

**HB**

**66**

**HFIN**

**FILE**



## Agency Summary - FY 2006 Operating Budget - House Structure

**Numbers & Language  
Fund Group: General Funds**

Agency	05MgtPln	GovATot	Ed Bill*	GovA*Ed	House	h ed adj	HFC-K-12	05MgtPln to HFC-K-12		GovA*Ed to HFC-K-12	
Department of Administration	49,259.7	56,806.4	0.0	56,806.4	55,694.7	0.0	55,694.7	6,435.0	13.1 %	-1,111.7	-2.0 %
Department of Commerce, Community and Economic De	7,857.9	9,096.0	0.0	9,096.0	8,939.6	0.0	8,939.6	1,071.7	13.6 %	-156.4	-1.7 %
Department of Corrections	155,704.0	169,906.9	0.0	169,906.9	168,829.6	0.0	168,829.6	13,124.0	8.4 %	-1,077.3	-0.6 %
Department of Education and Early Development	830,516.1	28,097.7	855,299.3	883,397.0	37,348.2	854,622.0	891,970.2	61,454.1	7.4 %	8,573.2	1.0 %
Department of Environmental Conservation	12,934.8	13,056.0	0.0	13,056.0	13,606.7	0.0	13,606.7	671.9	5.2 %	-250.1	-1.8 %
Department of Fish and Game	28,571.7	32,922.0	0.0	32,922.0	32,522.0	0.0	32,522.0	3,950.3	13.8 %	-400.0	-1.2 %
Office of the Governor	19,075.0	15,924.6	0.0	15,924.6	15,924.6	0.0	15,924.6	-3,150.4	-16.5 %	0.0	
Department of Health and Social Services	530,551.4	628,137.1	0.0	628,137.1	601,918.1	0.0	601,918.1	21,366.7	11.5 %	-26,219.0	-4.2 %
Department of Labor and Workforce Development	13,850.6	15,463.0	0.0	15,463.0	15,443.8	0.0	15,443.8	1,593.2	11.5 %	-20.0	-0.1 %
Department of Law	31,481.1	34,183.6	0.0	34,183.6	32,677.6	0.0	32,677.6	1,196.5	3.8 %	-1,506.0	-4.4 %
Department of Military and Veterans Affairs	9,175.8	12,678.6	0.0	12,678.6	12,637.2	0.0	12,637.2	3,461.4	37.7 %	-41.4	-0.3 %
Department of Natural Resources	53,604.6	54,474.7	0.0	54,474.7	51,243.6	0.0	54,243.6	639.0	1.2 %	-231.1	-0.4 %
Department of Public Safety	84,088.6	94,235.4	0.0	94,235.4	94,770.6	0.0	94,770.6	9,782.0	11.5 %	535.2	0.6 %
Department of Revenue	12,079.2	10,213.3	0.0	10,213.3	9,953.3	0.0	9,953.3	2,135.9	-17.7 %	-259.0	-2.3 %
Department of Transportation & Public Facilities	98,905.2	112,673.9	0.0	112,673.9	112,673.9	0.0	112,673.9	13,768.7	13.9 %	0.0	
University of Alaska	278,333.2	241,645.1	0.0	241,645.1	240,201.0	0.0	240,201.0	11,067.8	5.2 %	-3,444.1	-1.4 %
Alaska Court System	51,817.2	64,737.8	0.0	64,737.8	62,061.1	0.0	62,061.1	3,241.9	5.5 %	-2,671.7	-4.1 %
Legislature	41,344.0	43,876.1	0.0	43,876.1	43,744.9	0.0	43,744.9	2,401.9	5.8 %	133.2	0.3 %
DrM Service	2,736.0	8,146.8	0.0	8,146.8	6,569.0	0.0	6,569.0	3,433.0	125.5 %	-1,977.8	-24.1 %
Fund Capitalization	51,660.1	120,712.8	0.0	120,712.8	118,968.1	0.0	118,968.1	6,308.0	110.1 %	1,744.7	1.4 %
<b>Total - Operating Budget</b>	<b>2,321,477.0</b>	<b>1,769,784.4</b>	<b>855,299.3</b>	<b>2,625,083.7</b>	<b>1,738,337.6</b>	<b>854,622.0</b>	<b>2,592,959.6</b>	<b>271,487.8</b>	<b>11.7 %</b>	<b>-32,124.1</b>	<b>-1.2 %</b>

R10 4/1/05

24-GH1075F  
Utermohle  
3/31/05

**CS FOR HOUSE BILL NO. 66(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FOURTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

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

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 \* Section 1. The following appropriation items are for operating expenditures from the  
 2 general fund or other funds as set out in section 2 of this Act to the agencies named for the  
 3 purposes expressed for the fiscal year beginning July 1, 2005 and ending June 30, 2006,  
 4 unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated  
 5 reduction set out in this section may be allocated among the appropriations made in this  
 6 section to that department, agency, or branch.

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
	*****	*****	
	* ***** Department of Administration *****		
	*****	*****	
12	Legal and Advocacy Services	1,743,800	1,625,100
13	Office of Public Advocacy	1,480,900	
14	Public Defender Agency	262,900	118,700
15	*****	*****	
16	***** Department of Corrections *****		
17	*****	*****	
18	Administration and Support	71,000	71,000
19	Offender Habilitative	71,000	
20	Programs		
21	Inmate Health Care	5,062,900	4,889,900
22	Inmate Health Care	5,062,900	173,000
23	*****	*****	
24	***** Department of Education and Early Development *****		
25	*****	*****	
26	Teaching and Learning Support	366,100	116,100
27	Student and School	366,100	250,000
28	Achievement		
29	*****	*****	
30	***** Department of Health and Social Services *****		
31	*****	*****	

1	Appropriation	General	Other
2	Allocations	Funds	Funds
3	No money appropriated in this appropriation may be expended for an abortion that is not a		
4	mandatory service required under AS 47.07.030(a). The money appropriated for Health and		
5	Social Services may be expended only for mandatory services required under Title XIX of the		
6	Social Security Act and for optional services offered by the state under the state plan for		
7	medical assistance that has been approved by the United States Department of Health and		
8	Human Services. This statement is a statement of the purpose of the appropriation and is		
9	neither merely descriptive language nor a statement of legislative intent.		
10	It is the intent of the legislature that the Department continues to aggressively pursue		
11	Medicaid cost containment initiatives undertaken in fiscal 2005. While individual		
12	components of the original initiatives may be unattainable, work should continue on others		
13	where the Department believes additional cost containment is possible including further		
14	efforts to contain travel expenses. The Department must initiate efforts imposing regulations		
15	controlling and materially reducing the cost of Personal Care Attendant (PCA) services.		
16	Efforts must be initiated to impose regulations screening applicants for Residential Psychiatric		
17	Treatment Center (RPTC) services, especially for out-of-state services. The department must		
18	address the entire matrix of optional Medicaid services, reimbursement rates and eligibility		
19	requirements that are the basis of the Medicaid growth algorithm. This work is to utilize the		
20	results of the Medicaid Assessment and Planning analysis that was funded in the FY05 budget		
21	and will be available in early FY06. The legislature requests that by January 2006 the		
22	Department be prepared to present projections of future Medicaid funding requirements under		
23	our existing statute and regulations and be prepared to present and evaluate the consequences		
24	of viable policy alternatives that could be implemented to lower growth rates and reducing		
25	projections of future costs.		
26	Alaskan Pioneer Homes	11,723,700	11,723,700
27	It is the intent of the legislature that the Department establishes regulations requiring all		
28	residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state		
29	subsidy being provided for their care from the State Payment Assistance program.		
30	Alaskan Pioneer Homes	64,300	
31	Management		
32	Pioneer Homes	11,659,400	
33	Behavioral Health	75,678,300	53,506,100
			22,172,200

		Appropriation	General	Other
		Allocations	Funds	Funds
3	Alcohol Safety Action	120,000		
4	Program (ASAP)			
5	Behavioral Health Medicaid	28,173,900		
6	Services			
7	Behavioral Health Grants	15,005,800		
8	It is the intent of the legislature that the department reviews its procedures surrounding the			
9	awarding of recurring grants to assure that applicants are regularly evaluated on their			
10	performance in achieving the missions of the Department related to their specific grant and			
11	that the recipients' performance be measured and incorporated in to the decision whether to			
12	continue awarding grants.			
13	It is the intent of the legislature that state grant funding from the department to the Salvation			
14	Army/Clitheroe House treatment programs will not be reduced by any direct federal grant			
15	funding received.			
16	Behavioral Health	1,711,100		
17	Administration			
18	Community Action Prevention	408,100		
19	& Intervention Grants			
20	Rural Services and Suicide	2,115,200		
21	Prevention			
22	Psychiatric Emergency	6,153,400		
23	Services			
24	Services to the Seriously	8,849,300		
25	Mentally Ill			
26	Designated Evaluation and	1,211,900		
27	Treatment			
28	Services for Severely	5,916,700		
29	Emotionally Disturbed Youth			
30	Alaska Psychiatric Institute	6,012,900		
31	<b>Children's Services</b>		<b>9,658,700</b>	<b>150,000</b>
32	Children's Medicaid Services	2,000,000		
33	Children's Services	4,200		

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Management			
4	Front Line Social Workers	148,600		
5	Family Preservation	150,000		
6	Foster Care Augmented Rate	500,000		
7	Foster Care Special Need	747,900		
8	Residential Child Care	1,956,300		
9	Infant Learning Program	4,301,700		
10	Grants			
11	<b>Juvenile Justice</b>		<b>305,200</b>	<b>305,200</b>
12	McLaughlin Youth Center	159,500		
13	Fairbanks Youth Facility	90,700		
14	Bethel Youth Facility	55,000		
15	<b>Public Health</b>		<b>355,800</b>	<b>210,600</b>
16	Certification and Licensing	257,500		
17	Community Health Grants	98,300		
18	<b>Senior and Disabilities</b>		<b>13,743,800</b>	<b>12,814,800</b>
19	<b>Services</b>			<b>929,000</b>
20	It is the intent of the legislature that the department examine their procedure for maintaining			
21	the disabilities waitlist to assure that criteria for listing are consistent, objective and			
22	meaningful, that the list is accurately maintained without unnecessary action by individuals on			
23	the list, that the list identify services already being received by those on the list and that the			
24	list be managed to promote parity in the provision of services through out the social services			
25	system.			
26	Senior and Disabilities	2,179,300		
27	Services Administration			
28	Protection and Community	740,300		
29	Services			
30	Senior Community Based	2,849,400		
31	Grants			
32	Community Developmental	7,974,800		
33	Disabilities Grants			

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	<b>Departmental Support Services</b>	1,220,700	1,170,500	50,200
4	Administrative Support	375,600		
5	Services			
6	Health Planning and	50,200		
7	Infrastructure			
8	Information Technology	794,900		
9	Services			
10	<b>Boards and Commissions</b>	1,231,000	525,500	705,500
11	AK Mental Health & Alcohol	671,200		
12	& Drug Abuse Boards			
13	Commission on Aging	108,000		
14	Governor's Council on	331,400		
15	Disabilities and Special			
16	Education			
17	Suicide Prevention Council	120,400		
18	*****	*****		
19	***** Department of Law *****			
20	*****	*****		
21	<b>Criminal Division</b>	12,500		12,500
22	Criminal Justice Litigation	12,500		
23	<b>Civil Division</b>	69,600	69,600	
24	Human Services Section	69,600		
25	*****	*****		
26	***** Department of Natural Resources *****			
27	*****	*****		
28	<b>Resource Development</b>	1,249,400		1,249,400
29	Mental Health Trust Lands	1,249,400		
30	Administration			
31	*****	*****		
32	***** Department of Revenue *****			
33	*****	*****		

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Taxation and Treasury	15,000	15,000
4	Treasury Division	15,000	
5	Alaska Mental Health Trust	1,544,900	1,544,900
6	Authority		
7	Mental Health Trust	1,544,900	
8	Operations		
9	*****	*****	
10	***** University of Alaska *****		
11	*****	*****	
12	University of Alaska	880,800	680,000
13	Budget Reductions/Additions	630,000	
14	- Systemwide		
15	Anchorage Campus	250,800	
16	*****	*****	
17	***** Alaska Court System *****		
18	*****	*****	
19	Alaska Court System	718,400	490,600
20	Budget requests from agencies of the Judicial Branch are transmitted as requested		
21	Trial Courts	718,400	
22	(SECTION 2 OF THIS ACT BEGINS ON PAGE 8)		

1	* Sec. 2. The following sets out the funding by agency for the appropriations made in sec. 1 of	
2	this Act.	
3	Funding Source	Amount
4	<b>Department of Administration</b>	
5	1037 General Fund / Mental Health	1,625,100
6	1092 Mental Health Trust Authority Authorized	118,700
7	Receipts	
8	*** Total Agency Funding ***	\$1,743,800
9	<b>Department of Corrections</b>	
10	1037 General Fund / Mental Health	4,889,900
11	1092 Mental Health Trust Authority Authorized	244,000
12	Receipts	
13	*** Total Agency Funding ***	\$5,133,900
14	<b>Department of Education and Early Development</b>	
15	1037 General Fund / Mental Health	116,100
16	1092 Mental Health Trust Authority Authorized	250,000
17	Receipts	
18	*** Total Agency Funding ***	\$366,100
19	<b>Department of Health and Social Services</b>	
20	1037 General Fund / Mental Health	89,915,100
21	1092 Mental Health Trust Authority Authorized	6,960,400
22	Receipts	
23	1180 Alcohol and Other Drug Abuse Treatment &	17,191,700
24	Prevention Fund	
25	*** Total Agency Funding ***	\$114,067,200
26	<b>Department of Law</b>	
27	1037 General Fund / Mental Health	69,600
28	1092 Mental Health Trust Authority Authorized	12,500
29	Receipts	
30	*** Total Agency Funding ***	\$82,100
31	<b>Department of Natural Resources</b>	

1	1092 Mental Health Trust Authority Authorized	1,249,400
2	Receipts	
3	*** Total Agency Funding ***	\$1,249,400
4	<b>Department of Revenue</b>	
5	1094 Mental Health Trust Administration	1,559,900
6	*** Total Agency Funding ***	\$1,559,900
7	<b>University of Alaska</b>	
8	1037 General Fund / Mental Health	200,800
9	1092 Mental Health Trust Authority Authorized	680,000
10	Receipts	
11	*** Total Agency Funding ***	\$880,800
12	<b>Alaska Court System</b>	
13	1037 General Fund / Mental Health	227,800
14	1092 Mental Health Trust Authority Authorized	490,600
15	Receipts	
16	*** Total Agency Funding ***	\$718,400
17	***** Total Budget *****	\$125,801,600
18	(SECTION 3 OF THIS ACT BEGINS ON PAGE 10)	

1 \* Sec. 3. The following sets out the statewide funding for the appropriations made in sec. 1 of  
2 this Act.

3	Funding Source	Amount
4	<b>General Funds</b>	
5	1037 General Fund / Mental Health	97,044,400
6	***Total General Funds***	\$97,044,400
7	<b>Federal Funds</b>	
8	***Total Federal Funds***	\$0
9	<b>Other Non-Duplicated Funds</b>	
10	1092 Mental Health Trust Authority Authorized	10,005,600
11	Receipts	
12	1094 Mental Health Trust Administration	1,559,900
13	1180 Alcohol and Other Drug Abuse Treatment &	17,191,700
14	Prevention Fund	
15	***Total Other Non-Duplicated Funds***	\$28,757,200
16	<b>Duplicated Funds</b>	
17	***Total Duplicated Funds***	\$0

18 (SECTION 4 OF THIS ACT BEGINS ON PAGE 11)

1 \* **Section 4.** The following appropriation items are for capital projects and grants from the  
 2 general fund or other funds as set out in section 5 of this Act by funding source to the  
 3 agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise  
 4 noted.

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
	*****	*****	
	***** <b>Department of Health and Social Services</b> *****		
	*****	*****	
10	MH: Therapeutic Foster Home	200,000	200,000
11	(ED 99)		

12 (SECTION 5 OF THIS ACT BEGINS ON PAGE 12)

1 \* Sec. 5. The following sets out the funding by agency for the appropriations made in sec. 4 of  
2 this Act.

3	Funding Source	Amount
4	<b>Department of Health and Social Services</b>	
5	1092 Mental Health Trust Authority Authorized Receipts	200,000
6	*** Total Agency Funding ***	\$200,000
7	***** Total Budget *****	\$200,000

8 (SECTION 6 OF THIS ACT BEGINS ON PAGE 13)

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

3 \* Sec. 7. DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The sum of  
4 \$3,000,000 is appropriated from general fund/mental health to the Department of Health and  
5 Social Services for costs associated with fulfilling the obligation of the State of Alaska related  
6 to the demolition and asbestos abatement of the old Alaska Psychiatric Institute.

7 \* Sec. 8. NONGENERAL FUND RECEIPTS. (a) Alaska Mental Health Trust Authority  
8 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the  
9 amounts appropriated by this Act are appropriated conditioned upon compliance with the  
10 program review provisions of AS 37.07.080(h).

11 (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or  
12 administration receipts (AS 37.14.036) fall short of the estimates appropriated in this Act, the  
13 affected appropriation is reduced by the amount of the shortfall in receipts.

14 \* Sec. 9. LAPSE OF APPROPRIATION. The appropriation made by sec. 7 of this Act is  
15 for a capital project and lapses under AS 37.25.020.

16 \* Sec. 10. This Act takes effect July 1, 2005.

24-GH1075VG  
Utermohle  
3/15/05

adopted 3/15/05 N/D

**CS FOR HOUSE BILL NO. 66(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FOURTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:**

**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

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

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 \* Section 1. The following appropriation items are for operating expenditures from the  
 2 general fund or other funds as set out in section 2 of this Act to the agencies named for the  
 3 purposes expressed for the fiscal year beginning July 1, 2005 and ending June 30, 2006,  
 4 unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated  
 5 reduction set out in this section may be allocated among the appropriations made in this  
 6 section to that department, agency, or branch.

	Appropriation	General	Other	
	Allocations	Items	Funds	
	*****	*****		
	***** Department of Administration *****			
	*****	*****		
12	Legal and Advocacy Services	1,743,800	1,625,100	118,700
13	Office of Public Advocacy	1,480,900		
14	Public Defender Agency	262,900		
15	*****	*****		
16	***** Department of Corrections *****			
17	*****	*****		
18	Administration and Support	71,000		71,000
19	Offender Habilitative	71,000		
20	Programs			
21	Inmate Health Care	5,062,900	4,889,900	173,000
22	Inmate Health Care	5,062,900		
23	*****	*****		
24	***** Department of Education and Early Development *****			
25	*****	*****		
26	Teaching and Learning Support	366,100	116,100	250,000
27	Student and School	366,100		
28	Achievement			
29	*****	*****		
30	***** Department of Health and Social Services *****			
31	*****	*****		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
1				
2		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>

3 No money appropriated in this appropriation may be expended for an abortion that is not a  
 4 mandatory service required under AS 47.07.030(a). The money appropriated for Health and  
 5 Social Services may be expended only for mandatory services required under Title XIX of the  
 6 Social Security Act and for optional services offered by the state under the state plan for  
 7 medical assistance that has been approved by the United States Department of Health and  
 8 Human Services. This statement is a statement of the purpose of the appropriation and is  
 9 neither merely descriptive language nor a statement of legislative intent.

10 It is the intent of the legislature that the Department continues to aggressively pursue  
 11 Medicaid cost containment initiatives undertaken in fiscal 2005. While individual  
 12 components of the original initiatives may be unattainable, work should continue on others  
 13 where the Department believes additional cost containment is possible including further  
 14 efforts to contain travel expenses. The Department must initiate efforts imposing regulations  
 15 controlling and materially reducing the cost of Personal Care Attendant (PCA) services.  
 16 Efforts must be initiated to impose regulations screening applicants for Residential Psychiatric  
 17 Treatment Center (RPTC) services, especially for out-of-state services. The department must  
 18 address the entire matrix of optional Medicaid services, reimbursement rates and eligibility  
 19 requirements that are the basis of the Medicaid growth algorithm. This work is to utilize the  
 20 results of the Medicaid Assessment and Planning analysis that was funded in the FY05 budget  
 21 and will be available in early FY06. The legislature requests that by January 2006 the  
 22 Department be prepared to present projections of future Medicaid funding requirements under  
 23 our existing statute and regulations and be prepared to present and evaluate the consequences  
 24 of viable policy alternatives that could be implemented to lower growth rates and reducing  
 25 projections of future costs.

26	Alaskan Pioneer Homes	11,723,700	11,723,700	
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27 It is the intent of the legislature that the Department establishes regulations requiring all  
 28 residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state  
 29 subsidy being provided for their care from the State Payment Assistance program.

30	Alaskan Pioneer Homes	64,300		
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31	Management			
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32	Pioneer Homes	11,659,400		
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33	Behavioral Health	75,678,300	53,506,100	22,172,200
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		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Alcohol Safety Action	120,000		
4	Program (ASAP)			
5	Behavioral Health Medicaid	28,173,900		
6	Services			
7	Behavioral Health Grants	15,005,800		
8	It is the intent of the legislature that the department reviews its procedures surrounding the			
9	awarding of recurring grants to assure that applicants are regularly evaluated on their			
10	performance in achieving the missions of the Department related to their specific grant and			
11	that the recipients' performance be measured and incorporated in to the decision whether to			
12	continue awarding grants.			
13	It is the intent of the legislature that state grant funding from the department to the Salvation			
14	Army/Clitheroe House treatment programs will not be reduced by any direct federal grant			
15	funding received.			
16	Behavioral Health	1,711,100		
17	Administration			
18	Community Action Prevention	408,100		
19	& Intervention Grants			
20	Rural Services and Suicide	2,115,200		
21	Prevention			
22	Psychiatric Emergency	6,153,400		
23	Services			
24	Services to the Seriously	8,849,300		
25	Mentally Ill			
26	Designated Evaluation and	1,211,900		
27	Treatment			
28	Services for Severely	5,916,700		
29	Emotionally Disturbed Youth			
30	Alaska Psychiatric Institute	6,012,900		
31	Children's Services	9,808,700	9,658,700	150,000
32	Children's Medicaid Services	2,000,000		
33	Children's Services	4,200		

		Appropriation		General	Other
		Allocations	Items	Funds	Funds
1					
2					
3	Management				
4	Front Line Social Workers	148,600			
5	Family Preservation	150,000			
6	Foster Care Augmented Rate	500,000			
7	Foster Care Special Need	747,900			
8	Residential Child Care	1,956,300			
9	Infant Learning Program	4,301,700			
10	Grants				
11	<b>Juvenile Justice</b>		<b>305,200</b>	<b>305,200</b>	
12	McLaughlin Youth Center	159,500			
13	Fairbanks Youth Facility	90,700			
14	Bethel Youth Facility	55,000			
15	<b>Public Health</b>		<b>355,800</b>	<b>210,600</b>	<b>145,200</b>
16	Certification and Licensing	257,500			
17	Community Health Grants	98,300			
18	<b>Senior and Disabilities</b>		<b>13,743,800</b>	<b>12,814,800</b>	<b>929,000</b>
19	Services				
20	It is the intent of the legislature that the department examine their procedure for maintaining				
21	the disabilities waitlist to assure that criteria for listing are consistent, objective and				
22	meaningful, that the list is accurately maintained without unnecessary action by individuals on				
23	the list, that the list identify services already being received by those on the list and that the				
24	list be managed to promote parity in the provision of services through out the social services				
25	system.				
26	Senior and Disabilities	2,179,300			
27	Services Administration				
28	Protection and Community	740,300			
29	Services				
30	Senior Community Based	2,849,400			
31	Grants				
32	Community Developmental	7,974,800			
33	Disabilities Grants				

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	<b>Departmental Support Services</b>	<b>1,220,700</b>	<b>1,170,500</b>	<b>50,200</b>
4	Administrative Support	375,600		
5	Services			
6	Health Planning and	50,200		
7	Infrastructure			
8	Information Technology	794,900		
9	Services			
10	<b>Boards and Commissions</b>	<b>1,231,000</b>	<b>525,500</b>	<b>705,500</b>
11	AK Mental Health & Alcohol	671,200		
12	& Drug Abuse Boards			
13	Commission on Aging	108,000		
14	Governor's Council on	331,400		
15	Disabilities and Special			
16	Education			
17	Suicide Prevention Council	120,400		
18	*****	*****		
19	***** Department of Law *****			
20	*****	*****		
21	<b>Criminal Division</b>	<b>12,500</b>		<b>12,500</b>
22	Criminal Justice Litigation	12,500		
23	<b>Civil Division</b>	<b>69,600</b>	<b>69,600</b>	
24	Human Services Section	69,600		
25	*****	*****		
26	***** Department of Natural Resources *****			
27	*****	*****		
28	<b>Resource Development</b>	<b>1,249,400</b>		<b>1,249,400</b>
29	Mental Health Trust Lands	1,249,400		
30	Administration			
31	*****	*****		
32	***** Department of Revenue *****			
33	*****	*****		

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Taxation and Treasury		15,000
4	Treasury Division	15,000	
5	Alaska Mental Health Trust	1,544,900	1,544,900
6	Authority		
7	Mental Health Trust	1,544,900	
8	Operations		
9	*****	*****	
10	***** University of Alaska *****		
11	*****	*****	
12	University of Alaska	380,800	180,000
13	Budget Reductions/Additions	130,000	
14	- Systemwide		
15	Anchorage Campus	250,800	
16	*****	*****	
17	***** Alaska Court System *****		
18	*****	*****	
19	Alaska Court System	718,400	490,600
20	Budget requests from agencies of the Judicial Branch are transmitted as requested.		
21	Trial Courts	718,400	
22	(SECTION 2 OF THIS ACT BEGINS ON PAGE 8)		

1 \* Sec. 2. The following sets out the funding by agency for the appropriations made in sec. 1  
 2 of this Act.

3 Funding Source	Amount
4 <b>Department of Administration</b>	
5 1037 General Fund / Mental Health	1,625,100
6 1092 Mental Health Trust Authority Authorized	118,700
7 Receipts	
8 *** Total Agency Funding ***	\$1,743,800
9 <b>Department of Corrections</b>	
10 1037 General Fund / Mental Health	4,889,900
11 1092 Mental Health Trust Authority Authorized	244,000
12 Receipts	
13 *** Total Agency Funding ***	\$5,133,900
14 <b>Department of Education and Early Development</b>	
15 1037 General Fund / Mental Health	116,100
16 1092 Mental Health Trust Authority Authorized	250,000
17 Receipts	
18 *** Total Agency Funding ***	\$366,100
19 <b>Department of Health and Social Services</b>	
20 1037 General Fund / Mental Health	89,915,100
21 1092 Mental Health Trust Authority Authorized	6,960,400
22 Receipts	
23 1180 Alcohol and Other Drug Abuse Treatment &	17,191,700
24 Prevention Fund	
25 *** Total Agency Funding ***	\$114,067,200
26 <b>Department of Law</b>	
27 1037 General Fund / Mental Health	69,600
28 1092 Mental Health Trust Authority Authorized	12,500
29 Receipts	
30 *** Total Agency Funding ***	\$82,100
31 <b>Department of Natural Resources</b>	

1	1092 Mental Health Trust Authority Authorized	1,249,400
2	Receipts	
3	*** Total Agency Funding ***	\$1,249,400
4	<b>Department of Revenue</b>	
5	1094 Mental Health Trust Administration	1,559,900
6	*** Total Agency Funding ***	\$1,559,900
7	<b>University of Alaska</b>	
8	1037 General Fund / Mental Health	200,800
9	1092 Mental Health Trust Authority Authorized	180,000
10	Receipts	
11	*** Total Agency Funding ***	\$380,800
12	<b>Alaska Court System</b>	
13	1037 General Fund / Mental Health	227,800
14	1092 Mental Health Trust Authority Authorized	490,600
15	Receipts	
16	*** Total Agency Funding ***	\$718,400
17	***** Total Budget *****	\$125,301,600
18	(SECTION 3 OF THIS ACT BEGINS ON PAGE 10)	

1 \* Section 3. The following appropriation items are for capital projects and grants from the  
 2 general fund or other funds as set out in section 4 of this Act by funding source to the  
 3 agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise  
 4 noted.

	Appropriation	General	Other
	Allocations	Items	Funds
	Funds	Funds	Funds
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	
10	MH: Therapeutic Foster Home	200,000	200,000
11	(ED 99)		

12 (SECTION 4 OF THIS ACT BEGINS ON PAGE 11)

1 \* Sec. 4. The following sets out the funding by agency for the appropriations made in sec. 3 of  
2 this Act.

3 Funding Source	Amount
4 <b>Department of Health and Social Services</b>	
5 1092 Mental Health Trust Authority Authorized Receipts	200,000
6 *** Total Agency Funding ***	\$200,000
7 ***** Total Budget *****	\$200,000

8 (SECTION 5 OF THIS ACT BEGINS ON PAGE 12)

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

3 \* Sec. 6. DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The sum of  
4 \$3,000,000 is appropriated from general fund/mental health to the Department of Health and  
5 Social Services for costs associated with fulfilling the obligation of the State of Alaska related  
6 to the demolition and asbestos abatement of the old Alaska Psychiatric Institute.

7 \* Sec. 7. NONGENERAL FUND RECEIPTS. (a) Alaska Mental Health Trust Authority  
8 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the  
9 amounts appropriated by this Act are appropriated conditioned upon compliance with the  
10 program review provisions of AS 37.07.080(h).

11 (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or  
12 administration receipts (AS 37.14.036) fall short of the estimates appropriated in this Act, the  
13 affected appropriation is reduced by the amount of the shortfall in receipts.

14 \* Sec. 8. LAPSE OF APPROPRIATION. The appropriation made by sec. 6 of this Act is  
15 for a capital project and lapses under AS 37.25.020.

16 \* Sec. 9. This Act takes effect July 1, 2005.

AMENDMENT TO CSHB 67(FIN)

adopted  
3/22/05

DDA 1

Offered in the House Finance Committee by: Representative Chenault N/O

AGENCY: Administration  
APPROPRIATION: Centralized Administrative Services

Insert the following conditional language after the appropriation to Centralized Administrative Services:

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2005, of inter-agency receipts appropriated in sec. 1, ch. 158, SLA 2004, page 4, line 6, and collected in the Department of Administration's federally approved cost allocation plans.

APPROPRIATION: Leases

Insert the following conditional language after the appropriation to Leases:

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2005, of inter-agency receipts appropriated in sec. 1, ch. 158, SLA 2004, page 4, line 24, and collected in the Department of Administration's federally approved cost allocation plans.

**Explanation:**

The department requests carry-forward language for centralized services chargeback allocations receipts and for centralized leasing receipts. Rates charged for services to other state agencies are required to be negotiated with the federal government as part of a cost allocation plan. Standard language in these plans requires the rates to take into account prior years' over/under collections. In most states and with several programs within the State of Alaska, programs of this nature operate within an internal service fund and the fund's balance allows the department to adjust the rates in subsequent years to ensure that funds collected are utilized appropriately. When the rates operate as part of the GF, budgetary carry forward is required to accomplish the same objective.

adopted 3/22/05 N/O :

DOA 2

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Chenault

AGENCY: Administration  
APPROPRIATION: Centralized Administrative Services  
ALLOCATION: Finance

Fund Change \$212.6 GF/PR 1005  
(\$212.6) SDPR 1108

**Explanation:**

Correction of funding source for FY06 credit card rebates for which no contractual spending restrictions exist.

adopted 3/22/05

DOA 3

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Chenault

AGENCY:	Administration
APPROPRIATION:	Centralized Administrative Support
ALLOCATION:	Office of Administrative Hearings
Fund Change \$6.8	I/A 1007
(\$6.8)	CSSD Admin Cost Reimbursement 1133

**Explanation:**

Technical correction of funding sources for FY06 retirement system cost increase.

adopted 3/22/05

N/D

CDM 1

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Mike Kelly

AGENCY: Commerce, Community and Economic Development  
APPROPRIATION: Qualified Trade Association Contract

Delete the following conditional language after the appropriation to the Qualified Trade Association Contract:

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2005, not to exceed \$2,000,000, of business license receipts under AS 43.70.030; and corporations receipts collected under AS 10.50, AS 10.06, AS 10.15, AS 10.20, AS 10.25, AS 10.35, AS 10.40, AS 10.45, AS 32.06, AS 32.11, and AS 45.50.

and replace it with the following conditional language:

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2005, of business license receipts under AS 43.70.030; and corporations receipts collected under AS 10.50, AS 10.06, AS 10.15, AS 10.20, AS 10.25, AS 10.35, AS 10.40, AS 10.45, AS 32.06, AS 32.11, and AS 45.50.

**Explanation:**

The replacement language enables the agency to carry forward the *entire* unexpended and unobligated balance (estimated to be \$2,279,700) while the deleted language limits the Department's carry forward to \$2 million of the BLR and Corp Receipts. The amendment does not change the amount of the appropriation; it allows 279.7 to be used in the future instead of lapsing to the general fund on June 30, 2005.

3/22/05 N/D

adopted

COM 2

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Mike Kelly

AGENCY: Commerce, Community and Economic Development

Create a NEW APPROPRIATION: Community Development Quota Program

and Transfer all CDQ appropriations from the Banking and Securities appropriation to the new Community Development Quota Appropriation

**Explanation:**

Per AS 37.05.144, program receipts are to be used only by the program generating the receipts. Receipts generated by the CDQ and Banking programs are indistinguishable in the budget because receipts from both programs are classified as RSS and are in a single appropriation. Creating a separate appropriation for the CDQ Program ensures that RSS generated from Banking and Securities activities (which lapse into the general fund at the end of the fiscal year) cannot be used to support the CDQ program.

3/22/05

COM 3

AMENDMENT TO CSIB 67(FIN)

N/O

Offered in the House Finance Committee by: Representative Mike Kelly

AGENCY: Commerce, Community and Economic Development

APPROPRIATION: Banking and Securities

Add 101.9 RSS 1156

**Explanation:**

This increment provides funding for the new Community Development Quota Manager position created in FY05. This position consults directly with the Commissioner on high profile CDQ group policy issues, and is the primary point person for the newly created CQE program. If creation of a new Community Development Quota appropriation is approved, this increment will go to the new appropriation.

adopted 3/22/05

**DEED 1**

**AMENDMENT TO CSHB 67(FIN)**

**Offered in the House Finance Committee by: Representatives Chenault and Meyer**

**AGENCY:** Education & Early Development  
**APPROPRIATION:** K-12 Support  
**ALLOCATION:** Boarding Home Grants

Add \$185.9 General Funds 1004

**ALLOCATION:** Youth in Detention

Add \$1,100.0 General Funds 1004

**ALLOCATION:** Special Schools

Add \$ 7,894.7 General Funds 1004

**Explanation:**

The Governor requested funding for K-12 programs in HB65. HB 98 (the Fast Track Supplemental) contains funding only for the Foundation and Pupil Transportation allocations. This amendment adds funding for all K-12 allocations not addressed in the Fast Track Supplemental. The amounts are those requested by the Governor.

3/22/05

adopted

DEC 1

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Meyer

ADD

Department: Environmental Conservation

Appropriation: Administration

Allocation: Commissioner's Office

Fund Source Number & Name: 1018 Exxon Valdez Oil Spill Settlement

Amount: \$46,000 Exxon Valdez Oil Spill Settlement (Fund 1018)

Positions: 1 PFT

(1) PPT

**DESCRIPTION:**

Governor's amendment was not considered by the HF Subcommittee:

- Add EVOS funding for costs associated with participation on the Exxon Valdez Oil Spill Trustee Council.

This amendment changes the part-time position originally requested in the Governor's budget and accepted by the subcommittee, to a full-time position and adds necessary support costs to include EVOS activities.

The Governor's original request included an increment for development of state oceans strategies. That increment provided a permanent part-time position and support costs for a total cost of \$48,700 federal receipts. The Commissioner's Office also participates on the Exxon Valdez Oil Spill Trustee Council. Funding to support the cost of Council activities became available after submission of the Governor's FY2006 operating budget.

3/22/05

adopted

F-211

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Holm

AGENCY: Fish and Game  
APPROPRIATION: Commercial Fisheries

It is the intent of the legislature that the department receive fair market value, including price adjustments, if applicable, for all test fisheries contracts.

**Explanation:**

The legislature would like the Department to negotiate for the full market value for all test fish catches. This may mean putting a requirement in its contracts to retroactively adjust the price for test fishery sales.

3/22/05

adopted

**HSS**

**1**

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Mike Hawker

AGENCY: Health and Social Services  
APPROPRIATION: Health Care Services  
ALLOCATION: Medical Assistance Administration

Fund Change \$7 GF 1004  
(S.7) GFM 1003

**Explanation:**

Technical correction of funding sources for FY06 retirement system cost increase.

3/22/05

adopted

**DMVA 1**

**AMENDMENT TO CSHB 67(FIN)**

Offered in the House Finance Committee by: Representative Richard Foster

**AGENCY:** Department of Military and Veterans Affairs

**APPROPRIATION STRUCTURE CORRECTION**

Current Structure:

**Homeland Security & Emergency Services**

Homeland Security & Emergency Services

Local Emergency Planning Committee

**Alaska National Guard**

Office of the Commissioner

National Guard Military Headquarters

Army Guard Facilities Maintenance

Air Guard Facilities Maintenance

State Active Duty

Alaska Military Youth Academy

STARBASE

**Alaska National Guard Benefits**

Educational Benefits

Retirement Benefits

**Veterans' Affairs**

Veterans' Services

**Military and Veterans' Affairs**

Alaska Statewide Emergency Communications

Proposed Structure:

**Military and Veterans' Affairs**

Office of the Commissioner

Homeland Security and Emergency Services

Local Emergency Planning Committee

National Guard Military Headquarters

Army Guard Facilities Maintenance

Air Guard Facilities Maintenance

Alaska Military Youth Academy

STARBASE

Veterans' Services

Alaska Statewide Emergency Communications  
State Active Duty

**Alaska National Guard Benefits**

Educational Benefits

Retirement Benefits

**Explanation:**

This amendment represents the Governor's requested structure combining four appropriations. It was the intent of the subcommittee to adopt the Governor's requested structure, but the structure change was not incorporated into the draft bill.

3/22/05 adopted

**DMVA 2**

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Foster

ADD

Department: Military and Veterans Affairs

Appropriation: Alaska National Guard

Allocation: National Guard Military Headquarters

Amount: \$594,700 General Fund (Fund 1004)

**DESCRIPTION: National Guard Audit Disallowance**

The Finance Subcommittee did not consider this amendment, submitted February 23, 2005.

Based on the recent audit by the Defense Contract and Audit Agency of the department's cost allocation practices, the federal National Guard Bureau will no longer allow the department to charge administrative costs to federal funds. As a result, if state funds are not provided to replace these lost federal funds, the department will have to drastically reduce state funds for maintenance to Army Guard state armories.

If this amendment is not approved, the department will:

- Reduce Army Guard Facilities Maintenance component by eliminating State Armories facilities maintenance workload. This is a 32% general fund reduction. Remaining general fund will go to pay fixed costs such as utilities and leases. This includes but is not limited to:
  - \$438.8 Personal Services – Eliminate 5 Maintenance Generalist Journeyman positions from the Facilities Maintenance Office's general labor, trades and crafts personnel pool of 23 personnel. Eliminate state armory maintenance and repair work by redirecting remaining staff to other facilities types. All maintenance and repair work would be eliminated for State Armories in FY2006. This includes deferred and preventative maintenance for Anchorage, Fairbanks, Nome, Bethel, Alcantra, Shishmaref and numerous small rural armories
  - \$34.0 Eliminate all State Armory travel for maintenance and repair activities.
  - \$45.5 Reduce State Armory maintenance and repair rentals and contractual costs
  - \$79.4 Reduce structural supplies, building materials and repair tool expenses for State Armories

3/22/05

adopted

**DMVA 3**

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Foster

ADD

Department: Military and Veterans Affairs

Appropriation: Alaska National Guard

Allocation: National Guard Military Headquarters

Amount: \$62,900 General Fund (Fund 1004)

**DESCRIPTION: Anchorage Armory Telecommunications Basic Service**

The Finance Subcommittee did not consider this amendment, submitted February 23, 2005.

In FY05, the Federal Army National Guard began charging the State Army National Guard for basic telecommunications service for those state employees stationed in the Anchorage Armory. The department requested a FY05 supplemental to cover these costs. This amendment is to cover the additional costs in FY 06.

If this amendment is not approved, the department will further reduce Army Guard Facilities Maintenance component workload on State Armories in order to offset the increased telephone service cost. This would include reducing the funding available for structural supplies, building materials and repair tool expenses for State Armories.

3/22/05 adopted

DNR 1

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Mike Kelly

AGENCY: Natural Resources  
APPROPRIATION: Resource Development  
ALLOCATION: Large Project Permitting

Increment \$176.0 Federal Receipts 1002  
PFT 1.0

**Explanation:**

This increment provides federal authorization from BLM for an Executive Director of the North Slope Science Initiative.

The North Slope Science Initiative is an Oversight Group chaired by BLM, and consisting of the Regional Directors of the Dept. of Interior Resource Agencies, National Marine Fisheries Service, Commissioners of the Dept. of Natural Resources and Dept. of Fish and Game, the Mayor of the North Slope Borough, and ASRC.

The purpose of the Oversight Group is to increase cooperation and collaboration between state, federal and local agencies on oil and gas developments and the associated research, inventory and monitoring efforts.

The North Slope Science Initiative has, at its core, development issues related to non-renewable energy resources. The Executive Director position in DNR is responsible for continuing the development and implementation of the North Slope Science Strategy (a guiding document for the North Slope Science Oversight Group); developing and implementing a five-year science plan that includes a format for prioritizing inventory, monitoring and research for the North Slope Science Initiative; developing formal intergovernmental agreements for the implementation of the North Slope Science Initiative; developing a competitive process for ensuring the best contractors, academic professionals, or other organizations are selected for implementing an inventory, monitoring and research strategy; and provides leadership in developing long-term budgets for the North Slope Science Initiative

3/22/65

DNR 2

AMENDMENT TO CSIB 67(FIN)

adopted

Offered in the House Finance Committee by: Representative Mike Kelly

AGENCY: Natural Resources  
APPROPRIATION: Parks and Recreation Management  
ALLOCATION: Parks Management

Increment 192.1 Receipt Supported Services (RSS) 1156

**Explanation:**

This increment covers the cost of implementing the recently completed classification study for the Park Ranger series. The new salary ranges more accurately reflect the duties of Park Rangers, specifically their duties in law enforcement.

A new job class of Park Specialist was created for employees who were previously classified as Park Rangers but were not commissioned for law enforcement. This is a range 14, the same as the original Park Ranger I.

Park Ranger I moved from range 14 to range 16, and Park Ranger II moved from range 16 to range 18. Employees in these two job classes are commissioned for law enforcement.

Overall, there were 24 positions that increased in range, 2 positions that were decreased in range, 7 positions that had a job class title change only, and 8 positions that were processed as updated with no change in range or job class title

3/22/05 adopted

**DNR 3**

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Mike Chenault

AGENCY: Natural Resources  
APPROPRIATION: Parks and Recreation Management  
ALLOCATION: Parks and Recreation Access

Fund Change (\$99.4) Receipt Supported Services (RSS) 1156  
\$99.4 GF 1004

ALLOCATION: Parks Management

Fund Change (\$99.4) GF 1004  
\$99.4 Receipt Supported Services (RSS) 1156

**Explanation:**

Per AS 37.05.144, program receipts are to be used only by the program generating the receipts. Natural Resources requested RSS in an allocation that does not generate RSS. This amendment exchanges GF and RSS between allocations in order to meet the requirements of AS 37.05.144.

adopted

3/22/05

DPS 1

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Chenault

AGENCY: Public Safety and DOT/PF

Amend language in Sec. 23 (a) to add:

- (8) Inland Boatmen's Union of the Pacific, representing the unlicensed marine unit;
- (9) International Organization of Masters, Mates and Pilots, for the Masters, Mates and Pilots Unit;
- (10) Public Safety Employees Association, representing regularly commissioned public safety officers.

**Explanation:**

This amendment recognizes the change in monetary terms of the named contracts. The work draft contains language specifying that the amounts appropriated in the bill include funding for the contracts, even if specific appropriations are not made.

3/22/05

DPS 2

AMENDMENT TO CSIB 67(FIN)

adopted

Offered in the House Finance Committee by: Representative Chenault

AGENCY: Public Safety  
APPROPRIATION: Various  
ALLOCATION: Various

Add	\$1,722.6	General Funds 1002
	12.6	GF Match 1003
	60.7	Federal Receipts 1002
	<u>63.8</u>	Other Funds (See change records)
	1,859.7	

**Explanation:**

Costs associated with Public Safety bargaining unit contract terms. The amounts are those requested by the Governor.

Change records are available from the Committee Secretary.

adopted

3/22/05

REV 1

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Chenault

**ADD**

Department: Revenue

Appropriation: Alaska Permanent Fund Corporation

Allocation: APFC Custody and Management Fees

Amount: \$6,500,000 Permanent Fund Receipts (Fund 1105)

**DESCRIPTION: Increase in Investment Management Fees**

The Finance Subcommittee did not consider this amendment, submitted February 23, 2005.

The budget amendment is needed to pay contractual obligations related to the external management of assets by investment managers. Investment manager fees are calculated based on the value of assets under management. The initial request for manager fees was based on a median market return assumption. Actual returns have exceeded this growth assumption creating an understatement in from the initial request and the need for the \$6.5 million amendment. This amount also reflects structural changes to the Fund's equities allocations by the Board that will also require additional investment management fees.

If this amendment is not approved, the APFC will return in FY 06 with a supplemental request.

Adopted

REV 2

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Chenault

3/22/05

ADD

Department: Revenue

Appropriation: Child Support Services

Allocation: Child Support Services Division

Amount: \$261,100 Receipt Supported Services (Fund 1156)

**DESCRIPTION: Change in funding due to transfer of hearing officers to Department of Administration**

The Finance Subcommittee did not consider this amendment, submitted February 23, 2005.

Per legislation passed last session, effective January 1, 2005, hearing officers were transferred from the Department of Revenue, Commissioner's Office to the Department of Administration, Office of Administrative Hearings. The unexpected result of this change was that the Child Support Services Division (CSSD) hearing costs are no longer eligible for federal reimbursement under the department's indirect cost allocation plan. Since Alaska statutes require CSSD to provide formal hearing appeals CSSD will be required to pay hearing officer costs of 261,100.

Since these costs are no longer eligible for federal reimbursement or match, the division will lose \$767,900 (\$261,100 state funds used to match \$506,800 federal funds). Since these are additional expenditures that previously CSSD did not have to pay, the total impact would be a reduction of \$1,029,000.

If this request is not funded, CSSD would have to layoff 20 caseworker positions. There are currently 121 child support specialist and manager positions in the division, with only one vacancy. Expected changes include:

- Casework would return to Anchorage. Field offices in Wasilla, Fairbanks and Juneau would be reduced to one individual each who would answer general questions for clients.
- Child support modifications, which are currently completed in less than six months in 89% of the cases, would take 6 months or more. This could prevent CSSD from meeting federal requirements, which may result in monetary penalties.
- Child support orders that are currently established in less than six months 83% of the time would take longer, therefore we would not meet the federal requirements.
- The length of time to process requested audits and adjustments to accounts would increase.

A docted

DOTPF 1

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

3/22/05

Offered By: Representative Foster

**ADD**

Department: Transportation and Public Facilities

Appropriation: Highways, Aviation and Facilities

Allocation: Central Region Highways and Aviation

Amount: \$87,100 General Funds (Fund 1004)

Allocation: Southeast Region Highways and Aviation

Amount: \$25,600 General Funds (Fund 1004)

Allocation: Northern Region Facilities

Amount: \$399,790 General Funds (Fund 1004)

**DESCRIPTION: Utility and fuel cost increases for operations and maintenance**

These amendments were not considered by the department's subcommittee.

Higher fuel prices and utility costs incurred during FY2005 are expected to continue into FY2006.

If this request is denied, building temperatures, janitorial services and snow hauling will be reduced, snow plowing and building maintenance tasks delayed, safety training sessions reduced, and if needed, staff laid off.

Adopted

ODTAF 2

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

3/22/05

Offered By: Representative Foster

**ADD**

Department: Transportation and Public Facilities

Appropriation: Highways, Aviation and Facilities

Allocation: Central Region Highways and Aviation

Amount: \$68,000 General Funds (Fund 1004)

**DESCRIPTION: King Salmon air traffic control**

This amendment was not considered by the department's subcommittee.

A cost share agreement with the FAA requires the department to pay for a portion of air traffic control services at King Salmon airport. After reaching agreement as to the amount owed to the service provider by the state and that owed by FAA, the state will owe approximately \$68,000 for services.

With no assurance of a contract renewal, the tower contractor may chose to end services on July 1, 2005. This will result in a substantial increase in risk to all airport operations year round at King Salmon (outcome of saved lives), and put an additional strain on the Bristol Bay fish economy.

Adopted

DOTPF 3

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Foster

**ADD**

Department: Transportation and Public Facilities

Appropriation: International Airports

Allocation: Anchorage Airport Facilities

Amount: \$2,002,900 International Airport Revenue Funds (Fund 1027)

Allocation: Anchorage Airport Field and Equipment Maintenance

Amount: \$610,100 International Airport Revenue Funds (Fund 1027)

**DESCRIPTION: Anchorage Airport fuel and utility cost increases**

This amendment was not considered by the department's subcommittee.

In FY05, electricity has increased 6% and natural gas has increased 17% over FY04 rates. Similar rates are expected for FY06. The new C Concourse was commissioned on June 28, 2004. Utility costs for an additional 487,000 square feet have incurred since July 2004, but the impact of the utility rate increases cannot be absorbed.

An increase in utilities is projected due to the 63% increase in space, specifically the new Field Maintenance Complex and warm storage building (92,931 additional square feet) that will be transferred the Airport until FY06.

If these additional funds are not provided, building temperatures will be reduced, building maintenance tasks delayed, and if needed, staff laid off.

**DOTPF 4**

*A doP*

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Foster

**ADD**

Department: Transportation and Public Facilities

Appropriation: International Airports

Allocation: Anchorage Airport Operations

Amount: \$2,580,000 International Airport Revenue Funds (Fund 1027)

**DESCRIPTION: Anchorage Airport parking service and fog seeding**

This amendment was not considered by the department's subcommittee.

The Airport has experienced an unacceptable level of service through this Concession Agreement method. The airport is requesting \$2,500,000 to take over the management of these services in FY 06 that will then be contracted through a formal RFP process.

Currently, a private company is responsible for airport parking, shuttle services and parking lot maintenance under a Concession Agreement. All revenue and expenditure activities derived from the agreement are handled by the concessionaire and are not part of the department's budget. The company pays a portion of the gross receipts to the airport, which amounts to approximately \$2,500,000 of revenue to the airport per year. Annual expenses include \$900,000 for the shuttle operation, \$400,000 for parking lot maintenance and snow removal and approximately \$1,200,000 labor, maintenance and equipment to support the parking operations.

The department also requests \$80,000 of funding to contract for fog seeding. The airline affairs committee has given notice that they will provide funding for these services in the future, but they will no longer provide the service itself. The estimated cost of \$80,000 per year will provide continuous fog seeding services, an essential feature for safe continuous airport operation. Without this contract, ANC could experience 20-30 divers in one day during heavy fog periods. Each diverted landing results in \$1,000 of lost revenues to the state and \$10,000 in lost revenues to the affected airline.

Adopted

DOTAF 5

Amendment to CS HB 67 (FIN) / HB 66 (FIN) work draft

Offered By: Representative Foster

ADD

Department: Transportation and Public Facilities

Appropriation: International Airports

Allocation: Fairbanks Airport Administration

Amount: \$50,000 International Airport Revenue Funds (Fund 1027)

Allocation: Fairbanks Airport Facilities *Those monies can only be used for increased fuel costs.*

Amount: \$206,800 International Airport Revenue Funds (Fund 1027)

Allocation: Fairbanks Airport Field and Equipment Maintenance

Amount: \$77,700 International Airport Revenue Funds (Fund 1027)

Allocation: Fairbanks Airport Safety

Amount: \$43,200 International Airport Revenue Funds (Fund 1027)

*New language*

DESCRIPTION: Fairbanks Airport fuel, utility and marketing increments

These amendments were not considered by the department's subcommittee.

These amendments will provide \$50,000, to support a position that will focus on business retention, existing business expansion, and responding to business solicitations. The airport plans to increase revenue with a greater emphasis on marketing its services.

Golden Valley Electric Authority (GVEA) was granted a temporary rate increase of 5.88% in July 2004, which is expected to become permanent and possibly increase in February 2005. This has resulted in kilowatt-hour costs in FY05 that exceed FY04 by 15%. Similarly, heating oil costs per gallon have risen an average of 38% over FY04.

Without this funding authority, the airport will have less of an opportunity to market the airport's services and close the gap between expenditures and revenues (a performance measure). Staff will reduce building temperatures, delay building maintenance tasks, reduce use of service vehicles and if needed, lay off staff.

Adopted

DOTPF 6

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Chenault

AGENCY: Transportation and Public Facilities  
APPROPRIATION: International Airports  
ALLOCATION: Anchorage Airport Safety

Add \$29.5 Federal Receipts 1002  
207.2 Int Airt 1027

ALLOCATION: Fairbanks Airport Safety

Add \$102.2 Int Airt 1027

**Explanation:**

Costs associated with Public Safety bargaining unit contract terms. The amounts are those requested by the Governor.

Adopted 3/22/05

DOTPF 7

AMENDMENT TO CSIB 67(FIN)

Offered in the House Finance Committee by: Representative Chenault

AGENCY: Transportation and Public Facilities  
APPROPRIATION: Alaska Marine Highway System  
ALLOCATION: Marine Vessel Operations

Add \$6,470.8 AMHS Fund 1076

**Explanation:**

Costs associated with vessel operations bargaining unit contract terms. The amounts are those requested by the Governor. The Governor requested \$48 million in capitalization of the AMHS fund. Bargaining agreements raise capitalization requirements to \$54.5 million. The House CS work draft capitalizes the fund with \$55 million GF.

Adopted

3/22/05

UFA 1

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Weyhrauch

AGENCY: University of Alaska

Amend language in Sec. 23 (b):

(b) The operating budget appropriations made to the University of Alaska in this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30, 2006, for university employees who are not members of a collective bargaining unit and for implementing the monetary terms of the collective bargaining agreements including the terms of the tentative agreement providing for transition of represented employees to the UA Choice Health Plan for university employees represented by the following entities [with the following entities representing employees of the University of Alaska]:

- (1) Alaska Higher Education Crafts and Trades Employees;
- (2) Alaska Community Colleges' Federation of Teachers;
- (3) United Academics;
- (4) United Academics-Adjuncts.

**Explanation:**

This amendment recognizes the change in monetary terms of the contract relative to the tentative agreement to transition University of Alaska union represented employees to the UA Choice Health plan.

3/22/05

adopted  
Held

UFA 2

AMENDMENT TO CSHB 66(FIN)

Offered in the House Finance Committee by: Representative Weyhrauch

AGENCY: University of Alaska  
APPROPRIATION: University of Alaska  
ALLOCATION: Budget Reductions/Additions – Systemwide

Adj \$500.0 MHTAAR 1092

**Explanation:**

This amendment increases the FY06 mental health appropriation to the University of Alaska by a total of \$500,000 in Mental Health Authority Authorized Receipts for the University of Alaska Behavioral Health Program Partnership for 2006.

This amount was erroneously included as part of Sec. 37 in HB 67.

3/22/05

passed  
7-3

Lang.

1

AMENDMENT TO CSHB 67(FIN)

Offered in the House Finance Committee by: Representative Meyer

Delete Section 22 (Funding for Political Subdivisions' PERS)

**Explanation:**

This section appropriated \$37.5 million of FY05 general funds to the Department of Administration to reduce the liability of political subdivisions to the public employees' retirement system (PERS). This is the only FY05 effective date in the bill.



State of Alaska  
Legislative Affairs Agency  
Kenai LIO  
145 Main St Lp Ste 217  
Kenai, AK 99611  
(907) 283-2030

Date: 3-31-05

Please accept the enclosed original(s) of written testimony for the

HF 11 teleconference hearing that was  
scheduled on 3-19-05.

A copy of this testimony was transmitted to your committee via fax on

3-19-05.

Thank you,

Michelle Regier



# Alaska State Legislature

Please enter into the record my testimony to the House Finance Committee  
committee name

Committee on HB 66, dated 3-19-05  
bill # / subject public hearing date

Alaska has the highest rate of FASD in the world w/ exception of a small area of Africa. Prevention and diagnosis ~~will be~~ of FASD will promote long-term negative impact of violence, incarceration and future FASD births. Diagnosis is extremely important because it opens the door to services such as parent training, individualized strategic intervention and greater success at school, community, and at home.

Prevention + diagnosis of FASD will reduce long-term costs related to domestic and community violence, substance abuse and the costs of raising & educating & supporting future generations of individuals with Fetal Alcohol Spectrum Disorders. Diagnosis & prevention/intervention will also reduce the long-term + immediate emotional & physical consequences of child abuse. It is imperative that FASD programs are funded at their previous levels - if not increased - for the long-term health of our state.

Signed:

Jessie Reguine (Jackie) Bock PhD  
FASD diagnostic team - Kenai clinical psychology independent practice  
Representing (optional)

Address

283-3012 (h) 260-4466 (w)

Phone number



# Alaska State Legislature

Please enter into the record my testimony to the

House Finance Committee  
committee name

Committee on

HB 66  
bill # / subject

, dated

3/19/05

public hearing date

Please continue to adequately fund efforts to reduce fetal alcohol spectrum disorders in Alaska. The Fetal programs have done some wonderful work in identifying individuals with Fetal Alcohol Syndrome, the long term issues on the dangers of drinking during pregnancy. The need to continue these efforts is covered.

The state has put a great deal of money into research on fetal alcohol spectrum disorders. The long term health care issues for individuals with Fetal Alcohol Syndrome are the most significant. Many of these individuals are born with secondary mental health issues and perpetuate the disability by not having the appropriate support services. These programs are vital to the state.

Signed:

[Signature]  
Testifier

[Signature]  
Representing (optional)

[Address]  
Address

[Phone Number]  
Phone number



# Alaska State Legislature

Please enter into the record my testimony to the

House Finance Committee  
committee name

Committee on

H B 66  
bill # / subject

, dated

Nov. 19, 2005  
public hearing date

Please continue funding for Fetal Alcohol Syndrome identification, prevention and intervention. We have accomplished awareness in our community & state over the past 5 years of programs. We are beginning to see strides in breaking generational patterns. We are able to provide basic information <sup>through diagnosis</sup> for young children referred from OCS to assist with support services and appropriate community supports. Diagnosis is essential for identification of strengths and needs. We have numerous trainings each year that provide publicity, awareness, increased knowledge, and prevention measures. We target high risk populations for in-services and educational presentations for prevention. The PASD programs are an essential investment for our community and state.

Signed:

Margaret Pearson-Williams

Testifier

Frontier Community Services

Representing (optional)

42235 S-Beach Rd Soldotna 99669

Address

262-6331 x248

Phone number