	0.0%
	Unallocated Reduction				-1,959.1	-1,959.1	0.0%
	* BRU Total	45,565.3	48,104.7	51,455.9	49,496.8	-1,959.1	-3.8%
Commission on Judicial Conduct							
4	Commission on Judicial Conduct	216.9	228.0	252.4	245.1	-7.3	-2.9%
	* BRU Total	216.9	228.0	252.4	245.1	-7.3	-2.9%
Judicial Council							
5	Judicial Council	655.6	651.7	692.5	658.9	-33.6	-4.9%
	* BRU Total	655.6	651.7	692.5	658.9	-33.6	-4.9%
	*** Total Agency Expenditure	46,437.8	48,984.4	52,400.8	50,400.8	-2,000.0	-3.8%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Alaska Court System

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Alaska Court System												
Unallocated Reduction												
Unallocated Reduction												
1004 Gen Fund	-1,959.1											
Dec	-1,959.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,959.1	0.0	0.0	0.0
	-1,959.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,959.1	0.0	0.0	0.0
*** BRU Total ***	-1,959.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1,959.1	0.0	0.0	0.0
Commission on Judicial Conduct												
Commission on Judicial Conduct												
Reduce personal services												
1004 Gen Fund	-7.3											
Dec	-7.3	-7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	-7.3	-7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***	-7.3	-7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Judicial Council												
Judicial Council												
Deny increments												
1004 Gen Fund	-33.6											
Dec	-33.6	-8.5	0.0	-12.6	-2.5	0.0	0.0	-10.0	0.0	0.0		0.0
	-33.6	-8.5	0.0	-12.6	-2.5	0.0	0.0	-10.0	0.0	0.0	0.0	0.0
*** BRU Total ***	-33.6	-8.5	0.0	-12.6	-2.5	0.0	0.0	-10.0	0.0	0.0	0.0	0.0
***** Agency Total *****	-2,070.0	-15.8	0.0	-12.6	-2.5	0.0	0.0	-10.0	-1,959.1	0.0	0.0	0.0

Alaska State Legislature

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House Of Representatives

While in Session
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House District 33

Judicial Branch
House Finance Budget subcommittee close-out

Subcommittee recommendations from requested FY 98 budget:

1. Alaska Court System:
Reduce General Funds by 1,959.1
2. Commission on Judicial Conduct:
Reduce Personal Services by 7.3
3. Judicial Council:
Reduce General Funds by 33.6 for requested increments.

TOTAL recommended General Fund reductions: \$2,000.0

EDUCATION

EDUCATION

Education

Agency Totals - FY98 Operating Budget

Agency: Department of Education

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	893,830.3	903,381.0	922,133.7	915,005.3	-7,128.4	-0.8%
<u>Objects of Expenditure:</u>						
Personal Services	29,991.3	31,213.5	32,218.4	31,436.6	-781.8	-2.4%
Travel	1,604.7	2,003.3	1,992.3	1,734.3	-258.0	-12.9%
Contractual	14,104.1	16,450.2	17,399.1	16,320.5	-1,078.6	-6.2%
Commodities	1,888.1	2,200.2	2,285.0	2,390.9	105.9	4.6%
Equipment	1,027.9	406.7	496.3	517.8	19.5	3.9%
Lands/Buildings	113,317.7	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	731,699.9	851,107.1	867,742.6	862,637.9	-5,104.7	-0.6%
Miscellaneous	196.6	0.0	0.0	-30.7	-30.7	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	85,316.7	94,641.1	106,737.9	101,337.9	-5,400.0	-5.1%
1003 G/F Match	2,949.8	3,134.5	3,130.8	3,030.8	-100.0	-3.2%
1004 Gen Fund	668,379.7	680,961.8	696,130.0	695,013.0	-1,117.0	-0.2%
1005 GF/Prgm	2,208.8	2,029.7	2,127.4	1,930.7	-196.7	-9.2%
1006 GF/MHTIA	4,139.9				0.0	0.0%
1007 I/A Rcpts	8,851.1	9,076.9	9,620.9	9,571.8	-49.1	-0.5%
1014 Donat Comm	186.0	360.1	362.3	362.3	-0.0	-0.0%
1022 Corp Rcpts	6,886.6	7,150.2	7,283.2	-0.0	-7,283.2	-100.0%
1030 School Fnd	2,655.0	2,690.0	2,608.4	2,608.4	0.0	0.0%
1037 GF/MH	5,696.5	227.6	228.1	228.1	0.0	0.0%
1043 P/L 81-874	21,000.6	21,017.5	21,019.1	21,019.1	-0.0	-0.0%
1044 Debt Ret	79,412.4	68,616.6	62,288.4	62,288.4	0.0	0.0%
1061 CIP Rcpts	576.2	618.9	216.6	190.2	-26.4	-12.2%
1066 Pub School	5,394.7	11,855.9	9,222.1	9,222.1	0.0	0.0%
1077 Gifts/Grnt	176.3	633.3	644.3	644.3	0.0	0.0%
1091 GF/Desig		366.9	514.2	275.0	-239.2	-46.5%
1106 P-Sec Rcpt				7,283.2	7,283.2	%
<u>Positions:</u>						
Perm Full Time	473.0	463.0	464.0	464.0	0.0	0.0%
Perm Part Time	101.0	107.0	108.0	107.0	-1.0	-0.9%
Non-Perm	5.0	5.0	5.0	5.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Education

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
	K-12 Support						
1	Foundation Program	639,723.1	649,839.8	659,587.4	659,587.4	0.0	0.0%
2	Additional District Support	3,228.7	3,149.4	3,445.9	3,445.9	0.0	0.0%
3	Cigarette Tax Distribution	2,655.0	2,690.0	2,608.4	2,608.4	0.0	0.0%
4	Tuition Students	1,854.2	1,731.2	1,731.2	1,731.2	0.0	0.0%
5	Boarding Home Grants	129.4	185.9	185.9	185.9	0.0	0.0%
6	Youth in Detention	693.8	800.0	800.0	800.0	0.0	0.0%
7	Schools for the Handicapped	3,705.2	3,721.3	3,767.4	3,767.4	0.0	0.0%
8	Pupil Transportation	32,842.2	32,842.2	35,195.2	35,195.2	0.0	0.0%
9	Child Nutrition	20,927.5	22,000.0	26,000.0	22,000.0	-4,000.0	-15.4%
10	Community Schools	596.8	500.0	500.0	500.0	0.0	0.0%
	* BRU Total	706,355.9	717,459.8	733,821.4	729,821.4	-4,000.0	-0.5%
	School Debt Reimbursement						
11	School Debt Reimbursement	79,412.4	68,616.6	62,288.4	62,288.4	0.0	0.0%
	* BRU Total	79,412.4	68,616.6	62,288.4	62,288.4	0.0	0.0%
	Teaching and Learning Support						
12	Special & Supplemental Service	36,968.5	36,731.3	45,569.2	44,458.4	-1,110.8	-2.4%
13	Quality Schools			20,779.0	19,736.8	-1,042.2	-5.0%
14	Basic Ed & Instruct Improve	10,416.8	12,187.5	0.0	0.0	-0.0	0.0%
15	Education Special Projects	123.7	245.0	1,003.8	836.6	-167.2	-16.7%
16	Adult Basic Education	2,895.1	3,080.0	0.0	0.0	0.0	0.0%
17	Federal Voc Educ Grants	4,329.2	4,822.3	0.0	0.0	0.0	0.0%
18	Adult & Voc Educ Admin	551.0	727.1	0.0	0.0	-0.0	0.0%
19	Ark Career Information System	248.7	213.0	-0.0	-0.0	-0.0	0.0%
20	Rural School Voc Educ Program	184.8	100.0	0.0	0.0	0.0	0.0%
21	School To Work		2,601.8	-0.0	0.0	0.0	0.0%
22	Teacher Certification	577.1	674.8	680.7	642.5	-38.2	-5.6%
23	Child Nutrition Administration	543.4	728.7	733.9	733.9	0.0	0.0%
	* BRU Total	56,838.3	62,111.5	68,766.6	66,408.2	-2,358.4	-3.4%

Component Summary - FY98 Operating Budget

Agency: Department of Education

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Executive Administration							
24	State Board of Education	66.0	85.7	133.3	44.0	-89.3	-67.0%
25	Commissioner's Office	526.5	570.9	650.9	539.3	-111.6	-17.1%
26	Administrative Services	2,173.6	2,009.1	1,438.8	1,415.8	-23.0	-1.6%
27	Information Services			904.3	874.1	-30.2	-3.3%
	* BRU Total	2,766.1	2,665.7	3,127.3	2,873.2	-254.1	-8.1%
School Finance							
28	District Support Services	722.9	770.8	769.2	731.5	-37.7	-4.9%
29	Data Management	461.6	375.8	-0.0	0.0	0.0	0.0%
30	Educational Facilities Support	661.1	681.4	639.5	598.5	-41.0	-6.4%
31	Donated Commodities	186.0	360.1	362.3	362.3	0.0	0.0%
	* BRU Total	2,031.6	2,188.1	1,771.0	1,692.3	-78.7	-4.4%
Correspondence Study-State							
32	Correspondence Study-State	4,005.6				0.0	0.0%
	* BRU Total	4,005.6	0.0	0.0	0.0	0.0	0.0%
Alyeska Central School							
33	Alyeska Central School		4,123.9	4,144.2	4,144.2	0.0	0.0%
	* BRU Total	0.0	4,123.9	4,144.2	4,144.2	0.0	0.0%
Commissions and Boards							
34	Professional Teaching Practice	186.8	189.0	190.7	190.7	-0.0	-0.0%
35	Ak State Council on the Arts	1,205.3	1,154.7	1,158.7	1,158.7	-0.0	-0.0%
	* BRU Total	1,392.1	1,343.7	1,349.4	1,349.4	-0.0	-0.0%
Kotzebue Technical Center							
36	Kotzebue Tech Operations Grant	734.0	634.0	634.0	637.0	3.0	0.5%
	* BRU Total	734.0	634.0	634.0	637.0	3.0	0.5%
Alaska Vocational Technical Center							
37	AVTEC Operations	4,691.1	4,627.2	4,984.9	4,672.2	-312.7	-6.3%
	* BRU Total	4,691.1	4,627.2	4,984.9	4,672.2	-312.7	-6.3%

Component Summary - FY98 Operating Budget

Agency: Department of Education

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Mt. Edgecumbe Boarding School							
38	Mt. Edgecumbe Boarding School		4,149.4	4,194.8	4,168.8	-26.0	-0.6%
39	Instruction Program	1,663.4				0.0	0.0%
40	Residential Program	2,331.7				0.0	0.0%
	* BRU Total	3,995.1	4,149.4	4,194.8	4,168.8	-26.0	-0.6%
Vocational Rehabilitation							
41	Client Services	9,991.5	10,983.5	11,662.1	11,282.7	-379.4	-3.3%
42	Federal Training Grant	10.0	56.3	56.3	56.3	0.0	0.0%
43	Voc Rehab Administration	992.2	1,003.8	1,139.2	1,139.2	0.0	0.0%
44	Independent Living Rehabilital	1,035.6	1,124.0	1,285.3	1,264.9	-20.4	-1.6%
45	Disability Determination	2,529.5	3,282.7	3,980.9	3,980.9	-0.0	-0.0%
46	Special Projects	491.1	1,293.5	1,353.3	1,353.3	0.0	0.0%
47	Assistive Technology	868.8	1,106.2	1,038.9	1,038.9	-0.0	-0.0%
48	Americans With Disabilities	24.5	185.7	123.3	113.2	-10.1	-8.2%
	* BRU Total	15,943.2	19,035.7	20,639.3	20,229.4	-409.9	-2.0%
Alaska State Library							
49	Library Operations	4,112.3	5,100.2	5,133.8	5,233.8	100.0	1.9%
50	Archives	684.5	718.1	728.8	865.1	136.3	18.7%
	* BRU Total	4,796.8	5,818.3	5,862.6	6,098.9	236.3	4.0%
Alaska State Museums							
51	Museum Operations	1,390.9	1,401.3	1,448.5	1,518.5	70.0	4.8%
52	Specific Cultural Programs	88.4	41.7	41.7	43.6	2.1	5.0%
	* BRU Total	1,479.3	1,443.0	1,490.2	1,562.3	72.1	4.8%
Alaska Postsecondary Education Commission							
53	Program Administration	979.6	1,045.1	1,120.2	1,120.2	0.0	0.0%
54	Student Loan Operations	6,227.1	6,327.9	6,263.0	6,263.0	0.0	0.0%
55	WICHE Student Exchange Program	327.4	193.6	82.5	82.5	0.0	0.0%
56	WAMI Medical Education	1,267.0	1,309.0	1,350.4	1,350.4	0.0	0.0%
57	Federal Student Aid	430.1	288.5	243.5	243.5	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Education

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97 Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Alaska Postsecondary Education Commission							
58	Gov Council on Voc & Career Ed	157.6				0.0	0.0%
	* BRU Total	9,388.8	9,164.1	9,059.6	9,059.6	0.0	0.0%
	*** Total Agency Expenditure	893,830.3	903,381.0	922,133.7	915,005.3	-7,128.4	-0.8%
	Federal Funds	106,317.3	115,658.6	127,757.0	122,357.0	-5,400.0	-4.2%
	General Funds	683,374.7	686,720.5	702,130.5	700,477.6	-1,652.9	-0.2%
	Other Funds	104,138.3	101,001.9	92,246.2	92,170.7	-75.5	-0.1%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Education

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
K-12 Support							
1	Foundation Program	613,537.4	617,192.9	629,574.3	629,574.3	-0.0	-0.0%
2	Additional District Support	3,228.7	3,149.4	3,445.9	3,445.9	0.0	0.0%
4	Tuition Students	1,854.2	1,731.2	1,731.2	1,731.2	0.0	0.0%
5	Boarding Home Grants	129.4	185.9	185.9	185.9	0.0	0.0%
6	Youth in Detention	693.8	800.0	800.0	800.0	0.0	0.0%
7	Schools for the Handicapped	3,705.2	3,721.3	3,767.4	3,767.4	0.0	0.0%
8	Pupil Transportation	32,842.2	32,842.2	35,195.2	35,195.2	0.0	0.0%
10	Community Schools	596.8	500.0	500.0	500.0	0.0	0.0%
	* BRU Total	656,587.7	660,122.9	675,199.9	675,199.9	-0.0	-0.0%
Teaching and Learning Support							
12	Special & Supplemental Service	33.3	33.4	1,998.3	1,637.5	-360.8	-18.1%
13	Quality Schools			1,127.9	735.7	-392.2	-34.8%
14	Basic Ed & Instruct Improve	936.7	1,169.9	0.0	-0.0	-0.0	0.0%
15	Education Special Projects		30.0	354.2	187.0	-167.2	-47.2%
16	Adult Basic Education	1,736.8	1,736.8	0.0	0.0	0.0	0.0%
18	Adult & Voc Educ Admin	180.8	181.5	-0.0	-0.0	-0.0	0.0%
19	Ad Career Information System	191.0	106.7	-0.0	-0.0	-0.0	0.0%
20	Rural School Voc Educ Program	184.8	100.0	0.0	0.0	0.0	0.0%
22	Teacher Certification	577.1	658.4	664.0	625.8	-38.2	-5.8%
23	Child Nutrition Administration	45.0	45.3	46.1	46.1	0.0	0.0%
	* BRU Total	3,285.5	4,062.0	4,190.5	3,232.1	-958.4	-22.9%
Executive Administration							
24	State Board of Education	46.4	41.7	40.2	-0.0	-40.2	-100.0%
25	Commissioner's Office	431.8	295.6	372.3	260.7	-111.6	-30.0%
26	Administrative Services	1,169.0	1,184.5	782.8	759.8	-23.0	-2.9%
27	Information Services			551.9	521.7	-30.2	-5.5%
	* BRU Total	1,647.2	1,521.8	1,747.2	1,542.2	-205.0	-11.7%
School Finance							
28	District Support Services	513.3	493.4	490.0	452.3	-37.7	-7.7%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Education

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
School Finance							
29	Data Management	402.5	205.8	-0.0	-0.0	-0.0	0.0%
30	Educational Facilities Support	158.3	80.0	80.9	39.9	-41.0	-50.7%
	* BRU Total	1,074.1	779.2	570.9	492.2	-78.7	-13.8%
Correspondence Study-State							
32	Correspondence Study-State	149.5				0.0	0.0%
	* BRU Total	149.5	0.0	0.0	0.0	0.0	0.0%
Alyeska Central School							
33	Alyeska Central School		117.1	116.9	116.9	0.0	0.0%
	* BRU Total	0.0	117.1	116.9	116.9	0.0	0.0%
Commissions and Boards							
34	Professional Teaching Practice	186.8	189.0	190.7	190.7	-0.0	-0.0%
35	Ak State Council on the Arts	565.0	460.9	462.4	462.4	0.0	0.0%
	* BRU Total	751.8	649.9	653.1	653.1	-0.0	-0.0%
Kotzebue Technical Center							
36	Kotzebue Tech Operations Grant	734.0	634.0	634.0	637.0	3.0	0.5%
	* BRU Total	734.0	634.0	634.0	637.0	3.0	0.5%
Alaska Vocational Technical Center							
37	AVTEC Operations	4,466.5	4,471.9	4,671.4	4,358.7	-312.7	-6.7%
	* BRU Total	4,466.5	4,471.9	4,671.4	4,358.7	-312.7	-6.7%
Mt. Edgecumbe Boarding School							
38	Mt. Edgecumbe Boarding School		2,315.2	2,347.9	2,321.9	-26.0	-1.1%
39	Instruction Program	4.4				0.0	0.0%
40	Residential Program	2,325.9				0.0	0.0%
	* BRU Total	2,330.3	2,315.2	2,347.9	2,321.9	-26.0	-1.1%
Vocational Rehabilitation							
41	Client Services	3,222.5	3,527.7	3,550.6	3,171.2	-379.4	-10.7%
42	Federal Training Grant	0.9	5.6	5.6	5.6	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Education

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Vocational Rehabilitation							
43	Voc Rehab Administration	370.6	193.8	169.9	169.9	0.0	0.0%
44	Independent Living Rehabilitat	602.5	602.5	602.6	582.2	-20.4	-3.4%
46	Special Projects	82.9	82.9	82.9	82.9	0.0	0.0%
48	Americans With Disabilities	24.5	185.7	123.3	113.2	-10.1	-8.2%
	* BRU Total	4,303.9	4,598.2	4,534.9	4,125.0	-409.9	-9.0%
Alaska State Library							
49	Library Operations	3,595.7	3,946.9	3,978.8	4,078.8	100.0	2.5%
50	Archives	451.5	432.4	438.7	601.4	162.7	37.1%
	* BRU Total	4,047.2	4,379.3	4,417.5	4,680.2	262.7	5.9%
Alaska State Museums							
51	Museum Operations	1,384.7	1,361.2	1,408.2	1,478.2	70.0	5.0%
52	Specific Cultural Programs	88.4	41.7	41.7	43.8	2.1	5.0%
	* BRU Total	1,473.1	1,402.9	1,449.9	1,522.0	72.1	5.0%
Alaska Postsecondary Education Commission							
55	WICHE Student Exchange Program	327.4	193.6	82.5	82.5	0.0	0.0%
56	WAMI Medical Education	1,267.0	1,309.0	1,350.4	1,350.4	0.0	0.0%
57	Federal Student Aid	329.5	163.5	163.5	163.5	0.0	0.0%
	* BRU Total	1,923.9	1,666.1	1,596.4	1,596.4	0.0	0.0%
	*** Total Agency Expenditure	683,374.7	686,720.5	702,130.5	700,477.6	-1,652.9	-0.2%

One Way Comparison - FY98 Operating Budget

from Gov Arnd to House

Agency: Department of Education

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
<u>K-12 Support</u>												
Child Nutrition												
Increased federal funding not considered in subcommittee	Dec	-4,000.0	-0.0	-0.0	-0.0	-0.0	-0.0	-4,000.0	-0.0	-0.0	-0.0	-0.0
1002 Fed Rcpts		-4,000.0										
		-4,000.0	0.0	0.0	0.0	0.0	0.0	-4,000.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-4,000.0	0.0	0.0	0.0	0.0	0.0	-4,000.0	0.0	0.0	0.0	0.0
<u>School Debt Reimbursement</u>												
School Debt Reimbursement												
Line item adjustment not considered in subcommittee	LIT	-0.0	-0.0	-0.0	-290.2	-0.0	-0.0	290.2	-0.0	-0.0	-0.0	-0.0
		0.0	0.0	0.0	-290.2	0.0	0.0	290.2	0.0	0.0	0.0	0.0
*** () Total ***		0.0	0.0	0.0	-290.2	0.0	0.0	290.2	0.0	0.0	0.0	0.0
<u>Teaching and Learning Support</u>												
Special and Supplemental Services												
General fund reduction to personal services	Dec	-56.3	-56.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-56.3										
GF reductions to travel, contractual, commodities, equipment	Dec	-284.5	0.0	-35.7	-243.4	-4.5	-0.9	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-284.5										
Xfer GF travel to Archives component for commodities	TrOut	-20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-20.0										
Increased fed. carry over not considered in subcommittee	Dec	-750.0	-0.0	-0.0	-0.0	-0.0	-0.0	-750.0	-0.0	-0.0	-0.0	-0.0
1002 Fed Rcpts		-750.0										
		-1,110.8	-56.3	-55.7	-243.4	-4.5	-0.9	0.0	-750.0	0.0	0.0	0.0
Quality Schools												
General reduction to personal services	Dec	-44.0	-44.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-44.0										
GF cut to travel, contractual, commodities, equipment	Dec	-348.2	0.0	-27.4	-303.9	-14.4	-2.5	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-348.2										
Increase fed. carry over not considered in subcommittee	Dec	-650.0	-0.0	-0.0	-0.0	-0.0	-0.0	-650.0	-0.0	-0.0	-0.0	-0.0
1002 Fed Rcpts		-650.0										
		-1,042.2	-44.0	-27.4	-303.9	-14.4	-2.5	0.0	-650.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Education

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Cap
Teaching and Learning Support												
Education Special Projects												
General GF reduction to personal services	-90.3	-90.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 G/F Match	-23.1											
1005 GF/Prjgm	-67.2											
General GF reduction to travel, contractual	-76.9	0.0	-38.0	-38.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 G/F Match	-76.9											
	-167.2	-90.3	-38.0	-38.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Teacher Certification												
Reduce pers. svcs to FY97 Auth, plus 1.8% GF	-30.4	-30.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-30.4											
GF reduction to travel (75%), commodities (10%)	-7.8	0.0	-6.8	0.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-7.8											
	-38.2	-30.4	-6.8	0.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***	-2,358.4	-221.0	-127.9	-586.2	-19.9	-3.4	0.0	-1,400.0	0.0	0.0	0.0	0.0
Executive Administration												
State Board of Education												
Delete PCN, I/A receipts for board support	-49.1	-49.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1007 I/A Rcpts	-49.1											
General GF reductions for travel, contractual	-9.6	0.0	-7.5	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-9.5											
General GF reduction	-30.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-30.7	0.0	0.0	0.0
1004 Gen Fund	-30.7											
	-89.3	-49.1	-7.5	-2.0	0.0	0.0	0.0	0.0	-30.7	-1.0	0.0	0.0
Commissioner's Office												
Delete one PPT, funding for Special Assistant position	-67.1	-67.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0
1004 Gen Fund	-67.1											
General pers svcs reduction to FY97 Auth plus approx 1.8%	-8.2	-8.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-8.2											
General GF reduction to travel, commodities	-18.8	0.0	-17.5	0.0	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund	-18.8											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Education

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Executive Administration												
Commissioner's Office												
Delete general funds for membership fees	Dec	-17.6	0.0	0.0	-17.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-17.5										
		-111.6	-75.3	-17.5	-17.5	-1.3	0.0	0.0	0.0	0.0	-1.0	0.0
Administrative Services												
General reduction to contractual	Dec	-21.4	0.0	0.0	-21.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-21.4										
10% reduction to general funds for equipment	Dec	-1.6	0.0	0.0	0.0	-1.6	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-1.6										
		-23.0	0.0	0.0	-21.4	0.0	-1.6	0.0	0.0	0.0	0.0	0.0
Information Services												
GF cut to travel, contractual, commodities, equip.	Dec	-30.2	0.0	-0.3	-27.0	-1.3	-1.6	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-30.2										
		-30.2	0.0	-0.3	-27.0	-1.3	-1.6	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-254.1	-124.4	-25.3	-67.9	-2.6	-3.2	0.0	-30.0	-1.0	-1.0	0.0
School Finance												
District Support Services												
10% cut to travel, contractual, commodities	Dec	-37.7	0.0	-2.2	-35.2	-0.3	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-37.7										
		-37.7	0.0	-2.2	-35.2	-0.3	0.0	0.0	0.0	0.0	0.0	0.0
Educational Facilities Support												
General GF reduction to travel, contractual	Dec	-41.0	0.0	-21.0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-41.0										
		-41.0	0.0	-21.0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-78.7	0.0	-23.2	-55.2	-0.3	0.0	0.0	0.0	0.0	0.0	0.0
Kotzebue Technical Center												
Kotzebue Technical Center Operations Grant												
General GF increase for Center operations	Inc	3.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0	0.0
1004 Gen Fund		3.0										

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Education

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/Buildings	Grants	Misc	PFT	PPT	Tmp
<u>Kotzebue Technical Center</u>													
Kotzebue Technical Center Operations Grant													
		3.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0	0.0
*** BRU Total ***		3.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0	0.0
<u>Alaska Vocational Technical Center</u>													
Alaska Vocational Technical Center Operations													
Reduce pers svcs. to FY97 Auth, plus 1.8% GF	Dec	-236.7	-235.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1091 GF/Desig		-235.7											
General GF cut to travel, contractual, commodities	Dec	-77.0	0.0	-8.2	0.0	-68.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Prgm		-73.5											
1091 GF/Desig		-3.5											
		-312.7	-235.7	-8.2	0.0	-68.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-312.7	-235.7	-8.2	0.0	-68.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Mt. Edgecumbe Boarding School</u>													
Mt. Edgecumbe Boarding School													
Increase in GF/PR not considered in subcommittee	Dec	-26.0	-0.0	-4.0	-0.0	-22.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
1005 GF/Prgm		-26.0											
		-26.0	0.0	-4.0	0.0	-22.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-26.0	0.0	-4.0	0.0	-22.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Vocational Rehabilitation</u>													
Client Services													
Reduce pers svcs. to FY97 Auth, plus 1.8% GF	Dec	-261.3	-261.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-261.3											
General GF cut to travel, contractual, commodities, equip	Dec	-118.1	0.0	-43.5	-45.4	-5.3	-23.9	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-118.1											
		-379.4	-261.3	-43.5	-45.4	-5.3	-23.9	0.0	0.0	0.0	0.0	0.0	0.0
Independent Living Rehabilitation													
Reduce pers svcs. to FY97 Auth, plus 1.8% GF	Dec	-0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-0.4											
Reduce GF or travel (49.3%)	Dec	-20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-20.0											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Education

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Vocational Rehabilitation													
Independent Living Rehabilitation													
		-20.4	-0.4	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Americans With Disabilities Act (ADA)													
Cut GF for travel (49.5%), contractual & commodities (10%)													
	Dec	-10.1	0.0	-5.9	-3.7	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-10.1											
		-10.1	0.0	-5.9	-3.7	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-409.9	-261.7	-69.4	-49.1	-5.8	-23.9	0.0	0.0	0.0	0.0	0.0	0.0
Alaska State Library													
Library Operations													
One-time acquisitions													
	Inc	100.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		100.0											
		100.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Archives													
General personal services, one PFT reduction													
	Dec	-61.0	-61.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-34.6											
1061 CIP Rcpts		-26.4											
Add GF for equipment and two PFT Archivists													
	Inc	177.3	122.0	0.0	0.0	0.0	55.3	0.0	0.0	0.0	2.0	0.0	0.0
1004 Gen Fund		177.3											
Line item transfer from equipment to commodities													
	LIT	0.0	0.0	0.0	0.0	5.3	-5.3	0.0	0.0	0.0	0.0	0.0	0.0
Xfer GF travel from Special & Supplemental Svcs. comp													
	Trfn	20.0	0.0	0.0	0.0	20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		20.0											
		136.3	61.0	0.0	0.0	25.3	50.0	0.0	0.0	0.0	1.0	0.0	0.0
*** BRU Total ***		236.3	61.0	0.0	0.0	125.3	50.0	0.0	0.0	0.0	1.0	0.0	0.0
Alaska State Museums													
Museum Operations													
General funds for one-time acquisitions													
	Inc	100.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		100.0											
Increase in GF/PR not considered in subcommittee													
	Dec	-30.0	-0.0	-0.0	-30.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
1005 GF/Prgrm		-30.0											
		70.0	0.0	0.0	-30.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Education

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Alaska State Museums													
Specific Cultural Programs													
Add GF for grant to IANA	Inc	2.1	0.0	0.0	0.0	0.0	0.0	0.0	2.1	0.0	0.0	0.0	0.0
1004 Gen Fund 2.1													
		2.1	0.0	0.0	0.0	0.0	0.0	0.0	2.1	0.0	0.0	0.0	0.0
*** BRU Total ***													
		72.1	0.0	0.0	-30.0	100.0	0.0	0.0	2.1	0.0	0.0	0.0	0.0
Alaska Postsecondary Education Commission													
Program Administration													
Convert to agency-specific corporate receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1022 Corp Rcpts -1,020.2													
1106 P-Sec Rcpt 1,020.2													
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student Loan Operations													
Convert to agency-specific corporate receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1022 Corp Rcpts -6,263.0													
1106 P-Sec Rcpt 6,263.0													
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***													
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
***** Agency Total *****													
		-7,128.4	-781.8	-258.0	-1,078.6	105.9	19.5	0.0	-5,104.7	-30.7	0.0	-1.0	0.0

**STATEMENT OF THE HOUSE FINANCE SUBCOMMITTEE CHAIR
EDUCATION REP. PETE KELLY**

The budget of the Dept. Of Education was approached from the overall premise that while the work and efforts of each part comprising the whole was itself important, there were three primary functions or areas of protection that would be observed. These were:

- * Students first, then teachers, then administrators**
- * Enable as much as possible the vocationally handicapped to achieve independent living**
- * Assure as much as possible the ongoing availability of vocational technical education to give success to welfare reform**

Reductions in the budget occurred primarily in areas that would not affect the classroom directly, that would not detrimentally intervene in vocational rehabilitation, and that would not limit access to vocational or technical training courses. A standard was to normalize the salaries of each division to what seemed to be the overall average of 1997 plus 1.18%. There were efforts to make both teacher certification and professional practices be self-supporting through the fee structure, a practice currently followed in most other professions.

Because of their importance in leadership roles, the Commissioner and the Board of Education divisions were both asked to do less actual travelling, and place greater reliance on the relatively lower-cost teleconferencing technology. The Post Secondary Education Commission should follow this same practice.

Special one-time increments were provided to the State Library, the State Museum, and State Archives, the former two for acquisitions and the latter for equipment needs. These small corners of the very large educational picture must not be allowed to wither, or become fatally crippled, through lack of attention. They may be small. The roles that they fulfill both in the world of education, and of knowledge, are critical to all of us.

In addition, beefing up of staff was provided to Archives, which has a very large backlog that needs timely attention. It is important that custodians of public documents are able to properly catalogue, sort and index those documents, making them available to the public.

SUMMARY RECOMMENDATIONS - HOUSE SUBCOMMITTEE ON DOE								
PAGE #	UNIT	FY 97	ATHRZD	GOV REQ	HOUSE	DIFF	TOT GEN FND	CUT GEN FND
OVERHEAD COMPNT								
4	CMMSSNRS OFC	\$570.90		\$650.90	\$539.26	<\$111.64>	\$372.30	\$111.64
5	BD OF EDUC	\$85.70		\$133.30	\$44.00	<\$89.3>	\$40.20	\$40.20
6	ADMIN SVCS	\$2,009.10		\$1,438.80	\$1,415.80	<\$23.0>	\$782.80	\$23.00
7	INFO SVCS	0		\$904.30	\$874.15	<\$30.15>	\$551.90	\$30.15
8	DIST SPPT SVCS	\$770.80		\$769.20	731.52	<\$37.68>	\$490.00	\$37.68
9	EDUC FACILI SPPT	\$681.40		\$639.50	\$598.50	<\$41.0>	\$80.90	\$41.00
10	TCHR CERTIF	\$674.80		\$680.70	\$642.55	<\$38.15>	\$664.00	\$38.15
11	PROF TCHNG PRCT	\$189.00		\$190.70	\$190.70		\$190.70	
12	DONATED COMMOD	\$360.10		\$362.30	\$362.30	0	0	0
13	CHILD NUTRITION	\$728.70		\$733.90	\$733.90	0	\$46.10	0
14	DATA MANAGEMNT	\$375.80		0	0	0	0	0
Overhead Subtotal:		\$6,446.30		\$6,503.60	6132.68	<\$370.92>	\$3,218.90	\$321.82
VOCATNL REHAB								
15	ADMIN	\$1,003.80		\$1,139.20	\$1,139.20	0	0	0
16	FED TRAIN GRNT	\$56.30		\$56.30	\$56.30	0	0	0
17	AMER W/DIS ACT	\$185.70		\$123.30	\$113.20	<\$10.1>	\$113.20	\$10.10
18	ASSIST TECHN.	\$1,106.20		\$1,038.90	\$1,038.90	0	0	0
19	IND LIVING	\$1,124.00		\$1,285.30	\$1,264.90	<\$20.40>	\$544.80	\$20.40
20	CLIENT SVCS	\$10,983.50		\$11,662.10	\$11,282.70	<\$379.4>	\$1,440.50	\$379.40
21	SPEC PROJECTS	\$1,193.50		\$1,353.30	\$1,353.30	0	\$82.90	
22	DISABIL. DETERMNT	\$3,282.70		\$3,980.90	\$3,980.90	0	0	0
VOC REHAB TOTAL:		\$18,935.70		\$20,639.30	\$20,229.40	<\$409.9>	\$2,181.00	\$409.90
STATE SCHOOLS								
23	MT. EDGE CUMBE	\$4,149.40		\$4,168.80	\$4,168.80	0	\$2,290.50	
24	ALYESKA CNTRL	\$4,123.90		\$4,144.20	\$4,144.20	0	0	0
25	AK VOC TECH CNTR	\$4,627.20		\$4,984.90	\$4,627.20	<\$312.7>	\$3,571.40	\$368.50
26	KOTZEBUE V/T CNTR	\$634.00		\$634.00	\$637.00	\$3.00	\$634.00	<\$3.0
STATE SCHOOLS TOT:		\$13,534.50		\$13,931.90	13622.2	\$309.7>	\$6,495.90	\$365.50
KNOWLEDGE STORGE								
27	LIBRARY OPS	\$5,100.20		\$5,133.80	\$5,133.80	0	\$3,978.80	0
28	ARCHIVES	\$718.10		\$728.80	\$795.10	\$86.30	\$438.70	<\$67.1>
30	AK COUNCIL ARTS	\$1,154.70		\$1,158.70	\$1,158.70	0	\$462.40	0
29	MUSEUM OPS	\$1,401.30		\$1,418.50	\$1,418.50	0	\$1,378.20	0
30A	SPEC CULT PRGMS	\$41.70		\$41.70	\$44.70	\$3.00	\$41.70	<\$3.0
KNOWLEDGE STORE		\$8,416.00		\$8,481.50	\$8,550.80	\$89.30	\$6,299.80	<\$69.1>
POST SEC EDUC.								
31	PROG ADMIN	\$1,045.10		1,120.20	\$1,120.20	\$0.00	0	0
32	STUDENT LOAN	\$6,327.90		\$6,263.00	\$6,263.00	\$0.00	0	0
POST SEC EDUC.		\$7,373.00		7,383.20	7383.2	0	0	0

TEACH & LEARN SPPT							
33	SPC/SUPPL SVCS	\$36,731.30	\$44,819.20	\$44,478.45	<\$340.75>	\$1,998.30	\$340.75
34	QUALITY SCHOOLS	0	\$20,129.00	\$19,736.80	<\$392.2>	\$1,127.90	\$392.20
35	EDUC SPEC PRJCT	\$245.00	\$1,003.80	\$836.60	<167.2>	\$354.20	\$167.20
36	BASIC ED	\$12,187.50	\$0.00	0	0		
37	ADULT BASIC ED	\$3,080.00	\$0.00	0	0		
38	FED VPC ED GRNTS	\$4,822.30	\$0.00	0	0		
39	ADULT & VOC ED AD	\$727.10	\$0.00	0	0		
40	AK CAREER	\$213.00	\$0.00	0	0		
41	RURAL SCH VOC ED	\$100.00	\$0.00	0	0		
42	SCH TO WORK	\$2,601.80	\$0.00	0	0		
						0	
	TEACH & LEARN SPPT	\$60,708.00	\$65,952.00	\$5051.85	<\$900.15>	\$3,480.40	\$900.15
GRANTS & FORMULAS							
	FOUNDATION	\$649,839.80	659,587.40	\$659,587.40		\$629,574.30	
	SCH DEBT REIMB	\$68,616.60	\$62,288.40	\$62,288.40		\$62,288.40	
	PUPIL TRANSPORT	\$32,842.20	\$35,195.20	\$35,195.20		\$35,195.20	
	CHILD NUTRITION	\$22,000.00	\$22,000.00	\$22,000.00	0	0	0
	SCHLS 4 HNDCP'D	\$3,721.30	\$3,767.40	\$3,767.40		\$3,767.40	
	ADD'L DIST SPPT	\$3,149.40	\$3,445.90	\$3,445.90		\$3,445.90	
	CIG TAX DISTRIB	\$2,690.00	\$2,608.40	\$2,608.40		0	0
	TUITION STUDENTS	\$1,731.20	\$1,731.20	\$1,731.20		\$1,731.20	
	WAMI MEDICAL ED	\$1,309.00	\$1,350.40	\$1,350.40		\$1,350.40	
	YOUTH IN DETNT'N	\$800.00	\$800.00	\$800.00		\$800.00	
	COMMUNITY SCHLS	\$500.00	\$500.00	\$500.00		\$500.00	
	FED STC'NT AID	\$288.50	\$243.50	\$243.50		0	0
	BOARDING HM GRNT	\$185.90	\$185.90	\$185.90		\$185.90	
	VICHE	\$193.60	\$82.50	\$82.50		\$82.50	
	GRANTS & FORMULAS	\$787,867.50	793,786.20	793,786.2	0	\$738,921.20	0
Special Projects							
	Library Acquisitions 1X	0	0	\$100.00	\$100.00	\$100.00	<\$100.0
	Museum Acquisitions 1X	0	0	\$100.00	\$100.00	\$100.00	<\$100.0
	Archives Equipment 1 X	0	0	\$50.00	\$50.00	\$50.00	<\$50.0>
	SPECIAL PROJECTS	0	0	\$250.00	\$250.00	\$250.00	<\$250.0>
SUMMARY TOTALS							
	OVERHEAD	\$6,446.30	\$6,503.60	\$6,132.68	<\$370.92>	\$3,218.90	\$370.92
	VOC REHAB	\$18,935.70	\$20,639.30	\$20,229.40	<\$409.9>	\$2,181.00	\$409.90
	STATE SCHOOLS	\$13,534.50	\$13,931.90	\$13,622.20	<\$309.7>	\$6,495.90	\$309.70
	KNOWLEDGE STORED	\$8,416.00	\$8,481.50	\$8,550.20	\$89.30	\$6,299.80	<\$68.3>
	POST SEC EDUC	\$7,373.00	\$7,383.20	\$7,383.20	\$0.00	0	0
	TEACH & LEARN SPPT	\$60,708.00	\$65,952.00	\$65,051.85	<\$900.15>	\$3,480.00	\$900.15
	GRANTS & FORMULAS	\$787,867.50	\$793,786.20	\$793,786.20	\$0.00	\$738,921.20	\$0.00
	SPECIAL PROJECTS	0	0	\$250.00	\$250.00	\$250.00	<\$250.0>
	SUMMARY TOTALS	\$903,281.00	\$916,677.70	\$915,005.73	<\$1,651.37>	760596.8	\$1,671.37

18-Mar finals 1 30 PM

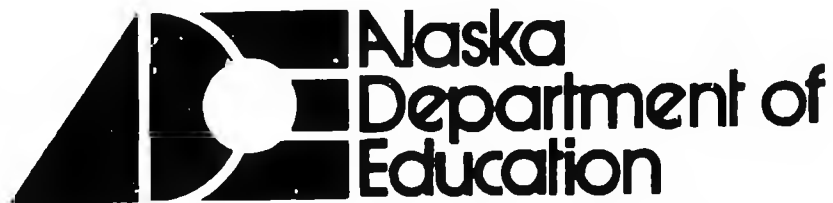
diff: \$20.0 between Spec E1 & Archives

DEPARTMENT OF EDUCATION - FY 98 - HOUSE FINANCE SUBCOMMITTEE RECOMMENDATIONS				
COMPONENT	CHANGE	GOV FY 98	GOV-HUS	FY 98 HOUSE
APPROPRIATION: COMMISSIONER'S OFFICE		\$650.90	<\$111.64>	\$539.26
CMMSNR'S OFC	delete PCN, roll to '97			
	and add 1.8%	\$488.80	<\$75.34>	\$393.46
	travel rollback 25%	\$69.30	<\$17.9>	\$51.40
	contractural delete mbrsh	\$103.70	<\$17.5>	\$86.20
	commodities rollback 10%	\$9.10	<\$.9>	\$8.20
APPROPRIATION: OVERHEAD		\$5,852.70	<\$278.58	\$5,574.12
BD OF EDUC.	delete PCN	\$49.10	<\$49.1>	\$0
	travel rollback est. 20%	\$45.50	<\$7.5>	\$38.00
	contractural rollback 5%	\$37.20	<\$2.0>	\$35.20
	miscellaneous		<\$30.7>	
ADMIN SVCS	contractural rollback	\$196.40	<\$21.4>	\$175.00
	equipment rollback	\$16.10	<\$1.6>	\$14.50
Information Svcs	travel 10% rollback	\$13.00	<\$.3>	\$12.70
	contractural rollback 10%	\$269.90	<\$27.0>	\$242.90
	commodities rollback 10%	\$12.50	<\$1.25>	\$11.25
	equipment 10% rollback	\$16.30	<\$1.6>	\$14.70
Dist Sppt Svcs	travel 10% rollback	\$22.20	<\$2.2>	\$20.00
	contractural 10% rollback	\$351.80	<\$35.18>	\$316.62
	commodities 10% rollback	\$3.80	<\$.3>	\$3.50
Educ Facil. Sppt	travel - excessive for staff	\$51.00	<\$21.0>	\$30.00
	contactural 10% rollback	\$185.20	<20>	\$165.20
Teacher Certification	rollback to '97 plus 1.8%	\$359.40	<\$30.4>	\$329.00
	travel 75% rollback, unnec.	\$9.00	<\$6.75>	\$2.25
	contractural, IA charges			
	cancelled	\$19.30		
	commodities 10% rollback	\$10.00	<\$1.0>	\$9.00
Prof. Teaching Pract.	no changes	\$190.70	0	\$190.70
Donated Cmmdties	no changes	\$362.60	0	\$362.60
Child Nutrition Admn	no change	\$733.90	0	\$733.90
Data Mgmt	no change	0	0	0
APPROPRIATION: VOCATIONAL				
REHABILITATION		\$20,639.30	<\$409.9>	\$20,229.40

Voc Rehab Adm'n	no change	\$1,139.20	0	\$1,139.20
Fed Training Grant	no change	\$56.30	0	\$56.30
Amer w/Disabilities	travel excessive for staff	\$12.10	<\$6.0	\$6.10
	contractural 10% rollback	\$36.60	<\$3.7	\$32.90
	commodoties 10% rollback	\$4.50	<\$4.4	\$4.10
Assist. Techn.	no change	\$1,038.90	0	\$1,038.90
Independent Living	Pers Svc to '97 + 1.8%	\$73.30	<\$4.4	\$72.90
	travel excessive for staffing	\$40.60	<\$20.4	\$20.60
Client Services	Pers Svcs to '97 + 1.8%	\$4,650.60	<\$261.3	\$4,389.30
	travel excessive, use			
	modern technology more	\$243.50	<\$43.5	\$200.00
	contractural 5% rollback	\$907.80	<\$45.4	\$862.40
	commodities 10% rollback	\$52.90	<\$5.3	\$47.60
	equipment keep cmpr			
	upgrades available	\$128.40	<\$23.9	\$104.50
Special Projects	no change	\$1,353.30	0	\$1,353.30
Disability Determntn	no change	\$3,980.90	0	\$3,980.90
APPROPRIATION: MT EDUCUMBE BOARDING SCHOOL				
Mt Edcumbe Brd Sch	no change	\$4,168.80	0	\$4,168.80
APPROPRIATION: ALYESKA CENTRAL SCHOOLS				
Alyeska Cntrl Schl	no change	\$4,144.20	0	\$4,144.20
APPROPRIATION: ALASKA VOCATIONAL TECHNICAL CENTER				
AK Voc Tech Cntr	Pers Svc to '97 + 1.8%	\$3,823.10	<\$235.7	\$3,587.40
	travel excessive for school	\$33.20	<\$8.2	\$25.00
	contractural 10% rollback	\$557.70	0	\$557.70
	commodities	\$508.80	<\$68.8	\$500.00
APPROPRIATION: KOTZEBUE TRAINING CENTER				
Kotzebue Trng Cntr	increase to equal same .5% increase of Mt.Edge. Alyeska schools	\$634.00	\$3.00	\$637.00

APPROPRIATION: LIBRARY SERVICES		\$5,862.60	\$86.30	\$5,948.90
State Library	no change	\$5,133.80	0	\$5,133.80
Archives	Pers Svcs 1 CIP-funded			
	PCN funding exhausted	\$620.20	<\$61.0>	\$559.20
	add 2 Archivist PCN	\$0.00	\$122.00	\$122.00
	restore equipment to FY97	\$0.00	\$0.00	\$0.00
	commodities - ADD	\$47.00	\$25.30	\$72.30
APPROPRIATION: STATE MUSEUM		\$1,460.20	\$2.10	\$1,462.30
State Museum	no change	\$1,418.50	0	\$1,418.50
Spec Cultural Prgms	increment to make IANA equal recipient to MATI, and NANA museums	\$41.70	\$2.10	\$43.80
APPROPRIATION: ALASKA ARTS COUNCIL		\$1,158.70	0	\$1,158.70
AK Arts Council	no change	\$1,158.70	0	\$1,158.70
APPROPRIATION: POST SECONDARY EDUCATION		\$7,383.20	0	\$7,383.20
Progm Admin	Pers Svc	\$805.00		\$805.00
	travel	\$130.30		\$130.30
	contractural	\$155.60		\$155.60
	commodities	\$18.60		\$18.60
	equipment	\$10.70		\$10.70
Student Loan Prgm	travel	\$65.10		\$65.10
	contractural	\$2,051.50		\$2,051.50
	commodities	\$102.50		\$102.50
	equipment	\$79.20		\$79.20
APPROPRIATION: TEACH & LEARN		\$65,952.00	<\$920.10>	\$65,111.70
Spec Sppl Svcs	Pers Svcs '97 + 1.18%	\$1,407.40	<\$16.3>	\$1,351.10
	travel 10% from '97	\$262.80	<\$55.7>	\$207.10
	contractural 10% '97	\$1,578.40	<\$243.4>	\$1,335.00
	commodities 10%	\$45.30	<\$4.5>	\$40.80
	equipment 10%	\$10.90	<\$9.9>	\$10.00
Quality Schools	Pers Svcs '97 + 1.8%	\$2,080.80	<\$44.0>	\$2,036.80
	travel 10% from '97	\$203.20	<\$27.4>	\$175.90
	contractural 10% from '97	\$2,011.00	<\$303.9>	\$1,708.00
	commodities 10%	\$148.00	<\$14.4>	\$133.60
	equipment 10%	\$24.80	<\$2.5>	\$22.30

Educ. Spc Projects	Pers Svcs '97 + 1.8%	\$217.10	<\$90.3>	\$126.80
	travel rollback to fit staffing	\$45.00	<\$38.0>	\$7.00
	contractural 10% rollback	\$389.30	<\$38.9>	\$350.40
Basic Ed	deleted by Gov	0	0	0
Adult Basic Ed	deleted by Gov	0	0	0
Adult & Voc Ed Adm	deleted by Gov	0	0	0
AK Career Info Systm	deleted by Gov	0	0	0
School to Work	deleted by Gov	0	0	0
Rural Sch Voc Ed Pr	deleted by Gov	0	0	0
Fed Voc Ed Grants	deleted by Gov	0	0	0
APPROPRIATION: GRANTS & FORMULAS		\$793,786.20	0	\$793,786.20
Foundation	no change	\$659,587.40	0	\$659,587.40
School Debt	no change - 100%	\$62,288.40	0	\$62,288.40
Pupil Transportation	no change	\$35,195.20	0	\$35,195.20
Child Nutrition	no change	\$22,000.00	0	\$22,000.00
Schls for Handc'pd	no change	\$3,767.40	0	\$3,767.40
Add'l Dist. Support	no change	\$3,445.90	0	\$3,445.90
Cig. Tax Distrib	no change	\$2,608.40	0	\$2,608.40
Tuition Students	no change	1,731.20	0	\$1,731.20
WAMI medical	no change	\$1,350.40	0	\$1,350.40
Youth in Detention	no change	\$800.00	0	\$800.00
Community Schls	no change	\$500.00	0	\$500.00
Fed Student Aid	no change	\$243.50	0	\$243.50
Boarding Home Gmt	no change	\$185.90	0	\$185.90
WICHE	no change	\$82.50	0	\$82.50
APPROPRIATION: SPECIAL PROJECTS DOE		0	\$250.00	\$250.00
State Library	one-time acquisitions	0	\$100.00	\$100.00
State Museums	one-time acquisitions	0	\$100.00	\$100.00
State Archives	one-time equipment	0	\$50.00	\$50.00
SUMMARY TOTALS		\$916,677.70	<\$2,309.07>	\$914,368.63
March 18 finals		1:00 PM!		



FY98
Operating Budget

House Finance
Subcommittee Action

March 20, 1997

Department of Education
FY98 Operating Budget - Summary of House Action

Component	General Funds	Other Funds	Total Funds
* <i>Child Nutrition</i> Did not include Governor's budget amendment that provides federal funds to reimburse sponsors for meals served to eligible children and adults.		-4,000.0	-4,000.0
* <i>Special & Supplemental Services</i> Reduction to Adult Basic Education maintenance of effort will result in the loss of federal ABE funds. Did not include Governor's budget amendment for federal funds.	-360.8	-750.0	-1,110.8
* <i>Quality Schools</i> Eliminates funding for assessment and youth in justice initiative. Impact to federal vocational education match. Did not include Governor's budget amendment for federal funds.	-392.2	-650.0	-1,042.2
* <i>Education Special Projects</i> Eliminates AMEREF and National Geographic match. Reduces Alaska Career Information System.	-167.2	0.0	-167.2
* <i>Teacher Certification</i> Impacts professional licensure and approval of teacher training programs.	-38.2	0.0	-38.2
* <i>State Board of Education</i> Eliminates all general fund and support position - 67% cut.	-40.2	-49.1	-89.3
* <i>Commissioner's Office</i> Eliminates staff support and leadership activities.	-111.6	0.0	-111.6
* <i>Administrative Services</i> Reduces contractual and supplies.	-23.0	0.0	-23.0
* <i>Information Services</i> Reduces contractual, supplies, and equipment.	-30.2	0.0	-30.2
* <i>District Support Services</i> Reduces travel, contractual and supplies.	-37.7	0.0	-37.7
* <i>Education Facilities Support</i> Impact to school districts in CIP application process, training and development of standards for school facilities.	-41.0	0.0	-41.0

Department of Education
FY98 Operating Budget - Summary of House Action

Component	General Funds	Other Funds	Total Funds
* <i>Alaska Vocational Technical Center (AVTEC)</i> Eliminates industry specific training at AVTEC in Seward and reduces short and long term training programs.	-312.7	0.0	-312.7
* <i>Mt. Edgecumbe Boarding School</i> Eliminates program receipts funding for summer programs and increased travel costs for students.	-26.0	0.0	-26.0
* <i>Client Services</i> Will result in an equal reduction in federal funds due to maintenance of effort. Will limit services to those Alaskans with only the most significant disabilities. Will reduce services to rural and remote areas of the state and reduce funding for training provided by private sector vendors.	-379.4	0.0	-379.4
* <i>Independent Living</i> Will reduce funding available for private non-profit Independent Living Centers to provide services to Alaskans with significant disabilities. Absence of these services will result in costly institutionalization for individuals with significant disabilities.	-20.4	0.0	-20.4
* <i>Americans with Disabilities</i> Will impact the state's ability to comply with the requirements of the Americans with Disabilities Act.	-10.1	0.0	-10.1
* <i>Archives</i> Eliminate CIP funding that is not available in FY98.	0.0	-26.4	-26.4
* <i>Museum Operations</i> Does not consider Governor budget amendment of \$30,000 in program receipts to support museum services.	-30.0	0.0	-30.0
House Reductions	-2,020.7	-5,475.5	-7,496.2

**Department of Education
 FY98 Operating Budget - Summary of House Action**

Component	General Funds	Other Funds	Total Funds
* <i>Kotzebue Technical Center</i> Increase to pass-through grant to the Northwest Arctic Borough School District for vocational training center.	3.0	0.0	3.0
* <i>Library Materials</i> Provides funding for journal subscriptions and on-line services.	100.0	0.0	100.0
* <i>Archives</i> Restores funding for existing Archivist I and adds a new Archivist I position. Restores funding for equipment replacement and commodities.	162.7	0.0	162.7
* <i>Museum Operations</i> Add \$100,000 for purchase of ethnographic and historical material central to Alaska's history.	100.0	0.0	100.0
* <i>Specific Cultural Programs</i> Includes funding for the Institute of Alaska Native Art to bring the grant to IANA to \$14,600 which is the same grant amount for NANA and the Alaska Museum of Transportation and Industry.	2.1	0.0	2.1
House Additions	367.8	0.0	367.8
Total House Changes	-1,652.9	-5,475.5	-7,128.4

Department of Education
FY98 Operating Budget Comparison
House Subcommittee to Governor Amended

General Funds

	FY98 Gov Amend	FY98 House	House to Gov Amend	% Change
K-12 Support:				
Foundation	629,574.3	629,574.3	0.0	0.0%
Additional District Support	3,445.9	3,445.9	0.0	0.0%
Cigarette Tax	0.0	0.0	0.0	0.0%
Tuition Students	1,731.2	1,731.2	0.0	0.0%
Boarding Home Grants	185.9	185.9	0.0	0.0%
Youth in Detention	800.0	800.0	0.0	0.0%
Schools for the Handicapped	3,767.4	3,767.4	0.0	0.0%
Pupil Transportation	35,195.2	35,195.2	0.0	0.0%
Child Nutrition	0.0	0.0	0.0	0.0%
Community Schools	500.0	500.0	0.0	0.0%
School Debt Reimbursement	0.0	0.0	0.0	0.0%
Subtotal K-12 Support	675,199.9	675,199.9	0.0	0.0%
	FY98 Gov Amend	FY98 House	House to Gov Amend	% Change
Agency Operations:				
Teaching & Learning Support	4,170.5	3,232.1	-958.4	-22.9%
Executive Administration/School Finance	2,318.1	2,034.4	-283.7	-12.2%
Alyeska Central School	116.9	116.9	0.0	0.0%
Professional Teaching Practices Commission	190.7	190.7	0.0	0.0%
Alaska State Council on the Arts	462.4	462.4	0.0	0.0%
Kotzebue Technical Center Grant	634.0	637.0	3.0	0.5%
Alaska Vocational Technical Center	4,671.4	4,358.7	-312.7	-6.7%
Mt. Edgecumbe Boarding School	2,347.9	2,321.9	-26.0	-1.1%
Vocational Rehabilitation	4,534.9	4,125.0	-409.9	-9.0%
Libraries, Archives & Museums	5,867.4	6,202.2	334.8	5.7%
AK Commission on Postsecondary Education	1,596.4	1,596.4	0.0	0.0%
Subtotal Agency Operations	26,930.6	25,277.7	-1,652.9	-6.1%
Total Education	702,130.5	700,477.6	-1,652.9	-0.2%
Positions: Full-time	464.0	464.0	0.0	
Part-time	108.0	107.0	-1.0	

Department of Education
FY98 Operating Budget Comparison
House Subcommittee to Governor Amended

All Funds

	FY98 Gov Amend	FY98 House	House to Gov Amend	% Change
<i>K-12 Support:</i>				
Foundation	659,587.4	659,587.4	0.0	0.0%
Additional District Support	3,445.9	3,445.9	0.0	0.0%
Cigarette Tax	2,608.4	2,608.4	0.0	0.0%
Tuition Students	1,731.2	1,731.2	0.0	0.0%
Boarding Home Grants	185.9	185.9	0.0	0.0%
Youth in Detention	800.0	800.0	0.0	0.0%
Schools for the Handicapped	3,767.4	3,767.4	0.0	0.0%
Pupil Transportation	35,195.2	35,195.2	0.0	0.0%
Child Nutrition	26,000.0	22,000.0	-4,000.0	-15.4%
Community Schools	500.0	500.0	0.0	0.0%
School Debt Reimbursement	62,288.4	62,288.4	0.0	0.0%
Subtotal K-12 Support	796,109.8	792,109.8	-4,000.0	-0.5%
	FY98 Gov Amend	FY98 House	House to Gov Amend	% Change
<i>Agency Operations:</i>				
Teaching & Learning Support	68,766.6	66,408.2	-2,358.4	-3.4%
Executive Administration/School Finance	4,898.3	4,565.5	-332.8	-6.8%
Alyeska Central School	4,144.2	4,144.2	0.0	0.0%
Professional Teaching Practices Commission	190.7	190.7	0.0	0.0%
Alaska State Council on the Arts	1,158.7	1,158.7	0.0	0.0%
Kotzebue Technical Center Grant	634.0	637.0	3.0	0.5%
Alaska Vocational Technical Center	4,984.9	4,672.2	-312.7	-6.3%
Mt. Edgecumbe Boarding School	4,194.8	4,168.8	-26.0	-0.6%
Vocational Rehabilitation	20,639.3	20,229.4	-409.9	-2.0%
Libraries, Archives & Museums	7,352.8	7,661.2	308.4	4.2%
AK Commission on Postsecondary Education	9,059.6	9,059.6	0.0	0.0%
Subtotal Agency Operations	126,023.9	122,895.5	-3,128.4	-2.5%
Total Education	922,133.7	915,005.3	-7,128.4	-0.8%
Positions: Full-time	464.0	464.0	0.0	
Part-time	108.0	107.0	-1.0	

**Department of Education - FY98 Operating Budget
House Finance Subcommittee Close-out**

	<i>House GF Change</i>	<i>Potential Loss of Federal/Other Funds</i>	<i>Program</i>
Special & Supplemental Services	-360.8	-8,000.0	Special Education
		-668.1	Adult Basic Education
Quality Schools	-392.2	-4,400.0	Vocational Education
Education Special Projects	-167.2	-100.0	National Geographic/AMEREF
Teacher Certification	-38.2		
State Board of Education	-40.2		
Commissioner's Office	-111.6		
Administrative Services	-23.0		
Information Services	-30.2		
District Support Services	-37.7		
Educational Facilities Support	-41.0		
Kotzebue Technical Center	3.0		
Alaska Vocational Technical Center	-312.7		Will impact ability to offer industry specific training and will require elimination of programs which will result in the loss of program receipts.
Mt. Edgecumbe Boarding School	-26.0		
Client Services	-379.4	-379.4	Loss of federal rehabilitation funds
Independent Living	-20.4		
Americans with Disabilities	-10.1		
Library Operations	100.0		
Archives	162.7		
Museum Operations	70.0		
Specific Cultural Programs	2.1		
Total	-1,652.9	-13,547.5	

**Department of Education
FY98 Operating Budget**

**Impact Statement
House Finance Subcommittee Close-out**

The House Finance Subcommittee recommendations of approximately \$1,700,000 in general funds reductions go well beyond the \$1,000,000 target identified by the House Finance Committee Chair. The House Finance Subcommittee also reduces approximately \$5,500,000 in federal and other funds. These proposed reductions will have substantial long term impacts on the department's ability to provide services to students, school districts and clients, and meet match and maintenance of effort requirements to qualify for federal and other funds.

Child Nutrition

(\$4,000,000) Federal Funds

The House Finance Subcommittee did not consider the Governor's budget amendment that requested an additional \$4,000,000 in federal authorization for reimbursement of meals served to eligible children and adults in approved agencies. These federal funds are for reimbursable meals or milk served in participating schools, child or adult day care facilities, residential child care institutions, and homeless shelters to help subsidize the meal costs incurred by the sponsor. The Legislative Budget and Audit Committee approved the FY97 request for increased authorization on February 26, 1997.

Special and Supplemental Services

(\$360,800) General Funds

(\$750,000) Federal Funds

The House Finance Subcommittee proposed reduction of \$360,800 in general funds will directly impact the following areas:

Adult Basic Education

The Adult Basic Education program includes \$1,736,800 in general funds and \$668,100 in federal funds. The general funds are part of the federal Maintenance of Effort (MOE) requirement. Any reduction in the general fund MOE will risk the loss of the federal funding in FY 99. The House Subcommittee reduction will require that the Adult Basic Education MOE be reduced resulting in the loss of the federal funds. The Adult Basic Education program served approximately 7,000 participants statewide in this last year. Over 2,000 Alaskans received GEDs last year, 49% between the ages of 16 and 24.

Special Education

The state distributes over \$97,000,000 through the state foundation formula for special education. The DOE has four positions tasked with monitoring special education services that are almost entirely funded by federal funds. Federal law requires that federal funds cannot supplant state funds or be used for state program activities. Reduction of these general funds will mean that there will be no state oversight or monitoring of state programs without risking the nearly \$8,000,000 in federal special education funds.

*Department of Education
FY98 Operating Budget*

**Impact Statement
House Finance Subcommittee Close-out**

The House Finance Subcommittee did not consider the Governor's budget amendment that requested an additional \$750,000 in federal authorization for new and carryover funds under the Title I, Migrant Education and Special Education programs. Without sufficient federal authorization, the Department is not able to pass through federal funds to school districts based on the number of eligible students.

Quality Schools

***(\$392,200) General Funds
(\$650,000) Federal Funds***

The subcommittee general fund reduction of \$392,200 will impact the following:

Eliminate Statewide Testing and Assessment

- Statewide testing is a significant accountability measure relied upon by the public.
- Statewide testing is required for receipt of federal program funds.
- School districts are required to report standardized testing for the annual State Report Card.

Eliminate Youth in Justice Initiative

The House Finance Subcommittee reduction deletes funds that supports the goals of the Children's Cabinet, Youth and Justice Review and the Alaska Quality Schools Initiative to develop parenting and family support programs across the state.

Vocational Education

The state is required to provide \$250,000 in general fund match for the administrative dollars to operate this program. General fund match in this component is not sufficient without utilizing general fund staff time/activities toward meeting the match. If the match is not met, the federal funds are reduced on a dollar for dollar basis. The state receives approximately \$4,400,000 in Carl Perkins funds annually.

The House Finance Subcommittee did not consider the Governor's budget amendment that requested an additional \$650,000 in federal authorization for new and carryover funds under the School to Work, Technology and Charter Schools programs. Without sufficient federal authorization, the Department is not able to pass through federal funds to school districts.

Education Special Projects

(\$167,200) General Funds

The House Finance Subcommittee proposes a general fund reduction of \$167,200 in Education Special Projects, \$100,000 in general fund match and \$67,200 in general fund program receipts.

**Department of Education
FY98 Operating Budget**

**Impact Statement
House Finance Subcommittee Close-out**

The \$100,000 reduction in general fund match eliminates \$50,000 in matching funds for the Alaska Minerals and Energy Education program and elimination of the \$50,000 match for the National Geographic Alliance program

The \$67,200 reduction in general fund program receipts impacts the Alaska Career Information System (AKCIS). This program is supported entirely by user fees. Over 45,000 Alaskans utilize the AKCIS through schools and state employment services offices.

Teacher Certification

(\$38,200) General Funds

The subcommittee proposal reduces personal services, travel, contractual and commodities by \$38,200. Alaska has one of the highest certification fees of any state in the United States. By comparison, neighboring states charge half of what is charged in Alaska. Pressure for this component to become self-supporting will have the affect of substantially decreasing the applicant pool available to school districts in the state. Decreases in staff in this component will increase the amount of time necessary to issue a certificate. Decreased travel will eliminate the department's ability to conduct the required reviews of the teacher education programs at Alaska's institutions of higher education.

State Board of Education

**(\$40,200) General Fund
(\$49,100) Interagency Receipts**

The House Finance Subcommittee reduces a total of \$89,300 in the State Board of Education (SBOE) component. This is a 67% reduction from the Governor's request. This reduction deletes all general funds that support the State Board. The reduction deletes a support position that is funded entirely from charges to DOE divisions. These reductions severely limits the SBOE's ability to meet it statutory responsibilities and serve the education community statewide.

Commissioner's Office

(\$111,600) General Funds

The governor's budget represents the minimum required staffing in the commissioner's office. The subcommittee proposed reduction of \$111,600 eliminates a part-time position and reduces travel, contractual and commodities. The Commissioner's Office supports the State Board of Education's Quality Schools Initiative. These reductions will limit the commissioner's ability to provide leadership in the school improvement arena. The elimination of funding or positions in this office severely impacts the department's ability to be successful in improving the quality of education in Alaska.

*Department of Education
FY98 Operating Budget*

**Impact Statement
House Finance Subcommittee Close-out**

Administrative Services *(\$23,000) General Funds*
The subcommittee proposal eliminates \$23,000 in general funds in the contractual and equipment lines. This reduction will limit the amount of basic supplies provided to department programs and replacement of equipment.

Information Services *(\$30,200) General Funds*
The subcommittee proposal eliminates \$30,200 in general funds in travel, contractual, commodities, and equipment. This reduction impacts the funds available to purchase maintenance and service agreements for computer equipment, software, hardware, and training.

District Support Services *(\$37,700) General Funds*
The House Finance Subcommittee proposal reduces \$37,700 general funds from the travel and contractual lines. The impact of these reductions is to limit the department's ability to contract for technical assistance and legal services in the areas of school finance. Financial accountability is a key element of school improvement. Access to expertise in these areas is critical to implementing improvements.

Educational Facilities Support *(\$41,000) General Funds*
The subcommittee reduction of \$41,000 in general fund will limit the work of the statutory Bond Reimbursement and Grant Review Committee in the area of developing and testing standards and guidelines for school facilities. The reduction will also limit the department's ability to conduct workshops for school districts on the Capital Improvement Project (CIP) application and application process.

Kotzebue Technical Center *\$3,000 General Funds*
The House Finance Subcommittee proposal includes an increase of \$3,000 in general funds for the Alaska Technical Center in Kotzebue. This increase will bring the total amount of the pass-through grant to \$637,000.

Alaska Vocational Technical Center *(\$312,700) General Funds*
The House Finance Subcommittee proposal will impact AVTEC's ability to provide industry specific training to meet employment needs. The reduction of \$312,700 general funds includes \$239,200 in designated program receipts and \$73,500 in general fund program receipts.

The impact of reducing all of AVTEC's designated program receipts of \$239,200 is as follows:

- Unocal Project--Elimination of one (1) teaching position.

*Department of Education
FY98 Operating Budget*

**Impact Statement
House Finance Subcommittee Close-out**

- Cominco Project--Elimination of one (1) teaching position. Since this is entry level training, this will impact welfare reform in that 20 individuals will not receive training which leads directly to guaranteed employment with Cominco.
- Alaska Independent Electrical Contractors--Elimination of one (1) teaching position. Elimination of related studies apprenticeship training for 60 individuals. Training is approved by the Federal Bureau of Apprenticeship and Training. This could have a direct impact on implementation of welfare reform because as these individuals move up to Journey level it opens positions at the lower levels.
- Yukon Delta Fisheries Development Association--Elimination of one (1) instructional aide position who works with entry level students on aluminum boat fabrication.

The impact of reducing general fund program receipts in the travel and supplies category will be to reduce short and long term program offerings and the number of students AVTEC can serve.

Mt. Edgecumbe High School ***(\$26,000) General Fund Program Receipts***

The House Finance Subcommittee did not consider the Governor's budget amendment that requested an additional \$26,000 in general fund program receipts to address the increase in travel costs based on the number of students served at Mt. Edgecumbe and to support summer program activities.

Client Services ***(\$379,400) General Funds***

Within the Division of Vocational Rehabilitation (DVR), the Client Services component has received the most devastating proposed subcommittee reductions. With the reduction of \$379,400 in general funds, the division will lose an equal reduction of federal funds due to requirements of the division's maintenance of effort.

The net loss of funds to DVR would be \$758,800. The only way the division could cope with such a reduction is to invoke the Order of Selection process which will limit services to only those Alaskans with the most significant disabilities. Over one thousand Alaskans with disabilities would lose services and remain on Public Assistance, at a far greater cost to the state, rather than moving to meaningful jobs and paying taxes.

The proposed reductions to the travel line of \$43,500 directly impacts the ability of DVR to send staff to rural and remote areas of Alaska. Reducing the travel of the Client Services component will make it extremely difficult to get needed vocational training and services. The rollback of the contractual line of \$45,400 will cut job placement services and other training made available through private sector vendors. Private sector vendors are a critical part of delivering rehabilitation services to Alaskans with disabilities.

*Department of Education
FY98 Operating Budget*

**Impact Statement
House Finance Subcommittee Close-out**

In summary, the proposed reductions of the House Finance Subcommittee will have a dramatic and negative impact upon the lives of Alaskans with disabilities.

Independent Living

(\$20,400) General Funds

The subcommittee proposed reduction of \$20,400 to the Independent Living component will reduce funding available for private non-profit Independent Living Centers and will limit the ability for staff of these service providers around the State to travel to rural and remote areas to provide services to Alaskans with significant disabilities. The absence of Independent Living services to rural and remote residents of Alaska increases the likelihood of costly institutionalization for individuals with significant disabilities.

Americans with Disabilities

(\$10,100) General Funds

The proposed subcommittee reduction of \$10,100 to the Americans with Disabilities Act (ADA) component would further limit the State of Alaska's ADA compliance efforts. The ADA component has already been reduced by 39% with the reductions made in FY97 and those proposed in the Governor's FY98 budget. The reductions proposed by the House Finance subcommittee will impact the state's ability to fully comply with the requirements of the ADA and will leave the state vulnerable to being sued under the ADA.

Library Operations

\$100,000 General Funds

The subcommittee proposal provides a one time increase of \$100,000 in general funds for library acquisitions. The library materials budget is currently more than \$100,000 below maintenance level. These funds would be used to restore some of the journal subscriptions and on-line services that have been eliminated over the last two years. In addition, these funds would make it possible to acquire unique Alaskan materials that might become available.

Archives

\$162,700 General Funds

(\$26,400) CIP Receipts

The House Finance Subcommittee proposal includes a reduction of \$26,400 in CIP receipts, and an increase of \$162,700 in general funds. The funds would be used to retain the Archivist I position that would otherwise be eliminated at the end of the fiscal year due to the exhaustion of the capital funds that have supported this position. In addition, these funds would restore an Archivist I position deleted in the FY95 budget due to lack of personal services funds. With these two positions funded, the Archives would be able to process all new incoming archival records and begin to eliminate the backlog of unprocessed records.

**Department of Education
FY98 Operating Budget**

**Impact Statement
House Finance Subcommittee Close-out**

The subcommittee proposal includes funds to be used to replace or upgrade office equipment, such as microfilm readers and computers and a one time increase of \$50,000 in general funds to replace equipment in the microfilming lab (much of which is at least ten years old) and equipment in the archives building, such as photocopy and fax machines, and computer hardware. The subcommittee also includes \$20,000 in for commodities.

Museum Operations

***\$100,000 General Funds
(\$30,000) General Fund Program Receipts***

The House Finance Subcommittee proposal includes a one time increase of \$100,000 in general funds to be used to purchase ethnographic and historical materials central to Alaska's history and culture. The museum's collection is in particular need of artifacts from the pioneer period.

The House Finance Subcommittee did not consider the Governor's budget amendment that requested an additional \$30,000 in general fund program receipts due to the increase entrance fees at the museum. These funds would be used to support museum services.

Specific Cultural Programs

\$2,100 General Funds

The subcommittee proposal includes an increase of \$2,100 in general funds for the Museum's Specific Cultural Program which provides named recipient grants to three museums; the Institute of Alaska Native Arts (IANA), the NANA Museum, and the Alaska Museum of Transportation and Industry (MATI). Under the proposal each museum will receive a grant of \$14,600 in FY98. This increase would be added to IANA's grant.

ENVIRONMENTAL CONSERVATION

Agency Totals - FY98 Operating Budget

Agency: Department of Environmental Conservation

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	53,138.7	45,763.2	47,815.9	44,595.2	-3,220.7	-6.7%
<u>Objects of Expenditure:</u>						
Personal Services	28,667.4	28,913.7	30,155.0	29,175.0	-980.0	-3.2%
Travel	1,747.3	2,655.6	2,679.6	2,583.6	-96.0	-3.6%
Contractual	18,365.7	9,570.2	11,919.1	9,814.8	-2,104.3	-17.7%
Commodities	787.4	843.1	857.4	839.7	-17.7	-2.1%
Equipment	862.7	562.6	584.8	562.1	-22.7	-3.9%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	2,709.2	3,218.0	1,620.0	1,620.0	0.0	0.0%
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	9,978.0	11,155.2	10,589.5	12,317.4	1,727.9	16.3%
1003 G/F Match	2,572.6	2,638.1	3,263.0	3,212.4	-50.6	-1.6%
1004 Gen Fund	11,316.2	9,968.4	8,706.4	7,507.4	-1,199.0	-13.8%
1005 GF/Prgm	3,244.3	3,198.3	2,758.2	2,493.5	-264.7	-9.6%
1007 I/A Rcpts	8,705.5	787.1	2,694.2	915.8	-1,778.4	-66.0%
1018 EVOSS	1,670.6	130.3	1,788.2	132.3	-1,655.9	-92.6%
1052 Oil/Haz Fd	11,562.4	11,780.7	11,939.0	11,939.0	-0.0	-0.0%
1061 CIP Rcpts	946.2	1,269.6	1,649.6	1,649.6	0.0	0.0%
1075 Clean Wtr	270.6	447.7	451.7	451.7	0.0	0.0%
1079 Storg Tank	2,873.3	3,201.1	876.5	876.5	0.0	0.0%
1091 GF/Desig		100.0	945.3	945.3	0.0	0.0%
1093 Clean Air		1,086.7	2,154.3	2,154.3	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	504.0	483.0	483.0	469.0	-14.0	-2.9%
Perm Part Time	3.0	4.0	7.0	7.0	0.0	0.0%
Non-Perm	4.0	4.0	4.0	4.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Environmental Conservation

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Administration							
1	Office of the Commissioner	445.2	477.1	482.2	472.4	-9.8	-2.0%
2	Administrative Services	6,133.9	3,537.3	3,611.0	3,561.3	-49.7	-1.4%
3	Telecommunications Chargeback	111.4	131.9	0.0	0.0	0.0	0.0%
4	Response Fund Administration	1,950.2	2,133.7	2,065.3	2,065.3	0.0	0.0%
	* BRU Total	8,640.7	6,280.0	6,158.5	6,099.0	-59.5	-1.0%
Environmental Quality							
5	Wastewater & Water Treatment	534.5				0.0	0.0%
	* BRU Total	534.5	0.0	0.0	0.0	0.0	0.0%
Statewide Public Services							
6	Statewide Public Services	3,970.2	4,253.8	4,097.8	3,949.8	-148.0	-3.6%
	* BRU Total	3,970.2	4,253.8	4,097.8	3,949.8	-148.0	-3.6%
Air and Water							
7	Air and Water Director	478.9	222.5	349.0	339.0	-10.0	-2.9%
8	Air Quality	5,617.3	4,330.9	4,579.9	4,579.9	0.0	0.0%
9	Water Quality	5,329.1	4,571.6	4,678.0	4,678.0	0.0	0.0%
	* BRU Total	11,425.3	9,125.0	9,606.9	9,596.9	-10.0	-0.1%
Environmental Health							
10	Environmental Health Director	206.6	170.9	172.6	172.6	0.0	0.0%
11	Animal Industries	633.5	598.2	739.1	734.3	-4.8	-0.6%
12	Seafood & Sanitation Inspect'n	2,921.7	2,883.5	2,924.7	2,741.1	-183.6	-6.3%
13	Laboratory Services	2,179.3	2,167.2	2,258.6	2,250.0	-8.6	-0.4%
14	Drinking Water	1,970.5	1,822.3	2,376.6	2,376.6	0.0	0.0%
15	Solid Waste	1,054.4	1,138.7	1,150.0	-0.0	-1,150.3	-100.0%
	* BRU Total	8,966.0	8,780.8	9,621.9	8,274.6	-1,347.3	-14.0%
Spill Prevention and Response							
16	Spill Prevention/Response Dir.	328.2	194.0	196.4	196.4	0.0	0.0%
17	Contaminated Sites	4,012.5	3,922.3	4,521.5	4,521.5	0.0	0.0%
18	Storage Tank Program	3,661.4	3,987.2	2,037.9	2,037.9	0.0	0.0%
19	Industry Preparedness&Pipeline	2,827.5	2,454.8	2,455.6	2,455.6	-0.0	-0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Environmental Conservation

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
	Spill Prevention and Response						
20	Prevention and Emergency Resp	3,434.2	2,779.3	2,847.0	2,847.0	0.0	0.0%
	* BRU Total	14,263.8	13,337.6	12,058.4	12,058.4	0.0	0.0%
	Exxon Restoration						
21	Exxon Restoration	1,683.2	130.7	1,788.2	132.3	-1,655.9	-92.6%
	* BRU Total	1,683.2	130.7	1,788.2	132.3	-1,655.9	-92.6%
	Facility Construction and Operations						
22	Facility Construc./Operations	3,656.0	3,855.3	4,484.2	4,484.2	-0.0	-0.0%
	* BRU Total	3,656.0	3,855.3	4,484.2	4,484.2	-0.0	-0.0%
	*** Total Agency Expenditure	53,139.7	45,763.2	47,815.9	44,595.2	-3,220.7	-6.7%
	Federal Funds	9,978.0	11,155.2	10,589.5	12,317.4	1,727.9	16.3%
	General Funds	17,133.1	15,904.8	15,672.9	14,158.6	-1,514.3	-9.7%
	Other Funds	26,028.6	18,703.2	21,553.5	18,119.2	-3,434.3	-15.9%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Environmental Conservation

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Administration							
1	Office of the Commissioner	283.8	314.9	318.5	308.7	-9.8	-3.1%
2	Administrative Services	638.3	1,141.8	1,106.9	1,057.2	-49.7	-4.5%
3	Telecommunications Chargeback	111.4	131.9	0.0	0.0	0.0	0.0%
	* BRU Total	1,033.5	1,588.6	1,425.4	1,365.9	-59.5	-4.2%
Environmental Quality							
5	Wastewater & Water Treatment	525.4				0.0	0.0%
	* BRU Total	525.4	0.0	0.0	0.0	0.0	0.0%
Statewide Public Services							
6	Statewide Public Services	104.9	1,458.0	1,429.1	1,281.1	-148.0	-10.4%
	* BRU Total	104.9	1,458.0	1,429.1	1,281.1	-148.0	-10.4%
Air and Water							
7	Air and Water Director	268.6	222.5	224.0	214.0	-10.0	-4.5%
8	Air Quality	3,295.5	1,943.0	1,210.7	1,210.7	0.0	0.0%
9	Water Quality	3,013.8	2,134.8	2,224.4	2,224.4	0.0	0.0%
	* BRU Total	6,577.9	4,300.3	3,659.1	3,649.1	-10.0	-0.3%
Environmental Health							
10	Environmental Health Director	206.6	170.9	172.6	172.6	0.0	0.0%
11	Animal Industries	296.9	282.5	337.2	332.4	-4.8	-1.4%
12	Seafood & Sanitation Inspect'n	2,830.1	2,776.9	2,810.3	2,677.2	-133.1	-4.7%
13	Laboratory Services	1,342.2	1,320.6	1,336.2	1,327.6	-8.6	-0.6%
14	Drinking Water	849.4	769.2	779.5	779.5	-0.0	-0.0%
15	Solid Waste	1,049.1	1,138.6	1,150.3	-0.0	-1,150.3	-100.0%
	* BRU Total	6,574.3	6,458.7	6,586.1	5,289.3	-1,296.8	-19.7%
Spill Prevention and Response							
17	Contaminated Sites	191.9		455.0	455.0	0.0	0.0%
18	Storage Tank Program		25.0	25.0	25.0	0.0	0.0%
19	Industry Preparedness&Pipeline		100.4	101.8	101.8	0.0	0.0%
	* BRU Total	191.9	125.4	581.8	581.8	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Environmental Conservation

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	Facility Construction and Operations						
22	Facility Construc./Operations	2,125.2	1,973.8	1,991.4	1,991.4	0.0	0.0%
	* BRU Total	2,125.2	1,973.8	1,991.4	1,991.4	0.0	0.0%
	*** Total Agency Expenditure	17,133.1	15,904.8	15,672.9	14,158.6	-1,514.3	-9.7%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Environmental Conservation

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Administration													
Office of the Commissioner													
Deny fund source change from Federal to I/A Receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		103.7											
1007 I/A Rcpts		-103.7											
Cut contractual line by \$9.8 in communications and rental	Dec	-9.8	0.0	0.0	-9.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-9.8											
		-9.8	0.0	0.0	-9.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Services													
Deny fund source change from Federal to I/A Receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		1,026.0											
1007 I/A Rcpts		-1,026.0											
Cut contractual line by \$49.7 for communications and rent	Dec	-49.7	0.0	0.0	-49.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-49.7											
		-49.7	0.0	0.0	-49.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-69.6	0.0	0.0	-59.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statewide Public Services													
Statewide Public Services													
Deny fund source change from Federal to I/A Receipts	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		648.7											
1007 I/A Rcpts		-648.7											
Reduce Environmental Crimes Unit	Dec	-148.0	-42.0	0.0	-106.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-148.0											
		-148.0	-42.0	0.0	-106.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-148.0	-42.0	0.0	-106.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Air and Water													
Air and Water Director													
Reduce travel to FY96 Actual level	Dec	-10.0	0.0	-10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-10.0											
		-10.0	0.0	-10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-10.0	0.0	-10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Environmental Conservation

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grant	Misc	PFT	PPT	Tmp
Environmental Health													
Animal Industries													
Reduce increase to contractual rental and leases	Dec	-4.8	0.0	0.0	-4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-4.8											
		-4.8	0.0	0.0	-4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Seafood and Sanitation Inspections													
Reduce increase to contractual communications and rent	Dec	-82.5	0.0	0.0	-82.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-82.5											
Deny Governor's Amendment	Dec	-101.1	-62.8	-8.3	-23.1	-1.1	-5.8	0.0	0.0	0.0	-1.0	0.0	0.0
1002 Fed Rcpts		-50.5											
1003 G/F Match		-50.6											
		-183.6	-62.8	-8.3	-105.6	-1.1	-5.8	0.0	0.0	0.0	-1.0	0.0	0.0
Laboratory Services													
Reduce increase to contractual for minor repairs and maint	Dec	-8.6	0.0	0.0	-8.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-8.6											
		-8.6	0.0	0.0	-8.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Solid Waste													
Phase out component	Dec	-1,160.3	-875.2	-75.1	-167.5	-15.6	-16.9	0.0	0.0	0.0	-13.0	0.0	0.0
1004 Gen Fund		-885.6											
1005 GF/Prgm		-264.7											
		-1,160.3	-875.2	-75.1	-167.5	-15.6	-16.9	0.0	0.0	0.0	-13.0	0.0	0.0
*** BRU Total ***		-1,347.3	-938.0	-83.4	-286.5	-16.7	-22.7	0.0	0.0	0.0	-14.0	0.0	0.0
Exxon Restoration													
Deny Governor's Amendment	Dec	-1,655.9	0.0	-2.6	-1,652.3	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1018 EVOSS		-1,655.9											
		-1,655.9	0.0	-2.6	-1,652.3	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		-1,655.9	0.0	-2.6	-1,652.3	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
***** Agency Total *****		-3,220.7	-980.0	-96.0	-2,104.3	-17.7	-22.7	0.0	0.0	0.0	-14.0	0.0	0.0

**House Finance Budget Subcommittee
Environmental Conservation
Recommendations**

Administration

Office of the Commissioner

Cut contractual by 9.8 GF. This component has increased in the communications and rental charges paid to the Department of Administration.

Deny fund source change from Federal to Interagency receipts of 103.7. This fund source change would allow the Commissioner's office to charge divisions for services regardless of federal funding.

Administrative Services

Cut contractual by 49.7, GF. This component has increased in the communications and rental charges paid to the Department of Administration.

Deny fund source change from Federal funds to Inter-Agency Receipts of 1026.0 This fund source change would allow Administrative Services to charge divisions for services regardless of federal funding.

Delete three positions not filled and not funded.

Statewide Public Services

Deny fund switch from federal to inter-Agency Receipts of 648.7. This fund source change would allow Statewide Public Services to charge divisions for services regardless of federal funding.

Delete one position not filled and not funded.

Air and Water

Air and Water Director

Reduce travel to FY96 Actual level, 10.0 GF.

Environmental Health

Animal Industries

Reduce increase to contractual rental and leases, 4.8 GF.

Seafood and Sanitation

Reduce increase to contractual for communications, rentals and leases ,82.5 GF

Laboratory Services

Reduce increase to contractual for minor repairs and maintenance, 8.6 GF.

Solid Waste

Eliminate component. Cutting this component will take the state out of the business of permitting landfills. The EPA will then be responsible for permitting these facilities. (\$885.6 GF, 264.7 GF Prgm Rcpts)

Environmental Conservation

	FY97 Auth	FY98 Gov	Changes	FY97 Subcom
Administration				
Office of the Commissioner	477.1	482.2	9.8	472.4
Administrative Services	3,537.3	3,611.0	49.7	3,561.3
Telecommunications Chargeback	131.9	.0	.0	.0
Response Fund Administration	2,133.7	2,065.3	.0	2,065.3
BRU Total	6,280.0	6,158.5	59.5	6,099.0
Environmental Quality				
Wastewater and Water Treatment	.0	.0	.0	.0
BRU Total	.0	.0	.0	.0
Statewide Public Services				
Statewide Public Services	4,253.8	4,097.8	148.0	3,949.8
BRU Total	4,253.8	4,097.8	148.0	3,949.8
Air and Water				
Air and Water Director	222.5	349.0	10.0	339.0
Air Quality	4,330.9	4,579.9	.0	4,579.9
Water Quality	4,571.6	4,678.0	.0	4,678.0
BRU Total	9,125.0	9,606.9	10.0	9,596.9
Environmental Health				
Environmental Health Director	170.9	172.6	.0	172.6
Animal Industries	598.2	638.0	4.8	633.2
Seafood & Sanitation Inspection	2,883.5	2,924.7	82.5	2,842.2
Labratory Services	2,167.2	2,258.6	8.6	2,250.0
Drinking Water	1,822.3	2,376.6	.0	2,376.6
Solid Waste	1,138.7	1,150.3	1,150.3	.0
BRU Total	8,780.8	9,520.8	1,246.2	8,274.6
Spill Prevention and Response				
Spill Prevention Response Director	194.0	196.4	.0	196.4
Contaminated Sites	3,922.3	4,521.5	.0	4,521.5
Storage Tank Program	3,987.2	2,037.9	.0	2,037.9
Industry Preparedness & Pipeline	2,454.8	2,455.6	.0	2,455.6
Prevention and Emergency Resp	2,779.3	2,847.0	.0	2,847.0
BRU Total	13,337.6	12,058.4	.0	12,058.4
Exxon Restoration				
Exxon Restoration	130.7	132.3	.0	132.3
BRU Total	130.7	132.3	.0	132.3
Facility Construction and Operations				
Facility Construction Operations	3,855.3	4,484.2	.0	4,484.2
BRU Total	3,855.3	4,484.2	.0	4,484.2
Total Agency Expenditure				
	<u>45,763.2</u>	<u>46,058.9</u>	<u>1,463.7</u>	<u>44,595.2</u>
Federal Funds	11,155.2	10,539.0	-1,778.4	12,317.4
General Funds	15,904.8	15,622.3	1,463.7	14,158.6
Other Funds	18,703.2	19,897.6	1,778.4	18,119.2

MEMORANDUM

State of Alaska

Department of Environmental Conservation
Office of the Commissioner


TO: Annalee McConnell
Director, OMB

DATE: March 20, 1997

FILE NO:

THRU:

PHONE NO: 465-5065

FROM: 
Michele Brown
Commissioner, DEC

SUBJECT: Impacts of House Finance Subcommittee
Reductions

Since FY 91, general funds (including fees) to support the Department of Environmental Conservation have been reduced by 43 percent, from 27.3 million to 15.6 million dollars. The cap identified by the House of one million dollars is a further reduction to a department where service delivery has already been reduced to the core, critical level. The department can not reduce further with the intent or hope that local governments will take on the functions. The Department of Environmental Conservation is **already** in partnership with local government to implement essential programs which protect public health, the environment, and foster economic growth in our state. In addition, benefits which accrue to citizens of this state in tempering federal requirements will be lost if the cap is maintained. The state regulatory role can not transfer to local governments.

In the House Finance subcommittee, a budget plan was passed which reduces the department budget by 1,463.7 exceeding the leadership's proposed cap by almost a half a million dollars. Impacts of each cut follows:

Eliminate Solid Waste Management Program - 1,150.3

Elimination of solid waste management means that landfills, garbage dumps, and industrial wastes -- such as the drilling wastes generated in the country's largest oil fields -- would be completely unregulated. Alaska will be the only state in the nation that doesn't oversee garbage or industrial waste disposal.

Loss of state oversight will result in dramatically increased costs to land fill operators and municipalities because they will have to comply with federal standards rather than benefit from the flexibility that a state run program offers. We know of \$54.4 million in ongoing landfill project upgrades that will be required once state primacy is lost.

Community:	Size of planned expansion:	Increased cost:
Municipality of Anchorage	100 acres	\$18 million
Fairbanks North Star Borough	90 acres	\$16.2 million
Mat-Su Borough	34 acres	\$6.1 million
Kenai Peninsula Borough	40 acres	\$7.2 million
Kodiak Island Borough	35 acres	\$6.3 million

In addition, the Fairbanks North Star Borough Landfill has proposed an alternative cover design for closure of their existing facility. Loss of state flexibility would result in nearly \$600,000 of increased costs in this portion of the project. The federal program sets up enforcement by citizen lawsuit or federal take-over, both of which would be extremely costly for landfill operators.

Mismanaged landfills will make groundwater unusable for drinking, will cost millions for the landowners -- usually state government -- to clean up, and will pose health risks by direct transmission of disease. For example, uncontrolled access to landfills by animals or birds which then travel to water sources, like reservoirs, will transmit disease.

The House subcommittee indicated that they believed municipalities would step forward to fund a state Solid Waste program rather than incurring the \$54.4 million increase in costs. They did not, however, pass the offered amendment which would have provided program receipts authority to allow the department to accept funding from the municipalities.

A detailed discussion of the Solid Waste program and impacts of its elimination is attached.

Seafood and Sanitation - 82.5

This reduction will result in elimination of one inspector. All of our inspectors carry comparable inspection workloads so any cut will seriously impact inspections anywhere the cut is taken. We anticipate two vacancies in this component by the end of the fiscal year, one in Ketchikan and one in Kodiak. The Kodiak inspector costs are \$82.2; to Ketchikan's costs of \$53.1. Since the cut is \$80.0, the Kodiak inspector will not be filled as the cost equals the cut. This position inspects 220 seafood processors and food service establishments in 12 communities on Kodiak Island. These facilities will be uninspected with this reduction. Seafood processors on Kodiak Island will not be able to sell their products in the interstate or foreign markets. In addition, Kodiak Livestock Company, a sausage processor in Kodiak will not be inspected and will therefore no longer be able to sell this product.

Environmental Crimes Unit - 148.0

The Environmental Crimes Unit ensures full investigation and resolution of environmental crimes, correction of problems and environmental damage, and a fair economic climate for the majority who do comply with the law. The unit has three essential elements: Department of Environmental Conservation investigators, a state trooper in the Department of Public Safety, and an assistant attorney general from the Department of Law. The statutory authority for these investigations comes from AS 46.03.020, and AS 46.03.790.

The reduction will eliminate the two investigators, leaving the department with no dedicated staff to assess information about deliberate and potentially harmful acts.

Any Alaskan can potentially be harmed by someone who intentionally commits an environmental crime. Thus it is not surprising that cases are brought forward by citizens who are concerned or have been harmed by irresponsible acts, such as the "midnight dumpers" who dump wastes or hazardous materials on another's property. Sometimes the cases come from those who are victims of unfair economic advantage by violators who try to avoid requirements for safe environmental management. Concerned businesses have come forward to let us know of wrongdoing that could hurt people or resources. Any such information is carefully checked and verified before it is considered for further action. The unit takes great care in determining which cases should go forward, to ensure that the priorities are to deal with violations that have serious consequences. These have included many significant issues such as intentional discharge of sewage into the Kenai River, and into residential areas where children become exposed to fecal wastes; deliberately misrepresenting that parcels of land for sale could accommodate on-site septic systems; dumping hazardous materials along a riverbank; and not performing required tests on seafood products to ensure safe consumption for people.

In the years before the unit was formed, the department had a very difficult time getting these criminal acts resolved, because there was no internal capability to thoroughly investigate, nor were the troopers or district attorneys able to devote time to environmental cases, even when serious or harmful pollution was involved. This small unit was formed as a direct result of agreements between the Departments of Environmental Conservation, Law, and Public Safety as the most cost-effective way to seek justice and protect Alaskans from the potential harm of these kinds of criminal acts.

Reduce Travel for the Air and Water Director's Office - 10.0

The House subcommittee cut the travel funding due to the increase from FY 96 actuals. Increased travel authorizations from the FY 96 actual level were requested due to new services being delivered by the Air and Water Director. First, an increment for \$20.0 was requested to fund travel for the Joint Pip. line Office liaison at the request of and funded by receipts from industry. Second, a transfer (**not an increment**) was made to the travel line from other line items to fund our travel costs for DEC participation on the Kenai River Advisory Board which

has regular monthly meetings in Soldotna and occasional interim meetings. Without this travel funding, DEC will not be represented to speak to Lease Sale 85A, as well as water quality protection for the Kenai River.

Deny Funding Source Change to Inter Agency Receipts - \$0.0

The House subcommittee denied the proposed funding source change from federal to inter agency receipts in the Office of the Commissioner, the Division of Administrative Services, and the Division of Statewide Public Services. While this recommendation does not contribute to meeting the majority's target for reductions, it does eliminate one of the management improvements I have instituted.

During my overview to the full finance committee and later to the subcommittee, I noted the conversion to inter agency receipts as a technical adjustment which strengthens the relationship between direct program costs and the cost of indirect service delivery. This ensures that as direct programs are reduced or increased, the support services are also affected.

Position Deletions - \$0.0

The House subcommittee deleted three positions in the Division of Administrative Services and one position in the Division of Statewide Public Service which are currently not filled and are not funded. Those actions have already been taken in the Governor's FY 98 request and did not require action by the subcommittee.

Lease, Rental and Communications Increase Calculations in Error

Based on erroneous analysis of the C22 forms in the budget, the House subcommittee concluded that the department had significant increases in lease, rental and communications costs. The accurate information on change in communications, and rental and lease costs is found on the C300 forms. The total communications costs decreased by 208.4 from FY 97 to the FY 98 Governor's request. This decrease is attributed to 1) increased use of wide area network transmissions instead of telephones or facsimile, 2) negotiation of higher discounts by the Department of Administration for long distance rates, and 3) consolidation of emergency response communications costs. The rental and lease costs have increased 118.1 from FY 97 to FY 98. This increase results from 1) acquisition of storage space for response equipment, 2) upgrades of space in Fairbanks, and 3) increased costs due to the move in Anchorage at the termination of the existing lease.

Payment of the increased (or decreased) costs to the Department of Administration is not something we can negotiate. Accordingly, the reductions passed by the House subcommittee are direct program cuts to the Department of Environmental Conservation.

Laboratory Services - 8.6

This cut will reduce our ability to provide necessary maintenance of and repairs to our laboratory equipment, necessitating higher appropriations in subsequent years for replacement of non functioning equipment. Laboratory equipment is used to analyze raw fish, finished and value added seafood, dairy, red meat and other food products to ensure safety for the consuming public; and to test water and soil samples for contaminants that may impact the environment or people.

Animal Industries - 4.8

General funds in this component are already minimal and this reduction will reduce the limited general funds from 48.6 to 43.8. This reduction will need to be taken in travel. General fund travel supports animal intakes at public fairs. Fair operators require health inspections for animals at public fairs to minimize the threat of transmitting disease among animals and to people. The state veterinarian who performed these inspections will not be able to continue after this cut. This means individuals will have to work with fair operators to find alternative health inspections.

Administrative Services - 49.7

This reduction will require elimination of a filled position in the Division of Administrative Services. Public access to records, files, billings and general information relating to department programs would not be as easily accessed, and in some cases could not be maintained in current status. The systems which are in place to provide easy, free, electronic access to regulations, public hearing schedule, meeting schedules, and other user information will not be maintained in an electronic format.

Commissioner's Office - 9.8 (46% reduction)

The proposed reduction of 9.8 in the Commissioner's Office will reduce the already limited travel budget for my staff and myself. This reduction will hamper my ability to travel in Alaska to be sure the department is responsive to local issues, and to travel outside Alaska to work with our congressional delegation and the U.S. EPA to temper federal requirements to the unique conditions in Alaska.

Budget Amendments-1,757.0

The subcommittee denied the Exxon Restoration budget amendment for 1,655.9. Implementation of this project is identified as a high priority and funded by the *Exxon Valdez* Trustee Council.

Deletion of this amendment will halt the clean up of significant surface and subsurface residual

oil that remain at eight high priority sites near the village of Chenega Bay. Eliminating the project will result in tar, asphalt, emulsion and contaminated soils remaining on shorelines that are used by village residents for subsistence harvest. Village residents say that the continued presence of the oil affects their confidence in the resources and leads to changes in their subsistence harvest or use of resources. Without this amendment, implementation of clean up will not occur and village subsistence concerns and EVOS priorities will not be addressed.

Also not included was an amendment for 101.1 to the Division of Environmental Health to pay for an additional inspector for a slaughterhouse in Delta. DEC is statutorily required to provide inspections of all meat plants in the state.

Should you have any questions or need additional information, feel free to contact me directly or Barbara Frank of my staff at 465-5256.

Attachment

cc: Division Directors
Barbara Frank

**Impacts of Proposed Elimination of the
Solid Waste Management Program
Department of Environmental Conservation**

WHAT DOES THE SOLID WASTE PROGRAM DO?

The solid waste program reviews and approves solid waste management plans, landfill closure plans, and groundwater monitoring plans; solicits public input on proposed solid waste disposal permits; issues solid waste disposal permits; inspects facilities to ensure compliance with permits and regulatory requirements; identifies violations; provides technical assistance to landfill owners and operators to help them resolve problems and come into compliance with permit conditions; where owners or operators are unwilling to resolve violations, takes appropriate enforcement action; and provides general assistance to the public on solid waste issues. State solid waste programs must be approved by EPA.

WHAT TYPES OF WASTE ARE REGULATED?

Municipal solid waste (household garbage)
Asbestos
Active drilling mud reserve pits
Inactive drilling mud reserve pits
Mining waste
Wood waste
Construction and demolition debris
Inert waste
Sewage solids
Landspreading of biosolids
Medical waste
Slaughterhouse and fish processing wastes that are land disposed
Solid waste treatment facilities: incinerators, grind and inject, balers, composting

WHAT FLEXIBILITY IS AVAILABLE IN APPROVED STATES?

Federal solid waste regulations allow flexibility for landfills in approved States. An EPA approved State may approve less stringent requirements for landfills, such as:

- allowing landfills in wetlands in certain cases
- approving alternative setback distance in earthquake zones
- extending deadlines for closing landfills in floodplains and near airports that do not meet new demonstration requirements
- establishing alternative compliance schedules for phasing in groundwater monitoring requirements at existing landfills
- temporarily waiving daily cover requirements during extreme climate conditions
- approving alternative cover designs and alternative cover materials
- setting alternative schedules for record keeping and notification requirements
- approving alternative liner designs

- approving alternative frequency of sampling for contaminants during the landfill's active life and during post-closure.
- extending deadlines for preparing closure and post-closure plans
- determining that remediation of a release is not necessary
- increasing or decreasing the 30-year post-closure care period
- allowing final covers other than 18 inches of earthen material
- altering the list of contaminants for groundwater monitoring
- suspending the requirements for groundwater monitoring
- establishing an alternative schedule for compliance when methane gas remediation is necessary

In addition, under the provisions of the federal Land Disposal Program Flexibility Act of 1996, the Governor of the State of Alaska can waive additional federal provisions for landfills accepting less than 20 tons per day of waste. This federal law only applies to the State of Alaska. Without an approved solid waste program, the Governor would be unable to implement this provision.

Over 200 Class III landfills exist in Alaska, mostly in rural communities. Without an approved solid waste program, Alaska will no longer be afforded this less stringent landfill category. In order to come into compliance with federal requirements, rural communities will have to pay additional costs to meet Class II or Class I specifications.

IMPACTS ON MUNICIPALITIES:

Loss of flexibility will increase costs. A number of municipalities have planned lateral expansions that will have to be constructed according to the federal liner design as a result of the proposed program elimination. Costs for these planned expansions will be triple the cost of a state-approved liner design, with no resulting increase in environmental protection. Below are the estimated increased costs to the communities which will be impacted within the next few years:

Community:	Size of planned expansion:	Increased cost:
Municipality of Anchorage	100 acres	\$18 million
Fairbanks North Star Borough	90 acres	\$16.2 million
Mat-Su Borough	34 acres	\$6.1 million
Kenai Peninsula Borough	40 acres	\$7.2 million
Kodiak Island Borough	35 acres	\$6.3 million

In addition, the Fairbanks North Star Borough Landfill has proposed an alternative cover design for closure of their existing facility. Loss of state flexibility would result in nearly \$600,000 of increased costs in this portion of the project. **These five projects alone will result in increased costs to these municipalities of \$54.4 million that will have to be paid by the community through increased garbage disposal fees or local taxes.**

Public water system operators, such as municipalities, will also lose drinking water monitoring

waivers due to potential contamination from unpermitted landfills. Savings from these waivers average over \$8,000 per compliance period for most public water systems.

IMPACTS ON INDUSTRY:

Since industrial waste is not covered by federal regulations, there will be no regulatory standards for management of this waste and no recourse for those impacted by inappropriate waste management. The oil industry won an exemption from hazardous waste regulation for drilling wastes on the premise that these wastes would be adequately addressed by state solid waste programs. If Alaska fails to regulate these wastes in the largest oilfields in the United States, we expect that there would be pressure to overturn this exemption. If this is overturned it would be regulated as hazardous waste by the federal government, with greatly increased costs for oil companies.

The 1993 settlement between ARCO and the Natural Resources Defense Council requires ARCO to close most of the reserve pits on the North Slope and deal with this waste in accordance the state solid waste regulations and the Clean Water Act. ARCO is subject to large financial penalties if they fail to comply with these requirements. Elimination of the solid waste program will make it impossible for ARCO to meet the terms of this settlement agreement.

IMPACTS ON THE GENERAL PUBLIC:

Without a permitting program, public input on a proposed landfill will be limited to zoning actions, in those few communities that have effective zoning. For municipal solid waste landfills, the only recourse that the public would have to ensure enforcement of violations would be federal citizens suits. For non-municipal landfills a person harmed by improper waste management could pursue damages against the landfill owner and operator, if known, in state court.

IMPACTS ON OTHER GOVERNMENT AGENCIES:

Fires at uncontrolled landfills have been a problem that the solid waste program is working to eliminate. Last summer, a fire at the Central community landfill caused a wildfire that cost state and federal agencies over \$1 million to control.

Without oversight, the creation of uncontrolled, illegal dumps will resume. Past experience has shown that these dumps generally occur on public lands because the public agencies do not oversee their lands as closely as private landowners. State or federal landowner agencies are then stuck with the cost of cleaning up these trespass dumps. One such example is the old Thorne Bay trespass dump on U.S. Forest Service lands. The USFS spent about \$500,000 investigating contamination at this site and estimate that cleanup will cost \$2 - 3 million.

Recent examples of landfills operating on state land without formal approval or lease agreement include Nome, Kotzebue, and the Oxbow landfill in Deadhorse. The solid waste program has been instrumental in negotiating solutions that have reduced the liability to the State. For example, the Oxbow landfill operated by the North Slope Borough represented a very large

liability risk to the state. The Borough was unwilling to accept ownership of the land, and the Department of Natural Resources refused to lease the land for operation of the existing landfill. The solid waste program was finally able to break the deadlock in the fall of 1996 by withholding the waste disposal permit until the land ownership issue was resolved. Without a resolution, the land would have remained in disputed status until the landfill was full, and the state would have likely had to pay the cost of final cover and post-closure monitoring.

IMPACT ON PUBLIC HEALTH:

Managing solid waste is a fundamental government function and supports the constitutional mandate that the legislature provide for the promotion and protection of the public health. (Article 7, Section 4)

Uncontrolled disposal of honey bucket waste can and has led to the spread of diseases such as Hepatitis A and Impetigo. Rats, bears, and foxes are problems at poorly managed landfills, a situation that would be exacerbated by uncontrolled disposal. Foxes in western Alaska frequently carry rabies. Rabies, if not treated, is always fatal and the treatment itself poses certain risks.

Of the state's 3,300 public water systems, 2,811 obtain their water from groundwater sources. Groundwater is particularly susceptible to contamination from solid waste. Current management rules require groundwater monitoring at many landfills to protect drinking water sources.

Leachate is also a considerable problem where there are large quantities of solid waste. Leachate is created when water from rain or snow mixes with the bacteria, chemicals, and other contaminants in the disposal site. As it migrates out of the waste, leachate contaminants land and both surface and ground water.

Certain hazardous wastes are allowed to be treated as municipal solid wastes, and are disposed of in landfills. This includes paints, solvents, cleaners, batteries, and pesticides. Agent Orange was recently dropped off at a household hazardous waste collection point. This deadly chemical might have otherwise ended up in the landfill.

In a recent inventory, the Indian Health Service ranked solid waste disposal sites in Native villages according to health threat. Several sites were ranked as being a high threat to public health, including Wainwright, Emmonak, Galena, Hydaburg, and Diomed.

EFFECT OF PAST PRACTICES:

Seventy-one of the sites on the Department's contaminated sites database were once solid waste disposal sites.

In addition, the following waste sites are now Superfund sites, according to EPA: Ft. Richardson, Elmendorf Air Force Base, Eielson Air Force Base, Ft. Wainwright, and Standard Steel.

Several salvage yards have become unmanaged dump sites and eventually Superfund sites including the 84th and Spruce site and Engine and Gear in Anchorage, and the McCall site and Arctic Surplus in Fairbanks. EPA spent millions of dollars to do an emergency cleanup of the 84th and Spruce site because it is in a residential area.

Millions of dollars have also been spent by industry and the state and federal governments to remove abandoned industrial wastes from the North Slope.

WHERE THESE LANDFILLS ARE LOCATED:

CLASS I LANDFILLS (20 tons or more per day on annual basis). There are 9 Class I landfills as follows:

Municipality of Anchorage
Fairbanks North Star Borough
Channel Landfill, Juneau (private)
Mat-Su Borough Central
Kenai Peninsula Borough, Soldotna
Kodiak Island Borough
City of Unalaska
North Slope Borough, Oxbow Landfill, Deadhorse
Fort Wainwright Landfill, Fairbanks

CLASS II LANDFILLS (5-20 tons per day on an annual basis). There are approximately 54 such facilities. Following are examples of the communities in this classification:

Nome	Dillingham
Kotzebue	False Pass
Barrow	King Cove
Fort Greely	Homer Balefill
Clear Air Station	Naknek
Denali Borough landfill (proposed)	Sand Point
St. George	St. Paul
Unmak Island	Valdez
Haines	Sitka
Bethel	Wrangell
Petersburg	Klawock

CLASS III (Under 5 tons per day on an annual basis): There are over 200 such facilities that are or will be permitted. Following is only an example of the communities in this classification. (Please note this classification is a state-creation. Under federal management, all of these facilities will be considered Class II landfills and will have to meet the more stringent requirements of that classification.)

Angoon
Galena
Chevak
Skagway
Bettles

Beaver
McGrath
Seldovia
Hoonah

Industrial Landfills (non-municipal solid waste disposal sites) There are over 200 of these types of facilities; following are examples of where they are located:

North Slope
Kenai Peninsula
West Cook Inlet
Icy Bay

Kodiak Island
Prince William Sound
Windy Bay
Kazakof Bay

STATUTES THAT WOULD NEED TO BE REPEALED:

AS 46.03.100. Waste disposal permit. *[This statute states the permit requirement for disposal of Solid Waste on land or water, and sets out exceptions to that requirement.]*

AS 46.03.110. Waste disposal permit procedure. *[This statute outlines the procedure for obtaining a permit including public notice requirements].*

AS 46.03.120. Termination or modification of waste disposal permit. *[This statute outlines how the Department may modify or terminate a permit]*

In addition, 18 AAC 60, the Solid Waste Management regulations, would need to be repealed.

FISH + GAME

FISH +
GAME

Agency Totals - FY98 Operating Budget

Agency: Department of Fish and Game

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	100,167.6	105,196.8	107,035.2	106,739.7	-295.5	-0.3%
<u>Objects of Expenditure:</u>						
Personal Services	65,526.5	65,222.5	67,866.0	67,760.5	-105.5	-0.2%
Travel	3,305.5	3,654.8	3,722.6	3,712.6	-10.0	-0.3%
Contractual	23,212.7	29,573.5	28,747.9	28,732.9	-15.0	-0.1%
Commodities	5,226.7	5,183.2	5,160.5	5,160.5	-0.0	-0.0%
Equipment	2,858.7	1,537.8	1,538.2	1,538.2	0.0	0.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	37.5	25.0	0.0	0.0	0.0	0.0%
Miscellaneous	0.0	0.0	-0.0	-165.0	-165.0	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	25,363.5	31,099.2	31,794.1	31,844.1	50.0	0.2%
1003 G/F Match	792.9	609.3	618.6	618.6	0.0	0.0%
1004 Gen Fund	32,344.7	32,207.3	32,568.2	31,768.2	-800.0	-2.5%
1005 GF/Prgm	6,329.7	2,948.7	3,024.4	3,024.4	0.0	0.0%
1007 I/A Rcpts	2,809.7	3,161.6	2,966.7	2,966.7	0.0	0.0%
1018 EVOSS	12,434.6	12,500.3	10,185.1	10,185.1	0.0	0.0%
1024 Fish/Game	19,112.3	17,662.1	20,188.6	20,643.1	454.5	2.3%
1055 IA/OIL HAZ	137.5	189.5	189.5	189.5	0.0	0.0%
1061 CIP Rcpts	842.7	720.0	757.0	757.0	0.0	0.0%
1091 GF/Desig		4,098.8	4,743.0	4,743.0	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	778.0	757.0	785.0	785.0	0.0	0.0%
Perm Part Time	827.0	838.0	872.0	872.0	0.0	0.0%
Non-Perm	191.0	95.0	84.0	84.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Department of Fish and Game

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Commercial Fisheries Management & Development							
1	Fisheries Management	25,167.7	25,816.4	26,705.0	22,272.1	-4,432.9	-16.6%
2	Fisheries Development	4,082.6	3,659.3	3,376.1	3,376.1	0.0	0.0%
3	Special Projects	8,385.9	11,121.7	11,276.9	11,276.9	0.0	0.0%
4	CIP Position Costs	78.9	96.9	98.7	98.7	0.0	0.0%
5	EVOS Restoration Projects		2,739.9	2,042.1	2,042.1	0.0	0.0%
	* BRU Total	37,715.1	43,434.2	43,498.8	39,065.9	-4,432.9	-10.2%
A-Y-K Region							
	A-Y-K Region				4,267.9	4,267.9	%
	* BRU Total	0.0	0.0	0.0	4,267.9	4,267.9	%
Sport Fisheries							
6	Sport Fisheries	16,965.2	18,589.8	19,530.6	19,530.6	0.0	0.0%
7	Special Projects	159.8	301.0	302.4	302.4	0.0	0.0%
	* BRU Total	17,125.0	18,890.8	19,833.0	19,833.0	0.0	0.0%
Wildlife Conservation							
8	Wildlife Conservation	13,479.8	13,557.8	15,000.0	15,000.0	0.0	0.0%
9	Special Projects	1,795.0	1,963.6	2,623.8	2,623.8	0.0	0.0%
10	CIP Position Costs	92.7	153.2	95.2	95.2	0.0	0.0%
11	Intensive Management	899.5				0.0	0.0%
12	EVOS Restoration Projects		617.3	461.9	461.9	0.0	0.0%
	* BRU Total	16,267.0	16,291.9	18,180.9	18,180.9	0.0	0.0%
Administration and Support							
13	Office of the Commissioner	1,314.4	860.2	952.1	936.6	-15.5	-1.6%
14	Public Communications	135.6	329.0	180.9	180.9	0.0	0.0%
15	Administrative Services	4,570.7	4,698.7	4,747.5	4,747.5	-0.0	-0.0%
17	Boards of Fisheries and Game	998.6	944.4	964.0	964.0	0.0	0.0%
18	Region. Council/Advisory Comm.	400.5	77.7	554.3	554.3	-0.0	-0.0%
	* BRU Total	7,419.8	7,410.0	7,398.8	7,383.3	-15.5	-0.2%

Component Summary - FY98 Operating Budget

Agency: Department of Fish and Game

Page	Budget Component	FY96 Act	FY97Auth	Gov Amd	House	Gov Amd to House	
Subsistence							
19	Subsistence	1,287.1	1,490.0	1,508.0	332.2	-1,175.8	-78.0%
20	Special Projects	1,143.3	1,024.1	1,318.7	1,318.7	0.0	0.0%
21	EVOS Restoration Projects		334.7	574.4	574.4	-0.0	-0.0%
	* BRU Total	2,430.4	2,848.8	3,401.1	2,225.3	-1,175.8	-34.6%
Rural Subsistence							
	Rural Subsistence				1,060.8	1,060.8	%
	* BRU Total	0.0	0.0	0.0	1,060.8	1,060.8	%
Habitat							
22	Habitat	866.5	1,328.1	1,344.4	1,344.4	0.0	0.0%
23	Special Projects	1,125.8	1,178.0	1,193.4	1,193.4	0.0	0.0%
24	Habitat Permitting/Title 16	2,155.2	2,294.0	2,326.7	2,326.7	0.0	0.0%
25	Restoration	12,434.6	8,808.4	7,106.7	7,106.7	0.0	0.0%
	* BRU Total	16,584.1	13,608.5	11,971.2	11,971.2	0.0	0.0%
Commercial Fisheries Entry Commission							
26	Limited Entry Program Admin.	2,626.2	2,712.6	2,751.4	2,751.4	-0.0	-0.0%
	* BRU Total	2,626.2	2,712.6	2,751.4	2,751.4	-0.0	-0.0%
	*** Total Agency Expenditure	100,167.6	105,196.8	107,035.2	106,739.7	-295.5	-0.3%
	Federal Funds	25,363.5	31,099.2	31,794.1	31,844.1	50.0	0.2%
	General Funds	39,467.3	39,864.1	40,954.2	40,154.2	-800.0	-2.0%
	Other Funds	35,336.8	34,233.5	34,286.9	34,741.4	454.5	1.3%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Fish and Game

Page	Budget Component	FY96 Act	FY97 Auth	Gov Amd	House	Gov Amd to House	
Commercial Fisheries Management & Development							
1	Fisheries Management	24,587.4	25,237.7	26,119.0	21,686.1	-4,432.9	-17.0%
2	Fisheries Development	4,038.4	3,659.3	3,376.1	3,376.1	0.0	0.0%
3	Special Projects	879.8	1,089.7	1,235.4	1,235.4	0.0	0.0%
	* BRU Total	29,505.6	29,986.7	30,730.5	26,297.6	-4,432.9	-14.4%
A-Y-K Region							
	A-Y-K Region				4,267.9	4,267.9	%
	* BRU Total	0.0	0.0	0.0	4,267.9	4,267.9	%
Sport Fisheries							
6	Sport Fisheries	227.7	211.5	272.8	272.8	0.0	0.0%
	* BRU Total	227.7	211.5	272.8	272.8	0.0	0.0%
Wildlife Conservation							
8	Wildlife Conservation	69.2	59.7	387.5	68.0	-319.5	-82.5%
9	Special Projects	181.9	318.2	322.5	322.5	0.0	0.0%
	* BRU Total	251.1	377.9	710.0	390.5	-319.5	-45.0%
Administration and Support							
13	Office of the Commissioner	844.8	730.9	736.0	620.5	-115.5	-15.7%
15	Administrative Services	1,157.1	1,152.7	1,161.2	1,161.2	-0.0	-0.0%
17	Boards of Fisheries and Game	998.6	944.4	644.5	644.5	-0.0	-0.0%
18	Region. Council/Advisory Comm.	400.5	577.7	554.3	554.3	0.0	0.0%
	* BRU Total	3,401.0	3,405.7	3,096.0	2,980.5	-115.5	-3.7%
Subsistence							
19	Subsistence	1,287.1	1,225.0	1,238.3	284.1	-954.2	-77.1%
20	Special Projects	67.9	7.5	193.2	193.2	0.0	0.0%
	* BRU Total	1,355.0	1,232.5	1,431.5	477.3	-954.2	-66.7%
Rural Subsistence							
	Rural Subsistence				839.2	839.2	%
	* BRU Total	0.0	0.0	0.0	839.2	839.2	%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Department of Fish and Game

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Habitat							
22	Habitat	353.7	257.6	258.5	195.7	-62.8	-24.3%
23	Special Projects	273.5	139.2	142.0	119.8	-22.2	-15.6%
24	Habitat Permitting/Title 16	1,498.2	1,649.3	1,671.1	1,671.1	-0.0	-0.0%
	* BRU Total	2,125.4	2,046.1	2,071.6	1,986.6	-85.0	-4.1%
Commercial Fisheries Entry Commission							
26	Limited Entry Program Admin.	2,601.5	2,603.7	2,641.8	2,641.8	0.0	0.0%
	* BRU Total	2,601.5	2,603.7	2,641.8	2,641.8	0.0	0.0%
	*** Total Agency Expenditure	39,467.3	39,864.1	40,954.2	40,154.2	-800.0	-2.0%

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Fish and Game

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Commercial Fisheries Management & Development													
Fisheries Management													
General fund reduction	Dec	-165.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-165.0	0.0	0.0	0.0
1004 Gen Fund		-165.0											
Xfer A-Y-K Region Admin to new A-Y-K component/BRU	TrOut	-939.6	-668.4	-47.4	-143.3	-14.0	-66.5	0.0	0.0	0.0	-6.0	-3.0	0.0
1004 Gen Fund		-939.6											
Xfer Kuskokwim Bay salmon to new A-Y-K component	TrOut	-149.6	-117.2	-4.1	-20.6	-7.7	0.0	0.0	0.0	0.0	-1.0	-4.0	0.0
1004 Gen Fund		-149.6											
Xfer Kuskokwim River salmon to new A-Y-K component	TrOut	-729.2	-528.5	-13.8	-133.9	-53.0	0.0	0.0	0.0	0.0	-5.0	-10.0	-2.0
1004 Gen Fund		-669.6											
1091 GF/Desig		-59.6											
Xfer Yukon River salmon to new A-Y-K component	TrOut	-1,230.5	-909.4	-48.9	-190.7	-81.5	0.0	0.0	0.0	0.0	-5.0	-17.0	-3.0
1004 Gen Fund		-1,120.8											
1091 GF/Desig		-109.7											
Xfer Norton Sound salmon into new A-Y-K component	TrOut	-738.9	-555.0	-30.8	-106.3	-46.8	0.0	0.0	0.0	0.0	-5.0	-1.0	0.0
1004 Gen Fund		-738.9											
Xfer Kotzebue salmon to new A-Y-K component	TrOut	-211.6	-133.6	-11.5	-39.6	-26.9	0.0	0.0	0.0	0.0	-1.0	-8.0	0.0
1004 Gen Fund		-211.6											
Xfer A-Y-K herring to new A-Y-K component	TrOut	-215.3	-82.9	-11.1	-101.3	-20.0	0.0	0.0	0.0	0.0	-1.0	-8.0	0.0
1004 Gen Fund		-215.3											
Xfer Norton Sound crab to new A-Y-K component	TrOut	-53.2	-39.8	0.0	-2.0	-11.4	0.0	0.0	0.0	0.0	0.0	-2.0	0.0
1004 Gen Fund		-53.2											
		-4,432.9	-3,034.8	-167.6	-737.7	-261.3	-66.5	0.0	0.0	-165.0	-24.0	-59.0	-5.0
*** BRU Total ***		-4,432.9	-3,034.8	-167.6	-737.7	-261.3	-66.5	0.0	0.0	-165.0	-24.0	-59.0	-5.0
A-Y-K Region													
Xfer A-Y-K Region Admin to new A-Y-K component/BRU	TrIn	939.6	668.4	47.4	143.3	14.0	66.5	0.0	0.0	0.0	6.0	3.0	-0.0
1004 Gen Fund		939.6											
Xfer Kuskokwim Bay salmon to new A-Y-K component	TrIn	149.6	117.2	4.1	20.6	7.7	0.0	0.0	0.0	0.0	1.0	4.0	-0.0
1004 Gen Fund		149.6											
Xfer Kuskokwim River salmon to new A-Y-K component	TrIn	729.2	528.5	13.8	133.9	53.0	0.0	0.0	0.0	0.0	5.0	10.0	2.0
1004 Gen Fund		669.6											
1091 GF/Desig		59.6											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Fish and Game

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
A-Y-K Region													
A-Y-K Region													
Xfer Yukon River salmon to new A-Y-K component	Trln	1,230.6	909.4	48.9	190.7	81.5	0.0	0.0	0.0	0.0	5.0	17.0	3.0
1004 Gen Fund		1,120.8											
1091 GF/Desig		109.7											
Xfer Norton Sound salmon into new A-Y-K component	Trln	738.9	555.0	30.8	106.3	46.8	0.0	0.0	0.0	0.0	5.0	7.0	-0.0
1004 Gen Fund		738.9											
Xfer Kotzebue salmon to new A-Y-K component	Trln	211.6	133.6	11.5	39.6	26.9	0.0	0.0	0.0	0.0	1.0	8.0	-0.0
1004 Gen Fund		211.6											
Xfer A-Y-K herring to new A-Y-K component	Trln	216.3	82.9	11.1	101.3	20.0	0.0	0.0	0.0	0.0	1.0	8.0	-0.0
1004 Gen Fund		216.3											
Xfer Norton Sound crab to new A-Y-K component	Trln	53.2	39.8	0.0	2.0	11.4	0.0	0.0	0.0	0.0	-0.0	2.0	-0.0
1004 Gen Fund		53.2											
		4,267.9	3,034.8	167.6	737.7	261.3	66.5	0.0	0.0	0.0	24.0	59.0	5.0
*** BRU Total ***		4,267.9	3,034.8	167.6	737.7	261.3	66.5	0.0	0.0	0.0	24.0	59.0	5.0
Wildlife Conservation													
Wildlife Conservation													
Deny transfer from Boards comp. for watchable wildlife	Dec	-319.5	-263.5	-18.0	-38.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-319.5											
Add Fish & Game Funds for watchable wildlife program	Inc	319.5	263.5	18.0	38.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1024 Fish/Game		319.5											
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administration and Support													
Office of the Commissioner													
Delete GF funding for one Deputy Commissioner	Dec	-115.5	-115.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-115.5											
Reinstate funding for personal services	Inc	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1002 Fed Rcpts		50.0											
1024 Fish/Game		50.0											
		-16.5	-15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
*** BRU Total ***													

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Fish and Game

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Temp
Administration and Support													
		-16.6	-15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
Subsistence													
Subsistence													
Delete one-time reapprop for fisheries mgmt activities	Dec	-115.0	-90.0	-10.0	-15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-115.0											
Xfer Regional Management to new Rural Subsistence comp.	TrOut	-436.8	-309.0	-17.6	-88.8	-15.9	-4.5	0.0	0.0	0.0	-5.0	0.0	0.0
1004 Gen Fund		-435.8											
Xfer Resource Use Assessment/SE to Rural Subsistence comp.	TrOut	-161.9	-138.9	-8.0	-4.5	-0.5	0.0	0.0	0.0	0.0	0.0	-2.0	0.0
1004 Gen Fund		-106.3											
1007 VA Rcpts		-45.6											
Xfer Resource Use Assessment/USC to Rural Subsistence comp.	TrOut	-86.6	-71.7	-10.0	-4.5	-0.3	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-61.6											
1007 VA Rcpts		-24.9											
Xfer Resource Use Assessment/SW to Rural Subsistence comp.	TrOut	-123.6	-111.1	-10.0	-2.0	-0.5	0.0	0.0	0.0	0.0	-1.0	-1.0	0.0
1004 Gen Fund		-112.5											
1007 VA Rcpts		-11.1											
Xfer Resource Use Assessment/WV to Rural Subsistence comp.	TrOut	-116.7	-100.7	-8.0	-7.5	-0.5	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-70.5											
1007 VA Rcpts		-46.2											
Xfer Resource Use Assessment/Arctic to Rural Subsistence	TrOut	-71.6	-60.4	-8.0	-2.6	-0.5	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-39.6											
1007 VA Rcpts		-31.9											
Xfer Resource Use Assessment/Interior to Rural Subsistence	TrOut	-74.8	-65.9	-7.4	-1.0	-0.5	0.0	0.0	0.0	0.0	-1.0	0.0	0.0
1004 Gen Fund		-12.9											
1007 VA Rcpts		-61.9											
		-1,176.8	-947.7	-79.0	-125.9	-18.7	-4.5	0.0	0.0	0.0	-10.0	-3.0	0.0
*** BRU Total ***		-1,176.8	-947.7	-79.0	-125.9	-18.7	-4.5	0.0	0.0	0.0	-10.0	-3.0	0.0
Rural Subsistence													
Rural Subsistence													
Xfer Regional Management into new Rural Subsistence comp	TrIn	436.8	309.0	17.6	88.8	15.9	4.5	0.0	0.0	0.0	5.0	-0.0	-0.0
1004 Gen Fund		435.8											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Fish and Game

	Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lands/ Buildings	Grants	Misc	PFT	PPT	Tmp
Rural Subsistence													
Rural Subsistence													
Xfer Resource Use Assessment/SE to Rural Subsistence comp	Trln	151.9	138.9	8.0	4.5	0.5	0.0	0.0	0.0	0.0	-0.0	2.0	-0.0
1004 Gen Fund		106.3											
1007 I/A Rcpts		45.6											
Xfer Resource Use Assessment/SC to Rural Subsistence comp.	Trln	86.5	71.7	10.0	4.5	0.3	0.0	0.0	0.0	0.0	1.0	-0.0	-0.0
1004 Gen Fund		61.6											
1007 I/A Rcpts		24.9											
Xfer Resource Use Assessment/SW to Rural Subsistence comp.	Trln	123.6	111.1	10.0	2.0	0.5	0.0	0.0	0.0	0.0	1.0	1.0	-0.0
1004 Gen Fund		112.5											
1007 I/A Rcpts		11.1											
Xfer Resource Use Assessment/VW to Rural Subsistence comp.	Trln	116.7	100.7	8.0	7.5	0.5	0.0	0.0	0.0	0.0	1.0	-0.0	-0.0
1004 Gen Fund		70.5											
1007 I/A Rcpts		46.2											
Xfer Resource Use Assessment/Arctic to Rural Subsistence	Trln	71.6	60.4	8.0	2.6	0.5	0.0	0.0	0.0	0.0	1.0	-0.0	-0.0
1004 Gen Fund		39.6											
1007 I/A Rcpts		31.9											
Xfer Resource Use Assessment/Interior to Rural Subsistence	Trln	74.8	65.9	7.4	1.0	0.5	0.0	0.0	0.0	0.0	1.0	-0.0	-0.0
1004 Gen Fund		12.9											
1007 I/A Rcpts		61.9											
		1,060.8	857.7	69.0	110.9	18.7	4.5	0.0	0.0	0.0	10.0	3.0	0.0
*** BRU Total ***		1,060.8	857.7	69.0	110.9	18.7	4.5	0.0	0.0	0.0	10.0	3.0	0.0
Habitat													
Habitat													
Delete one-time reapprop. for fisheries mgmt. activities	Dec	-62.8	-49.8	-4.0	-7.8	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-62.8											
Replace GF with Fish & Game Funds for habitat	Inc	62.8	49.8	4.0	7.8	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1024 Fish/Game		62.8											
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Projects													
Delete one-time reapprop for fisheries mgmt. activities	Dec	-22.2	-19.2	-0.3	-2.0	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund		-22.2											

One Way Comparison - FY98 Operating Budget

from Gov Amd to House

Agency: Department of Fish and Game

Trans Type	Total Exp	Personal Services	Travel	Contractual	Commodities	Equipment	Lease Buildings	Grants	Misc	PFT	PPT	Temp
Habitat												
Special Projects												
Replace GF with Fish & Game Funds for Inc habitat	22.2	19.2	0.3	2.0	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1024 Fish/Game	22.2											
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
*** BRU Total ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
***** Agency Total *****	-295.6	-105.5	-10.0	-15.0	0.0	0.0	0.0	0.0	-165.0	-1.0	0.0	0.0

Component Intent & Notes - FY98 Operating Budget

Agency: Department of Fish and Game

Comp: A-Y-K Region

BRU: A-Y-K Region

House

It is the intent of the legislature that the department move more of its regional and biological staff out in the field in order for them to have a better understanding of the area and people they are serving.

Comp: Rural Subsistence

BRU: Rural Subsistence

House

It is the intent of the legislature that the division have full time personnel within the Rural Subsistence BRU in Barrow, Kotzebue, Nome, Bethel and Angoon offices.

Alaska State Legislature
House Finance Committee

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MEMORANDUM

DATE: 19 March 1997
TO: House Finance Committee Members
FROM: Representative Mark Hanley *Mark Hanley*
RE: Dept. of Fish & Game Budget Subcommittee Report

The Fish & Game budget subcommittee met its reduction target of \$800,000 in general funds from the Governor's general fund request of \$41 million. The Governor's total fund budget request for the department was \$107 million. The subcommittee's total fund budget recommendation of \$106.7 million for FY 98 is \$1.5 million above authorized spending for FY 97.

The subcommittee made an unallocated GF reduction of \$165,000 in the Commercial Fisheries Management and Development Division.

A GF transfer of \$319,500 was deleted from the Wildlife Conservation Division, and replaced with Fish & Game funds.

The subcommittee deleted GF for one of two Deputy Commissioners in Administration and Support; \$100,000 of the \$115,500 reduction was replaced with federal and Fish & Game funds.

The Subsistence and Habitat Divisions had funding from a one-time FY 97 reappropriation of \$200,000 from Medical assistance built into their base. The subcommittee removed \$115,000 from Subsistence and \$85,000 from Habitat; \$85,000 of Fish & Game funds was added back to Habitat.

The subcommittee adopted an amendment creating a Rural Subsistence BRU in Subsistence, with the intent that the division have full-time personnel in Barrow, Kotzebue, Nome, Bethel and Angoon offices.

19 March 1997
F&G Budget Subcommittee Report
Page 2

A separate amendment created an A-Y-K Region BRU in Commercial Fisheries Management & Development, with the intent that the division move more of its regional and biological staff out in the field in order for them to have a better understanding of the area and people they are serving. **Funding levels for the divisions were not changed as a result of these amendments.**

Fish and Game Subcommittee Proposal

General Fund Authorizations

	FY97 Auth	FY98 Gov	FY98 House	98 Gov to 98 Hse	97 Auth to 98 Hse
Commercial Fish Management & Development BRU					
Fisheries Management					
	GF reduction				
GF/Match	373.50	379.60	379.60	0.00	6.10
GF	22,640.90	23,144.90	22,979.90	-165.00	339.00
GF/PR	0.00	0.00	0.00	0.00	0.00
GF/Desi	2,223.30	2,594.50	2,594.50	0.00	371.20
Total GF	25,237.70	26,119.00	25,954.00	-165.00	716.30
Total Other Funds	578.70	586.00	586.00	0.00	7.30
ALL FUNDS	25,816.40	26,705.00	26,540.00	-165.00	723.60

Wildlife Conservation BRU

Wildlife Conservation	Delete GF fund transfer/Increase F&G Fund				
GF	0.00	319.50	0.00	-319.50	0.00
GF/PR	59.70	68.00	68.00	0.00	8.30
Total GF	59.70	387.50	68.00	-319.50	8.30
Total Other Funds	13,498.10	14,612.50	14,932.00	319.50	1,433.90
ALL FUNDS	13,557.80	15,000.00	15,000.00	0.00	1,442.20

Administration & Support BRU

Office of the Commissioner	Delete GF for Deputy Comm/Increase F&G & Fed Funds				
GF	730.90	736.00	620.47	-115.53	-110.43
GF/PR	0.00	0.00	0.00	0.00	0.00
Total GF	730.90	736.00	620.47	-115.53	-110.43
Total Other Funds	123.30	216.10	316.10	100.00	186.80
ALL FUNDS	860.20	952.10	936.57	-15.53	76.37

Subsistence BRU

Subsistence	Remove one-time reapprop				
GF	1,225.00	1,238.30	1,123.30	-115.00	-101.70
Total Other Funds	265.00	269.70	269.70	0.00	4.70
ALL FUNDS	1,490.00	1,508.00	1,393.00	-115.00	-97.00

Habitat BRU

Habitat	Remove one-time reapprop/Replace with F&G Fund				
GF/Match	145.20	147.30	147.30	0.00	2.10
GF	81.10	79.90	17.10	-62.80	-64.00
GF/Desi	31.30	31.30	31.30	0.00	0.00
Total GF	257.60	258.50	195.70	-62.80	-61.90
Total Other Funds	1,070.50	1,085.90	1,148.70	62.80	78.20
ALL FUNDS	1,328.10	1,344.40	1,344.40	0.00	16.30

Special Projects

Special Projects	Remove one-time reapprop/Replace with F&G Fund				
GF/PR	0.00	0.00	0.00	0.00	0.00
GF/Desi	79.10	80.60	80.60	0.00	1.50
G/F Match	37.00	37.60	37.60	0.00	0.60
Gen Fund	23.10	23.80	1.60	-22.20	-21.50
Total GF	139.20	142.00	119.80	0.00	1.50
Total Other Funds	1,038.80	1,051.40	1,073.60	22.20	34.80
ALL FUNDS	1,178.00	1,193.40	1,193.40	0.00	15.40

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME OFFICE OF THE COMMISSIONER

P.O. BOX 25528
JUNEAU AK 99802-5528
PHONE: (907) 485-8141
FAX: (907) 485-2332

MEMORANDUM

TO: Annalee McConnell
Director
Office of Management and Budget

FROM: Frank Rue *FR*
Commissioner
Department of Fish and Game

DATE: March 20, 1997

SUBJECT: House Finance Subcommittee Budget Impacts

The following lists represents impacts of the proposed House Finance subcommittee reductions for the Department of Fish and Game for FY98.

- Commercial Fisheries Management and Development - \$165.0

The ability of the division to gather and analyze the information needed to assess the factors controlling the production of salmon in fresh water systems will be significantly reduced. Such information is critical to those who must solve conservation and allocation issues such as Cook Inlet sockeye and chinook, Norton Sound chum salmon, and Bristol Bay sockeye salmon. One of the major tools used to maximize sockeye salmon production, the bread and butter of the commercial salmon fishery, would be lost. The state will have little control over the lake fertilization and enhancement activities of other entities, such as aquaculture associations and federal agencies. The enhancement and rehabilitation of lake rearing species of salmon using limnological methods will cease.

In addition, \$50.0 in federal receipts currently used for Pacific Salmon Treaty projects in Region I will now be allocated to the Commissioner's Office for part of a deputy commissioner's salary.

The subcommittee also created a new BRU and separate appropriation for the Arctic-Yukon-Kuskokwim (AYK) region with the stated intention of putting more employees in area offices instead of the Anchorage regional office. The department has committed to work with legislators from the district on employment issues, but is opposed to the new BRU structure. Since we already prepare budgets by individual projects, funding for the region is clearly broken out; and the separate appropriation will limit flexibility and add to the complexity of budgeting and accounting for funding and positions of the region. It may also set a precedent for creating

separate BRUs/appropriations for the other three regions of CFMD (or other divisions in the department).

- Commissioner's Office - \$115.5

The subcommittee deleted general funds for one deputy commissioner, but added back federal receipt authority of \$50.0 and fish and game funds of \$50.0. The federal receipts will come from the Pacific Salmon Treaty federal contract in CFMD-Region I. The fish and game funds will be allocated equally to the Division's of Sport Fish and Wildlife Conservation.

The remaining reduction of \$15.5 will limit commissioner's office travel to various national and international meetings on fisheries issues critical to the state.

- Subsistence - \$115.0

This 10% reduction is in addition to reductions of over 25% since FY95. It will reduce the division's effectiveness in the Board of Fisheries and Game process. The division had planned to update subsistence harvest data in the Interior in FY98, focusing on big game use, but will no longer be able to undertake this project. Subsistence data is between 10 to 15 years old; more current information could prevent unnecessary reductions in commercial and sport allocations by both the state and federal boards since the federal subsistence program relies on our information.

The subcommittee also created a new BRU and separate appropriation entitled "Rural Subsistence" with the stated intention of putting more employees in area offices instead of the Anchorage and Juneau regional offices. The department has committed to work with legislators from the affected districts on employment issues, but is opposed to the new BRU structure. Since we already prepare budgets by individual projects, funding for various regions and projects is clearly broken out; and the separate appropriation will limit flexibility and add to the complexity of budgeting and accounting for funding and positions.

GOVERNOR'S OFFICE

GOVERNOR'S OFFICE

Governor's Office

Agency Totals - FY98 Operating Budget

Agency: Office of the Governor

	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Totals for Agency	18,258.9	23,463.6	19,067.4	19,067.4	-0.0	-0.0%
<u>Objects of Expenditure:</u>						
Personal Services	11,247.3	13,387.3	12,543.5	12,543.5	-0.0	-0.0%
Travel	659.5	1,141.2	747.5	747.5	0.0	0.0%
Contractual	4,378.6	7,053.4	4,242.4	4,242.4	-0.0	-0.0%
Commodities	339.8	348.8	352.6	352.6	0.0	0.0%
Equipment	467.8	291.0	101.9	101.9	0.0	0.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0%
Grants, Claims	1,165.9	1,241.9	1,079.5	1,079.5	0.0	0.0%
Miscellaneous	0.0	-0.0	-0.0	-0.0	0.0	0.0%
<u>Funding Sources:</u>						
1002 Fed Rcpts	3,056.7	3,456.2	2,922.8	2,922.8	-0.0	-0.0%
1003 G/F Match	1,457.8	1,521.3	1,297.7	1,297.7	0.0	0.0%
1004 Ger. Fund	13,440.8	18,235.6	14,435.1	14,435.1	0.0	0.0%
1005 GF/Prgm		9.8	4.9	4.9	0.0	0.0%
1007 I/A Rcpts	203.6	240.7	406.9	406.9	-0.0	-0.0%
<u>Positions:</u>						
Perm Full Time	183.0	178.0	178.0	178.0	0.0	0.0%
Perm Part Time	2.0	4.0	4.0	4.0	0.0	0.0%
Non-Perm	22.0	49.0	20.0	20.0	0.0	0.0%

Component Summary - FY98 Operating Budget

Agency: Office of the Governor

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97 Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
Commissions/Special Offices							
1	Human Rights Commission	1,191.9	1,214.5	1,353.8	1,353.8	0.0	0.0%
2	Human Res Investment Council	262.8	402.0	406.9	406.9	0.0	0.0%
	* BRU Total	1,454.7	1,616.5	1,760.7	1,760.7	0.0	0.0%
Executive Operations							
3	Executive Office	6,353.9	7,741.8	6,840.3	6,840.3	-0.0	-0.0%
4	Governor's House	325.3	345.6	322.6	322.6	0.0	0.0%
5	Contingency Fund		650.0	450.0	450.0	0.0	0.0%
6	Lieutenant Governor	776.6	949.3	882.2	882.2	0.0	0.0%
7	Arctic Nat'l Wildlife Refuge	486.6				0.0	0.0%
8	North Slope Develop Promotion		472.9	0.0	0.0	-0.0	0.0%
9	Equal Employment Opportunity	240.2	308.0	277.5	277.5	-0.0	-0.0%
	* BRU Total	8,182.6	10,467.6	8,772.6	8,772.6	-0.0	-0.0%
Office of Management & Budget							
10	Office of Management & Budget			2,352.1	2,352.1	0.0	0.0%
11	Office of the Director	493.9	565.9	0.0	0.0	-0.0	0.0%
12	Budget Review	977.4	1,099.6	-0.0	-0.0	-0.0	0.0%
13	Audit and Management Services	704.5	780.7	0.0	0.0	-0.0	0.0%
14	Governmental Coordination	4,506.3	5,075.2	4,197.4	4,197.4	0.0	0.0%
	* BRU Total	6,682.1	7,521.4	6,549.5	6,549.5	-0.0	-0.0%
Elective Operations							
15	Elections	1,636.2	1,646.1	1,667.9	1,667.9	0.0	0.0%
16	General and Primary Elections	303.3	2,212.0	316.7	316.7	0.0	0.0%
	* BRU Total	1,939.5	3,858.1	1,984.6	1,984.6	0.0	0.0%
	*** Total Agency Expenditure	18,258.9	23,463.6	19,067.4	19,067.4	-0.0	-0.0%
	Federal Funds	3,056.7	3,456.2	2,922.8	2,922.8	0.0	0.0%
	General Funds	14,898.6	19,766.7	15,737.7	15,737.7	0.0	0.0%
	Other Funds	303.6	240.7	406.9	406.9	0.0	0.0%

Component Summary - FY98 Operating Budget

General Funds and CBR

Agency: Office of the Governor

<u>Page</u>	<u>Budget Component</u>	<u>FY96 Act</u>	<u>FY97Auth</u>	<u>Gov Amd</u>	<u>House</u>	<u>Gov Amd to House</u>	
	Commissions/Special Offices						
1	Human Rights Commission	1,081.6	1,093.4	1,231.0	1,231.0	0.0	0.0%
	* BRU Total	1,081.6	1,093.4	1,231.0	1,231.0	0.0	0.0%
	Executive Operations						
3	Executive Office	6,248.0	7,639.0	6,730.3	6,730.3	-0.0	-0.0%
4	Governor's House	325.3	345.6	322.6	322.6	0.0	0.0%
5	Contingency Fund		650.0	450.0	450.0	0.0	0.0%
6	Lieutenant Governor	776.6	949.3	882.2	882.2	0.0	0.0%
7	Arctic Nat'l Wildlife Refuge	486.6				0.0	0.0%
8	North Slope Develop Promotion		472.9	0.0	0.0	0.0	0.0%
9	Equal Employment Opportunity	240.2	308.0	277.5	277.5	0.0	0.0%
	* BRU Total	8,076.7	10,364.8	8,662.6	8,662.6	-0.0	-0.0%
	Office of Management & Budget						
10	Office of Management & Budget			2,352.1	2,352.1	0.0	0.0%
11	Office of the Director	493.9	565.9	-0.0	0.0	0.0	0.0%
12	Budget Review	977.4	1,099.6	-0.0	-0.0	-0.0	0.0%
13	Audit and Management Services	697.8	780.7	0.0	-0.0	-0.0	0.0%
14	Governmental Coordination	1,631.7	2,004.2	1,507.4	1,507.4	0.0	0.0%
	* BRU Total	3,800.8	4,450.4	3,859.5	3,859.5	-0.0	-0.0%
	Elective Operations						
15	Elections	1,636.2	1,646.1	1,667.9	1,667.9	0.0	0.0%
16	General and Primary Elections	303.3	2,212.0	316.7	316.7	0.0	0.0%
	* BRU Total	1,939.5	3,858.1	1,984.6	1,984.6	0.0	0.0%
	*** Total Agency Expenditure	14,898.6	19,766.7	15,737.7	15,737.7	-0.0	-0.0%

One Way Comparison - FY98 Operating Budget
from Gov Amd to House

<u>Trans Type</u>	<u>Total Exp</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Lands/ Buildings</u>	<u>Grants</u>	<u>Misc.</u>	<u>PFT</u>	<u>PPT</u>	<u>Temp</u>
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*** BRU Total ***

***** Agency Total *****

Alaska State Legislature
House Finance Committee

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90714880857
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MEMORANDUM

DATE: March 19, 1997

TO: House Finance Committee Members

FROM: Rep. Mark Hanley, Co-Chair *gmh*
House Finance Committee

SUBJ: Governor's Operating Budget Close-out

The subcommittee on the Governor's Office operating budget held two public hearings and approved the attached budget.

There were no changes made to the Governor's operating budget request.

For many years, in the reappropriation process, the Governor has been allowed to carry forward a substantial amount of funding to supplement his operating budget. In the current fiscal year the amount of carry forward was approximately \$3.0 million. In February the House and Senate Finance Co-Chairs notified the Governor of the Legislature's intent to discontinue this practice into FY98 (letter attached). Also attached is a report which depicts Governor's Office actual expenditures back to FY92.

attachments

Alaska State Legislature

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President of the Senate

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February 24, 1997

Governor Tony Knowles
State of Alaska
Post Office Box 110001
Juneau, Alaska 99811

RECEIVED

FEB 25 1997

~~Governor Knowles,~~ *buy*

Two years ago the Legislature discontinued the practice of extending lapse dates to carry forward surplus operating funds. The legislative budget now accurately reflects all operating expenditures of the Legislature for the current fiscal year. The Governor's Office, over these same two years, has been allowed to continue to carry forward a substantial amount of funding.

It is the intent of this Legislature to discontinue prior year carry forward for the Governor's Office operating appropriation into FY98. If the Governor's Office FY98 budget was originally submitted assuming a certain amount of prior year carry forward, you may want to submit a budget amendment. If you choose to amend the Governor's budget request, please plan to submit the budget amendment by March 13, 1997, the 60 day statutory deadline.

Sincerely,

Drue Pearce
Senator Drue Pearce
Senate Finance Committee

Bert Sharp
Senator Bert Sharp
Senate Finance Committee

Mark Hanley
Representative Mark Hanley
House Finance Committee

Gene Therriault
Representative Gene Therriault
House Finance Committee

cc: Senate and House Leadership
Annalee McConnell, Director of Office of Management and Budget

Component Summary - FY98 Operating Budget

General Funds Only

Agency: Office of the Governor

	FY92 Act	FY93 Act	FY94 Act	FY95 Act	FY96 Act	FY97 Act	FY98 Gov Amd	FY98 House	Gov Amd to House	
Commissions/Special Offices										
Human Rights Commission	1,026.8	989.3	1,005.1	986.1	1,081.6	1,093.4	1,231.0	1,231.0	0.0	0.0%
Alaska Womens Commission	47.6	1.8							0.0	0.0%
Alaska Sentencing Commission	224.7	165.6							0.0	0.0%
Alaska Commission on Children	26.1	2.6							0.0	0.0%
*BRU total	1,325.2	1,159.3	1,005.1	986.1	1,081.6	1,093.4	1,231.0	1,231.0	0.0	0.0
Executive Operations										
Executive Office	5,014.4	5,833.8	5,620.2	6,217.9	6,248.0	7,639.0	6,730.3	6,730.3	0.0	0.0%
Governor's House	284.2	263.3	277.6	324.8	325.3	345.6	322.6	322.6	0.0	0.0%
Contingency Fund	313.4	292.5	83.0	15.1		650.0	450.0	450.0	0.0	0.0%
Lieutenant Governor	678.1	646.1	641.7	688.4	776.6	949.3	882.2	882.2	0.0	0.0%
Arctic Nat'l Wildlife Refuge	1,344.9	1,037.5	0.4	29.8	486.6				0.0	0.0%
North Slope Develop Promotion						472.9			0.0	0.0%
Equal Employment Opportunity				66.6	240.2	308.0	277.5	277.5	0.0	0.0%
Media Center			209.9	177.2					0.0	0.0%
*BRU total	7,635.0	8,073.2	6,832.8	7,519.8	8,076.7	10,364.8	8,662.6	8,662.6	0.0	0.0
Office of Management & Budget										
Office of Management & Budget							2,352.1	2,352.1	0.0	0.0%
Office of the Director	443.6	454.4	468.5	491.9	493.9	565.9			0.0	0.0%
Budget Review	888.4	914.6	1,102.3	896.5	977.4	1,099.6			0.0	0.0%
Audit and Management Services	1,113.6	800.9	891.3	841.8	697.8	780.7			0.0	0.0%
Governmental Coordination	1,503.7	1,568.1	1,830.5	1,633.6	1,631.7	2,004.2	1,507.4	1,507.4	0.0	0.0%
*BRU total	3,949.3	3,738.0	4,292.6	3,863.8	3,800.8	4,450.4	3,859.5	3,859.5	0.0	0.0
Elective Operations										
Elections	1,803.1	1,982.0	1,937.5	1,600.0	1,636.2	1,646.1	1,667.9	1,667.9	0.0	0.0%
General and Primary Elections	477.3	2,440.5	281.5	2,477.5	303.3	2,212.0	316.7	316.7	0.0	0.0%
Elections Data Processing	105.7								0.0	0.0%
*BRU total	2,386.1	4,422.5	2,219.0	4,077.5	1,939.5	3,858.1	1,984.6	1,984.6	0.0	0.0
Total GF	15,295.6	17,393.0	14,349.5	16,447.2	14,898.6	19,766.7	15,737.7	15,737.7	0.0	0.0