

Leg. Finance - House & Senate Finance Comte Files (1975-76) 385

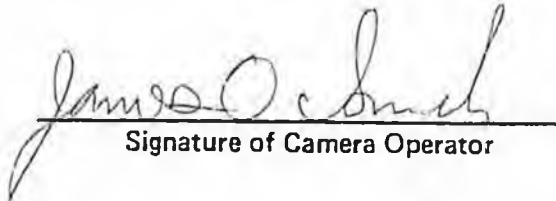
CSHB 246, 250, HD 250

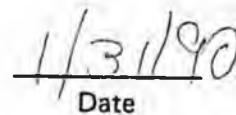


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Signature of Camera Operator


Date

COMMITTEE REPORT

SENATE

5/20/75

Mr. President:

Date 5/20/75

The Committee on FINANCE has had CSHB 246 liquor licenses, fees, and municipal regulation of sale of intoxicating liquor under consideration. A Majority of the members of the Committee

- () recommends it DO PASS
- () recommends it DO NOT PASS
- () recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- () recommends it BE REPLACED WITH ^{SCS} FOR CSHB 246 AND THAT
SCS FOR CSHB 246 ~~DO PASS~~ be put out with individ. rep.
- () "and" recommends it BE REFERRED TO THE _____

COMMITTEE

- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____

Members NOT concurring in the Majority report:

<u>[Signature]</u>	recommends:	<u>[Signature]</u>
<u>[Signature]</u>	recommends:	<u>[Signature]</u>
<u>[Signature]</u>	recommends:	<u>[Signature]</u>
_____	recommends:	_____
_____	recommends:	_____

[Signature] Chairman

Original sponsor: Guy and Itta

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 246

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of intoxicating liquor."
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 04.10.200 is repealed and re-enacted to read:

9
10 Sec. 04.10.200. PUBLIC NOTICE. The board shall provide by regu-
11 lation for adequate notice to inform the public and the local governing
12 body of a proposed issuance of a new license, renewal or transfer of an
13 existing license. The notice shall be bilingual when necessary. Notice
14 shall be given by posting at the location of the premises, at the
15 nearest post office, and at one other conspicuous location in the area
16 for a period of at least 10 days a true copy of the application.

17 * Sec. 2. AS 04.10.300 is repealed and re-enacted to read:

18 Sec. 04.10.300. PROTEST IN AREAS OUTSIDE MUNICIPALITIES. (a) An
19 adult resident in an area outside a municipality who desires to protest
20 the issuance, reissuance, renewal or transfer of a license for an
21 establishment that is outside a municipality and within two miles of his
22 permanent place of abode or within the established village in which his
23 permanent place of abode is located shall serve upon the applicant and
24 the board a written statement of the reasons for his protest. Upon the
25 receipt of the protest, the board may give notice and hold a hearing in
26 the area in which the protestant resides, at which all persons inter-
27 ested may be heard.

28 (b) If the protest is made in writing to the board by at least 35
29 per cent of the adult residents having a permanent place of abode within
the established village where the licensed premises is situated or is to

1 be situated and within two miles of the established village, a special
2 election conducted by the Department of Community and Regional Affairs
3 held within the village is mandatory. If at the election the majority
4 of the adult residents having a permanent place of abode within the
5 established village and within two miles of the established village
6 object to issuance, renewal or transfer, the board may not issue, renew
7 or transfer any licenses in, or within two miles of, the established
8 village.

9 (c) If the licensed premises is situated or is to be situated
10 outside a municipality or established village and at the hearing the
11 majority of the adult residents having a permanent place of abode within
12 two miles of the premises but outside the municipality or established
13 village object to issuance, renewal or transfer, the board may, if in
14 its opinion the public interest will be served by the refusal or if
15 other grounds for refusal exist by law, refuse to issue or transfer the
16 license.

17 (d) For purposes of this section, an "established village" means
18 an unincorporated area where at least 25 people reside as a social unit,
19 as determined by the Department of Community and Regional Affairs.

20 * Sec. 3. AS 04.10.350(a) is amended to read:

21 (a) A license issued under this chapter is renewable automatically
22 if the fee is paid in accordance with secs. 40 - 140 of this chapter,
23 except as provided in sec. 300 of this chapter or except in the case of
24 conviction of the licensee under AS 04.15.100, pending the outcome of a
25 board hearing or judicial determination as to the legality of issuing
26 the license, or in the case of a lawful revocation in which event the
27 license is renewable only as provided by law and regulation.

28 * Sec. 4. AS 04.15.070(a) is amended to read:

29 (a) A municipality may by ordinance provide rules and regulations

1 governing the barter, sale and possession of intoxicating liquor within
2 the municipality necessary to the orderly conduct of the business of
3 selling intoxicating liquor. When, under a local option election, the
4 city clerk finds the majority of the voters are against the sale of
5 intoxicating liquor, the municipality, by ordinance, may make the sale
6 of intoxicating liquor within the municipality a misdemeanor whether the
7 sale is made pursuant to license or otherwise. The ordinance may not be
8 inconsistent with this title or the rules and regulations promulgated
9 under this title. No municipality may impose taxes other than property
10 taxes on liquor inventories and sales taxes on liquor sales when these
11 taxes are levied on other property and sales within the municipality.

12 Sec. 5. AS 04.10.255 is repealed.
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THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
Second Session - Ninth Legislature

I. REQUEST
 Bill No. CS for House Bill No. 246 am intoxicating liquors
 Title: Relating to liquor licenses, fees, and municipal regulation of sale of
 Requested by: James Fennel - Senate Finance Comm. Date: December 5, 1975
 Return Date Requested: January 1, 1976
 Agency: Revenue Program: ABC Board

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum from P. A. Wall, Director, Administrative Services Division (former Acting Director, ABC Board) dated May 15, 1975 concerning additional revenue to be derived from proposed changes in general wholesale and whole-sale malt beverage and wine license fees.

An update based on 1975 gross volume of business will be available after February 15, 1976 when holders of general wholesale and wholesale malt beverage and wine licenses file annual returns of gross volume of business with the Alcoholic Beverage Control Board.

IV. ATTACHMENTS

Memorandum dated May 15, 1975 from P. A. Wall, Director, Administrative Services Division, Department of Revenue.

V. DATE: 12-24-75

PREPARED BY: _____

R. D. Stevenson
 R. D. Stevenson, Special Assistant
 Department of Revenue

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Original sponsor: Guy and Itta

Offered: 4/21/75
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 246 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to liquor licenses, fees, and municipal
7 regulation of the sale of intoxicating liquor."

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

9 * Section 1. AS 04.10.110 is amended to read:

10 Sec. 04.10.110. WHOLESale LICENSE. (a) The holder of a general
11 wholesale license may sell intoxicating liquors in the original package,
12 and wine in bulk, in quantities of not less than five wine gallons to
13 holders of licenses. The holder of a general wholesale license may not
14 sell to a consumer. Liquor requiring internal revenue strip stamps
15 shall have the stamps intact on the package. A general wholesale li-
16 cense shall be required for each distributing point. The general
17 wholesale license fee schedule is based upon the total amount of busi-
18 ness transacted during any year and is \$500 as a minimum license fee,
19 to accompany the application, and in payment of the fee for the first
20 \$50,000 of business transacted, and, in addition thereto, a sum equal
21 to one percent of the business transacted during the year for which
22 the license is issued. [ON THE BUSINESS TRANSACTED DURING ANY YEAR,

23	ABOVE \$50,000 AND NOT OVER \$75,000	A FEE OF \$ 250
24	ABOVE \$75,000 AND NOT OVER \$100,000	A FEE OF \$ 500
25	ABOVE \$100,000 AND NOT OVER \$125,000	A FEE OF \$ 750
26	ABOVE \$125,000 AND NOT OVER \$150,000	A FEE OF \$1000
27	ABOVE \$150,000 AND NOT OVER \$175,000	A FEE OF \$1250
28	ABOVE \$175,000 AND NOT OVER \$200,000	A FEE OF \$1500
29	ABOVE \$200,000 AND NOT OVER \$250,000	A FEE OF \$2000

1 ABOVE \$250,000 AND NOT OVER \$300,000 A FEE OF \$2500
 2 ABOVE \$300,000 AND NOT OVER \$350,000 A FEE OF \$3000
 3 ABOVE \$350,000 AND NOT OVER \$400,000 A FEE OF \$3500
 4 ABOVE \$400,000 AND NOT OVER \$500,000 A FEE OF \$4500
 5 ABOVE \$500,000 A FEE OF \$5000]

6 (b) The holder of a wholesale malt beverage and wine license may
 7 sell malt beverages and wine in the original packages and malt beverages
 8 and wine in bulk in quantities of not less than five wine gallons to
 9 holders of licenses. The holder of a wholesale malt beverage and wine
 10 license may not sell to a consumer. The malt beverages and wine license
 11 fee schedule is based on the total amount of business transacted in any
 12 year and is \$100 as a minimum license fee, to accompany the application,
 13 and in payment of the fee for the first \$10,000 of business transacted,
 14 and, in addition, a sum equal to one per cent of the business transacted
 15 during the year for which the license is issued. [ON THE BUSINESS
 16 TRANSACTED DURING ANY YEAR,

17 ABOVE \$10,000 AND NOT OVER \$25,000 A FEE OF \$ 150
 18 ABOVE \$25,000 AND NOT OVER \$50,000 A FEE OF \$ 500
 19 ABOVE \$50,000 AND NOT OVER \$75,000 A FEE OF \$ 750
 20 ABOVE \$75,000 AND NOT OVER \$100,000 A FEE OF \$1000
 21 ABOVE \$100,000 AND NOT OVER \$150,000 A FEE OF \$1500
 22 ABOVE \$150,000 AND NOT OVER \$200,000 A FEE OF \$2000
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 28 lation for adequate notice to inform the public of a proposed issuance
 29 of a new license or reissuance, renewal or transfer of an existing

1 license. The notice shall be bilingual when necessary. Notice shall
2 be given by posting at the location of the premises, at the nearest post
3 office, and at one other conspicuous location in the area for a period
4 of at least 10 days a true copy of the application and by published
5 notice by newspaper, radio and television. Where published notice is
6 not feasible the board may make such exemptions from the requirement of
7 publication as required.

8 * Sec. 3. AS 04.10.300 is repealed and re-enacted to read:

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10 adult resident in an area outside a municipality who desires to protest
11 the issuance, reissuance, renewal or transfer of any and all licenses
12 for an establishment or establishments within two miles of his permanent
13 place of abode or within the established village in which his permanent
14 place of abode is located shall serve upon the applicant and the board a
15 written statement of the reasons for his protest. Upon the receipt of
16 the protest, the board may give notice and hold a hearing in the area
17 in which the protestant resides, at which all persons interested may
18 be heard.

19 (b) If the protest is made in writing to the board by at least 35
20 per cent of the adult residents having a permanent place of abode within
21 the established village where the licensed premises is situated or is to
22 be situated and within two miles of the established village, a special
23 election conducted by the Department of Community and Regional Affairs
24 held within the village is mandatory. If at the election the majority
25 of the adult residents having a permanent place of abode within the
26 established village and within two miles of the established village
27 object to issuance, reissuance, renewal or transfer, the board may not
28 issue, reissue, renew or transfer any licenses in, or within two miles
29 of, the established village.

1 (c) If the licensed premises is situated or is to be situated
2 outside a municipality or established village and at the hearing the
3 majority of the adult residents having a permanent place of abode within
4 two miles of the premises object to issuance, reissuance, renewal or
5 transfer, the board may, if in its opinion the public interest will be
6 served by the refusal or if other grounds for refusal exist by law,
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8 (d) For purposes of this section, an "established village" means
9 an unincorporated area where at least 25 people reside as a social unit,
10 as determined by the Department of Community and Regional Affairs.

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15 conviction of the licensee under AS 04.15.100, pending the outcome of a
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22 the municipality necessary to the orderly conduct of the business of
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24 city clerk finds the majority of the voters are against the sale of
25 intoxicating liquor, the municipality, by ordinance, may make the sale
26 of intoxicating liquor within the municipality a misdemeanor whether
27 the sale is made pursuant to license or otherwise. The ordinance may
28 not be inconsistent with this title or the rules and regulations pro-
29 mulgated under this title. No municipality may impose taxes other than

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property taxes on liquor inventories and sales taxes on liquor sales
when these taxes are levied on other property and sales within the
municipality.

#

May 16, 1975

The Honorable Jalmar Kerttula
Chairman
Senate Commerce Committee
Alaska State Legislature
State Capitol
Juneau, Alaska

Re: Committee Substitute for
House Bill No. 246 am.

Dear Senator Kerttula:

Committee Substitute for House Bill No. 246 am, an Act relating to liquor licenses, fees and municipal regulation of the sale of intoxicating liquor was introduced in the Senate on May 13, 1975 and was referred to the Senate Commerce and Finance Committees.

For the consideration of the Senate Commerce Committee, I am enclosing a memorandum from P. A. Wall, Director, Administrative Services Division which will disclose the additional wholesale license fee revenues to be obtained by that portion of the bill concerning new proposed fees to be paid by holders of general wholesale licenses and by holders of wholesale malt beverage and wine licenses.

With respect the revenue portion of the bill, consideration should be given to on effective date so as to avoid two rates of license fees for one calendar year.

If you or any members of the Senate Commerce Committee have any questions on the material submitted, please telephone the writer at 465-2397 and I will contact Mr. Wall (who served during part of 1974 as Acting Director of the Alcoholic Beverage Control Board, for further material or testimony.

Very truly yours,

R. D. Stevenson
Special Assistant

RDS:eh

cc: The Honorable Bill Ray
Chairman, Senate Finance Committee

P. A. Wall, Director
Administrative Services

Linda E. Brown, Director
Alcoholic Beverage Control Board

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Special Assistant
Department of Revenue

DATE: May 15, 1975

FROM: P. A. Wall
Director
Administrative Services Division
Department of Revenue

SUBJECT: CS for House Bill No. 246 am

CS for House Bill No. 246 am passed the House and has been referred to the Senate Commerce and Finance Committees.

The Committee Substitute relates to liquor licenses, fees, and municipal regulation of the sale of intoxicating liquor.

With relation to the amendment concerning liquor licenses and fees, this office has recently received the 1974 reports concerning the gross volume of business transacted by all wholesalers in Alaska for the calendar year 1974.

In order to up-date statistics and provide the Legislature with a projection of increases in revenue that would be obtained by passage of the bill, the following information is submitted:

It is to be noted from AS 04.10.110 (a) concerning general wholesale licenses that the minimum license fee is \$500 and is in payment for the first \$50,000 of business transacted for one distributing point. Effective rate of the initial fee is 1% ($\$50,000 \times .01$ equals \$500). The schedule then provides various brackets of gross receipts with increasing fees until the top amount of \$500,000 is reached where the present additional fee is \$5,000 or again an effective rate of 1% ($\$500,000 \times .01$ equals \$5,000). There is presently no additional fee for receipts received in amounts over \$500,000 for one distributing point.

Reference is now made to the attached schedule, prepared from statistics contained in reports furnished yearly to the Alcoholic Beverage Control Board by holders of General Wholesale Licenses and by holders of Wholesale Malt Beverage and Wine Licenses.

It is to be noted on the subject schedule that for 1959 all holders of General Wholesale Licenses paid initial fees in total amount of \$7,000 and excess fees dependent upon the present schedule in total amount of \$59,500 for a grand total of fees in amount of \$66,500 to pay all fees due on gross receipts at various distributing points totaling \$15,490,169.50.

MEMORANDUM

State of Alaska

TO: F

DATE :

FROM:

SUBJECT:

Some 15 years later, in 1974, all holders of General Wholesale Licenses paid initial fees of \$7,500 and excess fees dependent upon the present schedule in total amount of \$66,000 for a grand total of fees in amount of \$73,500 to pay all fees due on gross receipts at various distributing points totaling \$40,439,525.74.

In comparison 15 years apart, the holders of General Wholesale Licenses were, under the prevailing fee schedule, able to increase their total volume of business from \$15,490,169.50 to \$40,439,525.74, an increase of \$24,949,356.24 or 161.07% increase, and yet pay in effect only \$7,000 more fees, an increase of 10.53% in total fees. This is due to the top fee schedule being set at \$5,000 for gross business of over \$500,000 at each distributing point.

The present fee schedule is described in 35-4-21 (H) ACLA 1949 amended by Chapter 131, SLA 1957 and Chapter 197, SLA 1959. There have been no further amendments or changes to date on the fee schedule so described.

From the present fee schedule, a wholesaler who had business transacted, for example, at some distributing point under the present fee schedule of \$4,000,000 would not pay more than the wholesaler who did total business at one distributing point of \$510,000. Each under the present fee schedule would pay the top additional fee of \$5,000.

During 1974 statistics available from the Alcoholic Beverage Control Board disclose that 13 holders of General Wholesale Licenses at various distributing points reported gross receipts in excess of \$500,000.

The present schedule for the General Wholesale License fees is in essence a fee of 1% of the total amount of business transactions each year at each distributing point up to a total of \$500,000. After that point no additional fees are incurred for gross receipts above \$500,000.

You will note from AS 04.10.110 (b) concerning Wholesale Malt Beverage and Wine Licenses that the minimum fee is \$100 and is in payment for the first \$10,000 of business transacted for one distributing point. Effective rate of the initial fee is 1% (\$10,000 X .01 equals \$100.00). The schedule then provides various brackets of gross receipts with increasing fees until the top amount of \$400,000 is reached where the present additional fee is \$5,000.

MEMORANDUM

State of Alaska

TO: Γ

DATE :

FROM:

SUBJECT:

With respect the seven holders during 1974 of Wholesale Malt Beverage and Wine Licenses, only one holder did in excess of \$200,000 in gross receipts at one distributing point; accordingly, the top bracket in the present schedule was not reached.

Based on the 1974 receipts of all wholesale licenses of firms doing business within the State, as reported to the Alcoholic Beverage Control Board, the provisions concerning the excess fee schedule that are incorporated in CS for House Bill No. 246 am would provide increased license fee revenues as follows:

GENERAL WHOLESALE:

15 initial fees @ \$500 (covering first \$50,000 of gross receipts)		\$ 7,500.00
Total Gross Receipts	\$40,439,525.74	
Less: Gross Receipts covered by initial fee (15 x \$50,000)	750,000.00	
Balance of gross receipts subject to 1% fee	<u>\$39,689,525.74</u>	<u>396,895.25</u>
Total proposed fees (based on 1974 sales)		\$404,395.25
Total fees under present schedule (based on 1974 sales)		<u>73,500.00</u>
Net increase in revenue on general wholesale licenses		<u>\$330,895.25</u>

WHOLESALE MALT BEVERAGE AND WINE LICENSES:

7 initial fees @ \$100 (covering first \$10,000 of gross receipts)		\$ 700.00
Total Gross Receipts	\$ 723,405.70	
Less: Gross Receipts covered by initial fee (7 @ \$10,000)	70,000.00	
Balance of gross receipts subject to 1% fee	<u>\$ 653,405.70</u>	<u>6,534.05</u>
Total proposed fees (based on 1974 sales)		\$ 7,234.05
Total fees under present schedule (based on 1974 sales)		<u>9,200.00</u>
Net decrease in revenue on wholesale malt beverage and wine licenses		<u>\$ 1,965.95</u>

MEMORANDUM

State of Alaska

TO: Γ

DATE :

FROM:

SUBJECT:

Summarizing the effect of the changes on both types of wholesale license fees is as follows:

Net increase in revenue on general wholesale license fees as compared to present fee schedules	\$330,895.25
Net decrease in revenue on wholesale malt beverage and wine license fees as compared to present fee schedules	<u>1,965.95</u>
Net additional revenue pursuant to CSHB 246 am	<u>\$328,929.30</u>

The new additional revenue based on 1974 sales would amount to \$328,929.30. For your information the 1975-76 budget request for the Alcoholic Beverage Control Board was in amount of \$275,200.

FIGURES FOR COMPARISON

Year	Wholesale Malt Gross	Excess Fee	License Fee	General Wholesale Gross	Excess Fee	License Fee
1959	\$ 960,001.48	\$10,700.00	\$1,600.00	\$15,490,169.50	\$59,500.00	\$7,000.00
1960	1,024,576.12	12,300.00	1,400.00	16,119,810.78	60,250.00	7,500.00
1961	764,479.56	8,700.00	1,200.00	15,650,947.52	57,250.00	7,000.00
1962	743,310.48	8,650.00	1,600.00	15,455,670.63	56,500.00	7,000.00
1963	601,747.82	7,400.00	1,000.00	16,162,541.62	57,750.00	7,500.00
1964	727,244.06	8,300.00	1,000.00	17,332,349.12	56,750.00	7,500.00
1965	708,760.25	7,300.00	1,000.00	15,914,811.61	57,750.00	9,000.00
1966	543,554.14	6,400.00	900.00	18,771,534.47	58,000.00	7,500.00
1967	663,528.38	7,550.00	1,100.00	21,616,597.71	60,750.00	7,500.00
1968	674,202.58	8,000.00	1,000.00	23,500,115.31	63,000.00	6,500.00
1969	796,918.54	9,750.00	900.00	26,658,756.88	63,500.00	6,500.00
1970	675,244.35	8,300.00	800.00	30,141,106.99	65,000.00	6,500.00
1971	649,422.17	8,050.00	800.00	30,730,205.25	65,000.00	6,500.00
1972	642,609.35	7,900.00	800.00	30,783,714.55	65,000.00	6,500.00
1973	683,507.19	8,300.00	700.00	32,919,173.60	65,000.00	7,500.00
1974	723,405.70	8,500.00	700.00	40,439,525.74	66,000.00	7,500.00

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 — JUNEAU 99801

May 16, 1975

The Honorable Jalmar Kerttula
Chairman
Senate Commerce Committee.
Alaska State Legislature
State Capitol
Juneau, Alaska

Re: Committee Substitute for
House Bill No. 246 am.

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If you or any members of the Senate Commerce Committee have any questions on the material submitted, please telephone the writer at 465-2397 and I will contact Mr. Wall (who served during part of 1974 as Acting Director of the Alcoholic Beverage Control Board) for further material or testimony.

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Special Assistant

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The Committee Substitute relates to liquor licenses, fees, and municipal regulation of the sale of intoxicating liquor.

With relation to the amendment concerning liquor licenses and fees, this office has recently received the 1974 reports concerning the gross volume of business transacted by all wholesalers in Alaska for the calendar year 1974.

In order to up-date the statistics and provide the Legislature with a projection of increases in revenue that would be obtained by passage of the bill, the following information is submitted:

It is to be noted from AS 04.10.110 (a) concerning general wholesale licenses that the minimum license fee is \$500 and is in payment for the first \$50,000 of business transacted for one distributing point. Effective rate of the initial fee is 1% (\$50,000 X .01 equals \$500). The schedule then provides various brackets of gross receipts with increasing fees until the top amount of \$500,000 is reached where the present additional fee is \$5,000 or again an effective rate of 1% (\$500,000 X .01 equals \$5,000). There is presently no additional fee for receipts received in amounts over \$500,000 for one distributing point.

Reference is now made to the attached schedule, prepared from statistics contained in reports furnished yearly to the Alcoholic Beverage Control Board by holders of General Wholesale Licenses and by holders of Wholesale Malt Beverage and Wine Licenses.

It is to be noted on the subject schedule that for 1959 all holders of General Wholesale Licenses paid initial fees in total amount of \$7,000 and excess fees dependent upon the present schedule in total amount of \$59,500 for a grand total of fees in amount of \$66,500 to pay all fees due on gross receipts at various distributing points totaling \$15,490,169.50.

MEMORANDUM

State of Alaska

TO:

DATE :

FROM:

SUBJECT:

Some 15 years later, in 1974, all holders of General Wholesale Licenses paid initial fees of \$7,500 and excess fees dependent upon the present schedule in total amount of \$66,000 for a grand total of fees in amount of \$73,500 to pay all fees due on gross receipts at various distributing points totaling \$40,439,525.74.

In comparison 15 years apart, the holders of General Wholesale Licenses were, under the prevailing fee schedule, able to increase their total volume of business from \$15,490,169.50 to \$40,439,525.74, an increase of \$24,949,356.24 or 161.07% increase, and yet pay in effect only \$7,000 more fees, an increase of 10.53% in total fees. This is due to the top fee schedule being set at \$5,000 for gross business of over \$500,000 at each distributing point.

The present fee schedule is described in 35-4-21 (H) ACLA 1949 amended by Chapter 131, SLA 1957 and Chapter 197, SLA 1959. There have been no further amendments or changes to date on the fee schedule described.

From the present fee schedule, a wholesaler who had business transacted, for example, at some distributing point under the present fee schedule of \$4,000,000 would not pay more than the wholesaler who did total business at one distributing point of \$510,000. Each under the present fee schedule would pay the top additional fee of \$5,000.

During 1974 statistics available from the Alcoholic Beverage Control Board disclose that 13 holders of General Wholesale Licenses at various distributing points reported gross receipts in excess of \$500,000.

The present schedule for the General Wholesale License fees is in essence a fee of 1% of the total amount of business transactions each year at each distributing point up to a total of \$500,000. After that point no additional fees are incurred for gross receipts above \$500,000.

You will note from AS 04.10.110 (b) concerning Wholesale Malt Beverage and Wine Licenses that the minimum fee is \$100 and is in payment for the first \$10,000 of business transacted for one distributing point. Effective rate of the initial fee is 1% (\$10,000 X .01 equals \$100.00). The schedule then provides various brackets of gross receipts with increasing fees until the top amount of \$400,000 is reached where the present additional fee is \$5,000.

MEMORANDUM

State of Alaska

TO: Γ

DATE :

FROM:

SUBJECT:

With respect the seven holders during 1974 of Wholesale Malt Beverage and Wine Licenses, only one holder did in excess of \$200,000 in gross receipts at one distributing point; accordingly, the top bracket in the present schedule was not reached.

Based on the 1974 receipts of all wholesale licenses of firms doing business within the State, as reported to the Alcoholic Beverage Control Board, the provisions concerning the excess fee schedule that are incorporated in CS for House Bill No. 246 am would provide increased license fee revenues as follows:

GENERAL WHOLESALE:

15 initial fees @ \$500 (covering first \$50,000 of gross receipts)		\$ 7,500.00
Total Gross Receipts	\$40,439,525.74	
Less: Gross Receipts covered by initial fee (15 x \$50,000)	750,000.00	
Balance of gross receipts subject to 1% fee	<u>\$39,689,525.74</u>	<u>396,895.25</u>
Total proposed fees (based on 1974 sales)		\$404,395.25
Total fees under present schedule (based on 1974 sales)		<u>73,500.00</u>
Net increase in revenue on general wholesale licenses		<u>\$330,895.25</u>

WHOLESALE MALT BEVERAGE AND WINE LICENSES:

7 initial fees @ \$100 (covering first \$10,000 of gross receipts)		\$ 700.00
Total Gross Receipts	\$ 723,405.70	
Less: Gross Receipts covered by initial fee (7 @ \$10,000)	70,000.00	
Balance of gross receipts subject to 1% fee	<u>\$ 653,405.70</u>	<u>6,534.05</u>
Total proposed fees (based on 1974 sales)		\$ 7,234.05
Total fees under present schedule (based on 1974 sales)		<u>9,200.00</u>
Net decrease in revenue on wholesale malt beverage and wine licenses		<u>\$ 1,965.95</u>

MEMORANDUM

State of Alaska

TO: Γ

DATE :

FROM:

SUBJECT:

Summarizing the effect of the changes on both types of wholesale license fees is as follows:

Net increase in revenue on general wholesale license fees as compared to present fee schedules	\$330,895.25
Net decrease in revenue on wholesale malt beverage and wine license fees as compared to present fee schedules	<u>1,965.95</u>
Net additional revenue pursuant to CSHB 246 am	<u>\$328,929.30</u>

The new additional revenue based on 1974 sales would amount to \$328,929.30. For your information the 1975-76 budget request for the Alcoholic Beverage Control Board was in amount of \$275,200.

FIGURES FOR COMPARISON

Year	Wholesale Malt Gross	Excess Fee	License Fee	General Wholesale Gross	Excess Fee	License Fee
1959	\$ 960,001.48	\$10,700.00	\$1,600.00	\$15,490,169.50	\$59,500.00	\$7,000.00
1960	1,024,576.12	12,300.00	1,400.00	16,119,810.73	60,250.00	7,500.00
1961	764,479.56	8,700.00	1,200.00	15,650,947.52	57,250.00	7,000.00
1962	743,310.48	8,650.00	1,600.00	15,455,670.63	56,500.00	7,000.00
1963	501,747.82	7,400.00	1,000.00	16,162,541.62	57,750.00	7,500.00
1964	727,244.06	8,300.00	1,000.00	17,332,349.12	56,750.00	7,500.00
1965	708,760.25	7,300.00	1,000.00	15,914,811.61	57,750.00	9,000.00
1966	543,554.14	6,400.00	900.00	18,771,534.47	58,000.00	7,500.00
1967	663,528.38	7,550.00	1,100.00	21,616,597.71	60,750.00	7,500.00
1968	674,202.58	8,000.00	1,000.00	23,500,115.31	63,000.00	6,500.00
1969	795,918.54	9,750.00	900.00	26,658,756.88	63,500.00	6,500.00
1970	675,244.35	8,300.00	800.00	30,141,106.99	65,000.00	6,500.00
1971	649,422.17	8,050.00	800.00	30,730,205.25	65,000.00	6,500.00
1972	642,609.35	7,900.00	800.00	30,783,714.55	65,000.00	6,500.00
1973	688,507.19	8,300.00	700.00	32,919,173.60	65,000.00	7,500.00
1974	723,405.70	8,500.00	700.00	40,439,525.74	66,000.00	7,500.00

FIGURES FOR COMPARISON

Year	Wholesale Malt Gross	Excess Fee	License Fee	General Wholesale Gross	Excess Fee	License Fee
1959	\$ 960,001.48	\$10,700.00	\$1,600.00	\$15,490,169.50	\$59,500.00	\$7,000.00
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1967	663,528.38	7,550.00	1,100.00	21,616,597.71	60,750.00	7,500.00
1968	674,202.58	8,000.00	1,000.00	23,500,115.31	63,000.00	6,500.00
1969	795,918.54	9,750.00	900.00	26,658,756.88	63,500.00	6,500.00
1970	675,244.35	8,300.00	800.00	30,141,106.99	65,000.00	6,500.00
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1972	642,609.35	7,900.00	800.00	30,783,714.55	65,000.00	6,500.00
1973	688,507.19	8,300.00	700.00	32,919,173.60	65,000.00	7,500.00
1974	723,405.70	8,500.00	700.00	40,439,525.74	66,000.00	7,500.00

Original sponsor: Guy and Itta

Offered: 4/21/75
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 246 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to liquor licenses, fees, and municipal
7 regulation of the sale of intoxicating liquor."

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

9 * Section 1. AS 04.10.110 is amended to read:

10 Sec. 04.10.110. WHOLESale LICENSE. (a) The holder of a general
11 wholesale license may sell intoxicating liquors in the original package,
12 and wine in bulk, in quantities of not less than five wine gallons to
13 holders of licenses. The holder of a general wholesale license may not
14 sell to a consumer. Liquor requiring internal revenue strip stamps
15 shall have the stamps intact on the package. A general wholesale li-
16 cense shall be required for each distributing point. The general
17 wholesale license fee schedule is based upon the total amount of busi-
18 ness transacted during any year and is \$500 as a minimum license fee,
19 to accompany the application, and in payment of the fee for the first
20 \$50,000 of business transacted, and, in addition thereto, a sum equal
21 to one percent of the business transacted during the year for which
22 the license is issued. [ON THE BUSINESS TPANSACTIONED DURING ANY YEAR,

23	ABOVE \$50,000 AND NOT OVER \$75,000	A FEE OF \$ 250
24	ABOVE \$75,000 AND NOT OVER \$100,000	A FEE OF \$ 500
25	ABOVE \$100,000 AND NOT OVER \$125,000	A FEE OF \$ 750
26	ABOVE \$125,000 AND NOT OVER \$150,000	A FEE OF \$1000
27	ABOVE \$150,000 AND NOT OVER \$175,000	A FEE OF \$1250
28	ABOVE \$175,000 AND NOT OVER \$200,000	A FEE OF \$1500
29	ABOVE \$200,000 AND NOT OVER \$250,000	A FEE OF \$2000

1 ABOVE \$250,000 AND NOT OVER \$300,000 A FEE OF \$2500
 2 ABOVE \$300,000 AND NOT OVER \$350,000 A FEE OF \$3000
 3 ABOVE \$350,000 AND NOT OVER \$400,000 A FEE OF \$3500
 4 ABOVE \$400,000 AND NOT OVER \$500,000 A FEE OF \$4500
 5 ABOVE \$500,000 A FEE OF \$5000]

6 (b) The holder of a wholesale malt beverage and wine license may
 7 sell malt beverages and wine in the original packages and malt beverages
 8 and wine in bulk in quantities of not less than five wine gallons to
 9 holders of licenses. The holder of a wholesale malt beverage and wine
 10 license may not sell to a consumer. The malt beverages and wine license
 11 fee schedule is based on the total amount of business transacted in any
 12 year and is \$100 as a minimum license fee, to accompany the application,
 13 and in payment of the fee for the first \$10,000 of business transacted,
 14 and, in addition, a sum equal to one per cent of the business transacted
 15 during the year for which the license is issued. [ON THE BUSINESS

16 TRANSACTED DURING ANY YEAR,

17 ABOVE \$10,000 AND NOT OVER \$25,000 A FEE OF \$ 150
 18 ABOVE \$25,000 AND NOT OVER \$50,000 A FEE OF \$ 500
 19 ABOVE \$50,000 AND NOT OVER \$75,000 A FEE OF \$ 750
 20 ABOVE \$75,000 AND NOT OVER \$100,000 A FEE OF \$1000
 21 ABOVE \$100,000 AND NOT OVER \$150,000 A FEE OF \$1500
 22 ABOVE \$150,000 AND NOT OVER \$200,000 A FEE OF \$2000
 23 ABOVE \$200,000 AND NOT OVER \$300,000 A FEE OF \$3000
 24 ABOVE \$300,000 AND NOT OVER \$400,000 A FEE OF \$4000
 25 ABOVE \$400,000 A FEE OF \$5000]

26 * Sec. 2. AS 04.10.200 is repealed and re-enacted to read:

27 Sec. 04.10.200. PUBLIC NOTICE. The board shall provide by regu-
 28 lation for adequate notice to inform the public of a proposed issuance
 29 of a new license or reissuance, renewal or transfer of an existing

1 license. The notice shall be bilingual when necessary. Notice shall
2 be given by posting at the location of the premises, at the nearest post
3 office, and at one other conspicuous location in the area for a period
4 of at least 10 days a true copy of the application and by published
5 notice by newspaper, radio and television. Where published notice is
6 not feasible the board may make such exemptions from the requirement of
7 publication as required.

8 * Sec. 3. AS 04.10.300 is repealed and re-enacted to read:

9 Sec. 04.10.300. PROTEST IN AREAS OUTSIDE MUNICIPALITIES. (a) An
10 adult resident in an area outside a municipality who desires to protest
11 the issuance, reissuance, renewal or transfer of any and all licenses
12 for an establishment or establishments within two miles of his permanent
13 place of abode or within the established village in which his permanent
14 place of abode is located shall serve upon the applicant and the board a
15 written statement of the reasons for his protest. Upon the receipt of
16 the protest, the board may give notice and hold a hearing in the area
17 in which the protestant resides, at which all persons interested may
18 be heard.

19 (b) If the protest is made in writing to the board by at least 35
20 per cent of the adult residents having a permanent place of abode within
21 the established village where the licensed premises is situated or is to
22 be situated and within two miles of the established village, a special
23 election conducted by the Department of Community and Regional Affairs
24 held within the village is mandatory. If at the election the majority
25 of the adult residents having a permanent place of abode within the
26 established village and within two miles of the established village
27 object to issuance, reissuance, renewal or transfer, the board may not
28 issue, reissue, renew or transfer any licenses in, or within two miles
29 of, the established village.

1 (c) If the licensed premises is situated or is to be situated
2 outside a municipality or established village and at the hearing the
3 majority of the adult residents having a permanent place of abode within
4 two miles of the premises object to issuance, reissuance, renewal or
5 transfer, the board may, if in its opinion the public interest will be
6 served by the refusal or if other grounds for refusal exist by law,
7 refuse to issue, reissue or transfer the license.

8 (d) For purposes of this section, an "established village" means
9 an unincorporated area where at least 25 people reside as a social unit,
10 as determined by the Department of Community and Regional Affairs.

11 * Sec. 4. AS 04.10.350(a) is amended to read:

12 (a) A license issued under this chapter is renewable automatically
13 if the fee is paid in accordance with secs. 40 - 140 of this chapter,
14 except as provided in sec. 300 of this chapter or except in the case of
15 conviction of the licensee under AS 04.15.100, pending the outcome of a
16 board hearing or judicial determination as to the legality of issuing
17 the license, or in the case of a lawful revocation in which event the
18 license is renewable only as provided by law and regulation.

19 * Sec. 5. AS 04.15.070(a) is amended to read:

20 (a) A municipality may by ordinance provide rules and regulations
21 governing the barter, sale and possession of intoxicating liquor within
22 the municipality necessary to the orderly conduct of the business of
23 selling intoxicating liquor. When, under a local option election, the
24 city clerk finds the majority of the voters are against the sale of
25 intoxicating liquor, the municipality, by ordinance, may make the sale
26 of intoxicating liquor within the municipality a misdemeanor whether
27 the sale is made pursuant to license or otherwise. The ordinance may
28 not be inconsistent with this title or the rules and regulations pro-
29 mulgated under this title. No municipality may impose taxes other than

1 property taxes on liquor inventories and sales taxes on liquor sales
2 when these taxes are levied on other property and sales within the
3 municipality.
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Introduced: 3/3/75
Referred: Community & Regional
Affairs and Judiciary

1 IN THE HOUSE

BY GUY AND ITTA

2 HOUSE BILL NO. 246

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to liquor licenses and municipal
7 regulation of the sale of intoxicating liquor."

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

9 * Section 1. AS 04.10.200 is amended to read:

10 Sec. 04.10.200. POSTING OF APPLICATION. Before a new license is
11 issued or a license is reissued, the applicant shall post a true copy
12 of the application for license at the location of the premises, at the
13 nearest post office and at one other conspicuous location in the area,
14 for a period of 10 days before the filing of the application. The
15 applicant shall submit with the application proof of posting on a form
16 to be provided by the board.

17 * Sec. 2. AS 04.10.300 is amended to read:

18 Sec. 04.10.300. PROTEST OF ISSUANCE. A resident of an area
19 outside an incorporated city who desires to protest the issuance or
20 reissuance of a license in the voting area in which he resides, shall
21 serve upon the applicant and the board a written statement of the
22 reasons for his protest. Upon the receipt of the protest, the board
23 may give notice and hold a hearing, in the voting precinct in which
24 the protestant resides, at which all persons interested may be heard.
25 If the protest is made in writing by at least 25 residents residing
26 within two miles of the place for which the license is sought, the
27 hearing is mandatory. If at the hearing or otherwise it appears that
28 the majority of the citizens over the age of 19 years, residing within
29 two miles of the place for which a license is sought, object to the

1 issuance or reissuance of the license, the board shall refuse to issue
2 or reissue the license.

3 * Sec. 3. AS 04.10.350(a) is amended to read:

4 (a) A license issued under this chapter is renewable automatically
5 if the fee is paid in accordance with secs. 40 - 140 of this chapter,
6 except as provided in sec. 300 of this chapter or except in the case
7 of conviction of the licensee under AS 04.15.100, pending the outcome
8 of a board hearing or judicial determination as to the legality of
9 issuing the license, or in the case of a lawful revocation in which
10 event the license is renewable only as provided by law and regulation.

11 * Sec. 4. AS 04.15.070(a) is amended to read:

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13 governing the barter, sale and possession of intoxicating liquor within
14 the municipality necessary to the orderly conduct of the business of
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16 city clerk finds the majority of the voters are against the sale of
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18 of intoxicating liquor within the municipality a misdemeanor whether
19 the sale is made pursuant to license or otherwise. The ordinance may
20 not be inconsistent with this title or the rules and regulations promul-
21 gated under this title. No municipality may impose taxes other than
22 property taxes on liquor inventories and sales taxes on liquor sales
23 when these taxes are levied on other property and sales within the
24 municipality.
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RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

1/31/90
Date

4/9/75

COMMITTEE REPORT

SENATE

Mr. President:

Date 5/7/75

The Committee on FINANCE has had CSHB 250 supplemental appropriation to the Office of the Governor under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

<u>Eric Kay</u>	_____	_____
<u>John Butterfield</u>	<u>Thomas</u>	_____
<u>Gene Chance</u>	_____	_____
<u>Ray Palmer</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Eric Kay Chairman

4/2/75

COMMITTEE REPORT

SENATE

Mr. President:

Date 5/7/75

The Committee on FINANCE has had CSHB 250 supplemental appropriation to the Office of the Governor under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

HB 250

March 3, 1975

The Honorable Mike Bradner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Legislature, I am transmitting a bill making a supplemental appropriation to the Office of the Governor for \$1,258,300.

The money is to be allocated as follows:

.. \$21,900 to fund the Office of the Governor in Bethel;

\$1,000,000 to the Disaster Relief Fund; the fund requires replenishing to allow the Governor to make special allocations to alleviate disasters and their effects, as authorized by AS 44.19.171;

\$118,000 to the Public Defender Agency, for 1974 Fiscal Year obligations and to fund the remainder of the 1975 Fiscal Year's activities;

\$61,000 to the Human Rights Commission, to repay 1974 Fiscal Year overexpenditures charged to a continuing federal grant and to provide additional 1975 Fiscal Year funding to cover an expected deficit;

\$30,000 to the Division of Elections, to pay the costs of the election recount, plus the amounts paid for terminal leave; and

\$27,400 to the Office of Telecommunications, for travel, contractual services, commodities, and equipment.

Sincerely,

Jay S. Hammond
Governor

MEMORANDUM

State of Alaska

HB
250

TO: ~~Larry Talbert~~
Special Assistant to
the Governor

~~OK~~ OR 1/21

DATE: January 21, 1975

FILE NO:

TELEPHONE NO:

FROM: Marian L. Hellen
Administrative Officer

SUBJECT: Supplemental Appropriation
Office of Telecommunications

The following is submitted for your review and concurrence as the request for the subject supplemental.

<u>Travel</u>		<u>Total Request</u>
Conventions & Meetings Out-of-State		
Transportation	\$3,125	
Per Diem & Related	875	
	<u>\$4,000</u>	
Administrative In-State		
Transportation	\$ 930	
Per Diem & Related	840	
	<u>\$1,770</u>	\$ 5.8

The above travel includes 5 trips to Washington, D.C. by the Director for IEEE Conference, 2 Common Carrier Evaluation hearings, the organizational meeting for the Steering Committee of the Public Service Satellite Consortium and presentation of the ATS-6 Demonstration to the National Institute of Education. Estimated per diem is 5 1/2 days per trip. The administrative travel is required for six Juneau/Anchorage trips, 4 days each.

Contractual

Professional Services	\$20,000	\$20.5
Evaluation of RCA Statewide Communications Systems Plan.		
Printing-Bi-monthly Newsletter & Stationery	\$ 500	

<u>Commodities</u> - Office Supplies	\$ 300	\$.3
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<u>Equipment</u> -Typewriter & Stand	\$ 800	\$.8
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\$27.4

cc: V. Kent Dawson, Director
Division of Budget & Management

MEMORANDUM

State of Alaska

TO: Larry Talbert
Special Assistant to
the Governor

DATE: January 21, 1975

FILE NO:

TELEPHONE NO:

FROM: Marian L. Hellen
Administrative Officer

SUBJECT: Supplemental Appropriation
Bethel Office of the Governor

The following is submitted for your review and concurrence as the request for the subject supplemental.

<u>Personal Services</u>		<u>Request total</u>
Administrative Officer, Range 19B \$2246/month, 6 man months	\$13,476	
Benefits @ 18%	\$ 2,426	
	<u>\$15,902</u>	\$15.9
 <u>Travel</u>		
Administrative In-state Transportation	\$ 2,914	
Per Diem & related costs	\$ 480	
	<u>\$ 3,394</u>	\$ 3.4
 Travel reflects: 4 Juneau trips, 4 days each 2 Anchorage trips, 2 days each 6 village field trips, 1 day each		
 <u>Contractual Services</u>		
Communications (Incl L.D.)	\$ 620	
Machine rental- copier service	\$ 300	
	<u>\$ 920</u>	\$.9
<u>Commodities- Consumable office supp.</u>	\$ 200	\$.2
<u>Equipment</u>	\$ 1,500	
 Based on above position needs:		
1 Executive Desk & chair		
1 Calculator		
1 Typewriter		
2 File Cabinets		<u>\$ 1.5</u>
		<u>\$21.9</u>

cc: V. Kent Dawson, Director
Division of Budget & Management

HR 253

TO: Andrew S. Warwick, Commissioner
Department of Administration

DATE : February 6, 1975

FROM: Larry W. Talbert
Administrative Assistant
to the Governor

[Handwritten signature]
2/6/75

SUBJECT: Supplemental Appropriation
Public Defender Agency

The Public Defender Agency requires a supplemental appropriation of \$118.0 for the remainder of FY 75. The agency expended all authorization other than personal services by December 31, 1974. This over-expenditure is attributable in part to \$66,500 for prior year obligations illegally charged to the current appropriation. The agency did not lapse sufficient funds in FY 74 to provide payment of outstanding obligations. Additionally \$7.0 in prior year costs billed this fiscal year are being held for payment pending legislative approval. The remaining \$44.5 requested will provide sufficient authorization for the FY 75 anticipated deficit.

FY 75 rates of expenditure are consistent with the maintenance budget request; however, authorization was provided for support costs equal to or less than FY 73 actual expenditures. Although the agency is no longer required to absorb legal fees for conflict of interest cases, it must utilize private attorneys to replace services lost by denied maintenance attorney positions. Professional services are also required for medical or psychiatric evaluations, expert witness fees and legal aides. Approximately 30% of all contractual expenditures are relative to such professional fees and services. Travel for the third and fourth judicial districts cost \$35.3 in FY 73. The current authorization of \$24.0 is insufficient for maintenance level performance. The prior year travel costs absorbed in this year are attributable to these districts.

Your assistance in expediting this request will be appreciated. Budget amendment details are attached.

STATE OF ALASKA
 Dept. of Administration
 Budget & Management Div.

REVISED PROGRAM
 COST ANALYSIS SUMMARY
 by BUDGET COMPONENT

AGENCY	CATEGORY	06	Admin of Justice
Office of Governor	PROGRAM	64	Public Defender
DIVISION	SUB-PROGRAM	01	Operations
Public Defender Agency	ELEMENT	03	Third Judicial
	SUB-ELEMENT		

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	378.6		378.6
200	TRAVEL	16.5	19.9	36.4
300	CONTRACTUAL SERVICES	122.2	40.0	162.2
400	COMMODITIES	5.5	5.0	10.5
500	EQUIPMENT	2.5		2.5
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	525.3	64.9	590.2
NEW CODE				
	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	525.3	64.9	590.2
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	525.3	64.9	590.2
	PERMANENT FULL-TIME POSITIONS			
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS			

(CURRENT FY)

	FY _____	FY _____	FY _____	FY _____	FY _____	FY _____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

STATE OF ALASKA
 Dept. of Administration
 Budget & Management Div.

REVISED PROGRAM
 COST ANALYSIS SUMMARY
 by BUDGET COMPONENT

AGENCY	CATEGORY	06	Admin of Justice
Office of the Governor	PROGRAM	64	Public Defender
DIVISION	SUB-PROGRAM	01	Operations
Public Defender	ELEMENT	04	4th Judicial
	SUB-ELEMENT		

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	198.9		198.9
200	TRAVEL	7.5	21.3	28.8
300	CONTRACTUAL SERVICES	25.2	31.8	57.0
400	COMMODITIES	2.7		2.7
500	EQUIPMENT	2.0		2.0
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	236.3	53.1	289.4
NEW CODE	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	236.3	53.1	289.4
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	236.3	53.1	289.4
	PERMANENT FULL-TIME POSITIONS			
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS			

(CURRENT FY)

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

MEMORANDUM

State of Alaska

TO: Andrew S. Warwick, Commissioner
Department of Administration

DATE: February 5, 1975

FILE NO:

TELEPHONE NO:

FROM: Larry W. Talbert
Administrative Assistant
to the Governor

SUBJECT: Supplemental Appropriation
Human Rights Commission

The Human Rights Commission requires a supplemental appropriation of \$21.0 for FY 74 over-expenditures charged to a continuing federal grant and additional FY 75 funding to cover an expected deficit of \$40.0.

Insufficient program controls and direct charges of obligations contrary to provisions of Grant FEP 74050 requires repayment of \$20,886 from the general fund. This grant with the Equal Employment Commission, was to expire on December 31, 1974. The new Executive Director for the Human Rights Commission requested and received an extension to provide an audit of the grant. This request is consistent with the report on examination by the auditor dated January 24, 1975. Subsequent grants and acceptance of the final reporting on the above grant is contingent on this repayment.

The FY 75 expected deficit of \$40.0 is a result of higher support costs for travel, commodities and equipment for Vista Volunteer staff. Six investigator positions were requested for FY 75 and anticipated use of VISTA contract staff for research and statistical duties. The positions were disallowed and the agency altered the intent of the VISTA contract to use volunteers for investigation and conciliation of cases filed with the agency. Travel and other costs related to the new positions were incurred by use of the volunteers but funding was not provided for this alternative.

The new Executive Director has initiated management controls to perform in accordance with the authorized budget. *lu*

Travel for the remainder of the fiscal year is limited to: two quarterly Commission meetings as required by law, minimum travel by the Executive Director to field offices, travel of staff for investigations and attorneys and hearing examiners (Commissioners) as required when settlement efforts fail. The request for other costs is to off-set existing over-expenditures and provide required office supplies and services for the balance of this year.

Your assistance in expediting this request is appreciated. Budget Amendment details are attached.

cc: Mr. Neil Thomas
Executive Director

STATE OF ALASKA
Dept. of Administration
Budget & Management Div.

REVISED PROGRAM
COST ANALYSIS SUMMARY
by BUDGET COMPONENT

AGENCY	CATEGORY	06	Admin of Justice
Office of the Governor	PROGRAM	67	Prot of Indiv Rights
DIVISION	SUB-PROGRAM	01	Human Rights Comm
Human Rights Commission	ELEMENT	01	Operations
	SUB-ELEMENT	00	

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	124.8		124.8
200	TRAVEL	20.0	22.0	42.0
300	CONTRACTUAL SERVICES	49.4	13.0	62.4
400	COMMODITIES	3.2	4.0	7.2
500	EQUIPMENT	1.1	1.0	2.1
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	198.5	40.0	238.5
NEW CODE				
	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	198.5	40.0	238.5
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	198.5	40.0	238.5
	PERMANENT FULL-TIME POSITIONS	8		8
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS	96		96

(CURRENT FY)

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

MEMORANDUM

OFFICE OF THE GOVERNOR

DATE: December 10, 1974

TO: Wayne Weeks, Analyst
General Government Category
Division of Budget and Management

TELEPHONE NO.:

FILE NO.:

FROM: James D. Fennel
Administrative Officer

SUBJECT: Supplemental
Division of Elections

As we discussed, I am submitting a supplemental request for the Elections Division due to the recent recount of the election held November 5, 1974. Also included in this request is the additional funds required to cover the termination pay for five employees.

<u>Recount</u>		<u>Termination Pay</u>	
Troopers	7.0	152 hours @ 16.62 =	2526
Election Board	3.8	339 hours @ 8.89 =	3013
Travel	2.0	562 hours @ 11.93 =	6704
Hand count	1.6	579 hours @ 7.67 =	4440
	<u>14.4</u>		<u>17.0</u>
		Benefits 18%	<u>2.4</u>
			19.4

The total request is 33.8 general fund money.

Your continued prompt attention to these matters is appreciated.

STATE OF ALASKA
Dept. of Administration
Budget & Management Div.

REVISED PROGRAM
COST ANALYSIS SUMMARY
by BUDGET COMPONENT

AGENCY	CATEGORY	
Office of the Governor	PROGRAM	
DIVISION	SUB-PROGRAM	
Elections	ELEMENT	
	SUB-ELEMENT	

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	268.4	19.4	287.8
200	TRAVEL	11.0	5.8	16.8
300	CONTRACTUAL SERVICES	489.5	8.6	498.1
400	COMMODITIES	15.8	-0-	15.8
500	EQUIPMENT	23.6	-0-	23.6
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	808.3	33.8	842.1
NEW CODE				
	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	808.3	33.8	842.1
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	808.3	33.8	842.1
	PERMANENT FULL-TIME POSITIONS	13		13
	PERMANENT PART-TIME POSITIONS	1		1
	TEMPORARY (FULL-TIME EQUIVALENTS)	6		6
	NUMBER OF MAN MONTHS	240.0		240.0

(CURRENT FY)

	FY 75	FY	FY	FY	FY	FY
EXPENDITURES - TOTAL	842.1					
SOFT PROCESSING						
FEDERAL						
REQ. G.F. MATCH						
OTHER G.F.	842.1					
OTHER (SPECIFY)						

Disaster Relief Fund

Fund Balance 6/30/74	\$365,400
Allocated for Bering Sea Disaster	<u>320,000</u>
Balance	\$ 45,000

Of the balance of \$45,000 the majority could be required to pay costs associated with the movement by the federal government of emergency power generator units. The federal government has been requiring the State to pay the cost of transportation of the units.

To provide for funding for the Disaster Relief Fund it is necessary to appropriate State General Funds because the original sources of funding, disaster taxes, have been repealed. It will most likely be necessary to repeal AS 44.19.173 to allow a direct appropriation.

An appropriation of \$1,000,000 would allow maximum funding for 2 major disasters or a number of minor items for which State assistance should be made available.

REPORT ON EXAMINATION
OFFICE OF THE GOVERNOR
PUBLIC DEFENDER AGENCY
FOR JULY 1, 1974 - DECEMBER 31, 1974

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
STATE INTERNAL AUDITOR



REPORT ON EXAMINATION
OFFICE OF THE GOVERNOR
PUBLIC DEFENDER AGENCY
FOR JULY 1, 1974 - DECEMBER 31, 1974

I. INTRODUCTION

This is a review which we have completed on select expenditures paid by the Public Defender Agency for the first six months of fiscal year 1975. This review was initiated at the request of Mr. Bill Gordon, Special Assistant to the Governor, for the purpose of establishing the amount of fiscal year 1974 expenditures which have been charged against current year authorization balances. We have also examined current year expenditure balances at December 31, 1974 in order to assert the funds available to the Public Defender Agency for the remaining six months of fiscal year 1975 and the amount of supplemental appropriation which should be requested from the legislature.

In determining the fiscal position of the Public Defender Agency, we addressed four main areas: the amount of prior year expenditures charged against fiscal year 1975; the certifying officers who were responsible and the circumstances surrounding the payment of these expenditures; the legality of such actions; and the statutory stipulations pertaining thereto. We also reviewed the memo of January 22, 1975 which was submitted to Mr. Doug Baily, Administrative Assistant to the Governor, by the Fiscal Office within the Office of the Governor.

II. SCOPE

We reviewed all prior year expenditures that were charged against fiscal year 1975 as well as a review of vouchers applicable to lease rental fees and ASHA payments for fiscal year 1975. We have also examined findings and recommendations set forth in the State Internal Auditor's examination dated March 15, 1973 on the Public Defender Agency which covered fiscal years 1971, 1972, and 1973. Also, a review was made on the Special Audit Report dated November 7, 1973 which was prepared by Legislative Audit.

III. FINDINGS

1. Status of Prior Year Audit Findings.

The Internal Auditor's report found that the Public Defender Agency for fiscal year 1973 withheld invoices for two to three months before submission for payment. This in effect understated both the agency's and State's expenditure and authorization balances for the months that the bills were not paid. Also, it created a very unequitable situation because the vendor did not receive prompt payment.

The Legislative Audit's report which did a review of the status of action taken on the above finding found that the accounts payables were being kept current although a lack of filing equipment made it difficult to maintain orderly files.

2. Prior Year Expenditures.

We have identified \$66,554.00 of prior year expenditures which were charged against fiscal year 1975. A total of seventy six invoices

arges from fiscal year 1974 were examined. Of these seventy voices, there were forty three invoices which were contractual as related. It is our opinion that these expenditures were 1 charges against fiscal year 1975 appropriations. The es in support of the above expenditures were coded by the Defender Anchorage Office as prior year expenditures chargeable to 74 fiscal year. This coding apparently was changed to current charges by the certifying officers within the Office of the or.

Alaska Statutes 3.10.020 - 37.10.040 clearly and specifically s the following responsibilities of a Certifying Officer as follows:

The Certifying Officer is responsible for the existence of correctness of the facts recited in the certificate or stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved. (Emphasis added.)

The Certifying Officer shall be held accountable for and required to make good to the State the amount of illegal, improper, or incorrect payment resulting from false, inaccurate, or misleading certification made by him, or a payment prohibited by law or which does not represent a legal obligation under the appropriation involved. (Emphasis added.)

Since the Certifying Officers - Mrs. Elsie Newton and Mr. Fennel - are no longer employed by the Office of the Governor, we not establish the circumstances surrounding the code changes. tly, prior year lapse funds were insufficient to cover the 4.00 and therefore, expenditures were illegally allowed to be over and charged against current appropriations. It is our n that prior year expenditures should have been paid with a mental appropriation or by prior legislative approval.

We believe that the responsibility for illegally certifying 6,554.00 of prior year expenditures cannot be affixed to any t employees of either the Public Defender Agency or the Fiscal of the Office of the Governor. Therefore, we recommend that rther legal action not be pursued.

Untimely Submission of Invoices for Payment.

The same conditions as described in findings of prior audits n existence during fiscal year 1974. Invoices were held back by chorage Agency Office for submission at the end of fiscal year

We found some invoices which dated back ten months, to ber, 1973, that were not submitted for payment until June, 1974. gh these vouchers were coded into the proper fiscal year by the Defender Agency, the codes, as described above, were later d by the Fiscal Office of the Office of the Governor because of icient lapse funds.

We feel that all invoices should be paid in a regular and orderly basis. The preparation of invoices for payment processing should be instituted, at the minimum, on a weekly basis. Furthermore, the statutory requirements in regards to controls and responsibility over fiscal year expenditures should be incumbent to only the agency which will bear ultimate responsibility. To avoid further instances of illegal code changes and certification of expenditures, we recommend to the Office of the Governor that they implement steps to grant full certifying authority to the Administrative Officer in the Public Defender Office. In so doing, it should be stressed that in the future, the Public Defender Agency will bear the full responsibility for fiscal control.

4. Lease and Rental Adjustments.

Lease payments for the Anchorage Agency Office were discontinued on December 15, 1974. The Division of Finance was not notified of this fact resulting in a \$2,503.75 overpayment. This amount has been requested as a refund from the vendor. The remaining unexpended \$8,612.50 of budgeted rent is available to the agency for the remainder of the year.

The Nome Office has closed its offices as of July 1, 1974 and has since been operating on a contractual basis. We have been informed by the Public Defender Office that \$400.00 of rent payments should be refunded from the contracting attorney. The remaining \$300.00 that was restricted is available to the Public Defender's account.

The Fiscal Office of the Office of the Governor has adjusted \$10,997.00 of ASHA payments from the Public Defender Office accounts to the Executive Office account. This appears to be proper because \$10,997.00 was budgeted by the Executive Office to cover payments of this type. Also, due to unbudgeted rental increases having been charged to the Ketchikan account, and the fact that the bond payment at the Fairbanks Office was not applicable to the Public Defender Agency, we feel that the \$10,977.00 transfer is in keeping with the intent of the Governor's Executive Office budget.

5. Ending Authorization Balances as of December 31, 1974.

As shown in Exhibit A, the current authorization balances on all budget categories except personal services available to the Public Defender Agency for the last six months of fiscal year 1975 is a minus \$1,420.42.

Mr. Nick Mangieri, Administrative Officer in the Public Defender Office, has informed us that the Fiscal Office of the Office of the Governor was informed by him early in the fiscal year of the possibility that fiscal year 1975 expenditures balances were overstated as the result of prior years expenditure being charged to the current fiscal year balances, particularly in the contractual services budget category. Apparently, Mr. Keith Wiese, at that time Administrative Officer in the Office of the Governor, responded to Mr. Mangieri concerns by stating that the situation was being taken care of. Although, this conversation was never confirmed in writing, we do believe from examining other correspondence between the Public Defender Agency in Anchorage and the Fiscal Office in the Office of the Governor that there was a serious lack of communications and non-response on the part of the Fiscal Office toward the Public Defender Agency.

We have projected the amount of additional funding that will be needed by the Public Defender Agency for the last six months of fiscal year 1975. At the present rate of expenditures, the Public Defender Agency will disburse approximately \$210,500.00 for the last half of fiscal year 1975. Contingent in obtaining lease rental and bond payment recoveries, \$13,980.00; and the transfer of personal services to contractual categories, \$82,800.00; we have determined that the Public Defender Agency will require \$113,720.00 supplemental appropriation from the legislature to avoid a deficit at fiscal year end. We recommend that a \$113,720.00 supplemental appropriation be requested, due in part from the \$66,500.00 of erroneous prior year expenditures.

The personal services transfers cover personnel positions in the Nome agency office which were deleted due to the closing of that office. The function of providing legal services to the City of Nome will be contracted out to private attorneys, therefore, justifying the transfer of personal services into the contractual budget categories.

SUMMARY

We recommend that the Administrative Officer within the Office of the Governor take prompt attention to monitoring all refunds of rents, refunds of rent restrictions, and the transference of personal services into contractual budget categories applicable to the Nome Office in order to assure that adequate authorized balances will be available to cover all current outstanding obligations. We also suggest that all current outstanding obligations be promptly paid upon the transference of sufficient balances.

As mentioned in our findings, further legal action in regards to unauthorized payments on prior year expenditures should not be pursued being that the responsible certifying officers are no longer employed by the State.

We recommend that expeditious action be taken by the Office of the Governor to request an additional \$113,720.00 from the legislature in order to fund expenditures that will be incurred by the Public Defender Office for the last six months of fiscal year 1975.

We feel it is imperative that full certifying authority be granted to the Administrative Officer of the Public Defender Agency, Mr. Nick Mangieri, in order to place full statutory responsibilities upon the Public Defender Agency and therefore making it incumbent upon that agency for future fiscal accountability.

01-41
Sam D. Jurgens
Internal Auditor
February 4, 1975

EXHIBIT :

PUBLIC DEFENDER AGENCY
CURRENT YEAR AUTHORIZATIONS AND EXPENDITURE BALANCES
AS OF 12/31/74

<u>Budget Category</u>	<u>Authorization</u>	<u>Disbursements</u>	<u>Transfer-Out</u>	<u>Expenditures</u>	<u>Restrictions</u>	<u>Balance</u>
100 Personal Services	\$ 784,200.00	\$363,096.06		\$363,096.06		\$421,103.94
200 Travel	45,500.00	33,370.97	(\$1,329.00)	32,041.97		13,458.03
300 Contractual Services	182,822.00	198,472.44	838.36	199,310.80	\$2,683.68	(19,172.48)
400 Commodities	10,900.00	7,778.44		7,778.44		3,121.56
500 Equipment	4,500.00	1,897.69		1,897.69		2,602.31
Total	<u>\$1,027,922.00</u>	<u>\$604,615.60</u>	<u>(\$ 490.64)</u>	<u>\$604,124.96</u>	<u>\$2,683.68</u>	<u>\$421,113.36</u>

Original sponsor: Rules Committee
by request of the Governor

Offered: 3/24/75
Referred. Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 250

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINIK LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Office of the Governor; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$197,300 is appropriated from the general fund to
11 the Office of the Governor for the fiscal year ending June 30, 1975 to be
12 allocated as follows:

13 Bethel Office	\$ 21,900
14 Public Defender Agency,	
15 FY 74 and FY 75 costs	118,000
16 Elections, recount costs and	
17 terminal leave	30,000
18 Telecommunications	<u>27,400</u>
19	\$ 197,300

20 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

22
23
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29

#

Introduced: 3/3/75
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 250

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Office of the Governor; and providing for an
8 effective date."

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

10 * Section 1. The sum of \$1,258,300 is appropriated from the general
11 fund to the Office of the Governor for the fiscal year ending June 30,
12 1975 to be allocated as follows:

13 Bethel Office	\$ 21,900
14 Disaster Relief Fund	1,000,000
15 Public Defender Agency,	
16 FY 74 and FY 75 costs	118,000
17 Human Rights Commission,	
18 FY 74 and FY 75 costs	61,000
19 Elections, recount costs and	
20 terminal leave	30,000
21 Telecommunications	<u>27,400</u>
22	\$1,258,300

23 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
24 10.070(c).

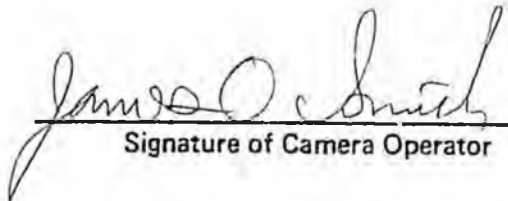


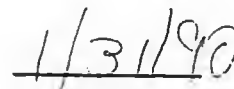
RECORDS



CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

"An Act making a supplemental appropriation to the Office of the Governor; and providing for an effective date."

3/3/75

COMMITTEE REPORT

HOUSE

Mr. Speaker:

Date March 3, 1975

The Committee on FINANCE has had HB 250

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

[Signature] _____

[Signature] _____

Members NOT concurring in the Majority report:

[Signature] recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

Introduced: 3/3/75
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 250

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

NINTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a supplemental appropriation to the
7 Office of the Governor; and providing for an
8 effective date."

9

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

10

* Section 1. The sum of \$1,258,300 is appropriated from the general
11 fund to the Office of the Governor for the fiscal year ending June 30,
12 1975 to be allocated as follows:

13

Bethel Office \$ 21,900

14

Disaster Relief Fund 1,000,000

15

Public Defender Agency,

16

FY 74 and FY 75 costs 118,000

17

Human Rights Commission,

18

FY 74 and FY 75 costs 61,000

19

Elections, recount costs and

20

terminal leave 30,000

21

Telecommunications 27,400

22

\$1,258,300

23

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

24

10.C70(c).

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26

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28

29

REPORT ON EXAMINATION
OFFICE OF THE GOVERNOR
PUBLIC DEFENDER AGENCY
FOR JULY 1, 1974 - DECEMBER 31, 1974

I. INTRODUCTION

This is a review which we have completed on select expenditures paid by the Public Defender Agency for the first six months of fiscal year 1975. This review was initiated at the request of Mr. Bill Gordon, Special Assistant to the Governor, for the purpose of establishing the amount of fiscal year 1974 expenditures which have been charged against current year authorization balances. We have also examined current year expenditure balances at December 31, 1974 in order to assert the funds available to the Public Defender Agency for the remaining six months of fiscal year 1975 and the amount of supplemental appropriation which should be requested from the legislature.

In determining the fiscal position of the Public Defender Agency, we addressed four main areas: the amount of prior year expenditures charged against fiscal year 1975; the certifying officers who were responsible and the circumstances surrounding the payment of these expenditures; the legality of such actions; and the statutory stipulations pertaining thereto. We also reviewed the memo of January 22, 1975 which was submitted to Mr. Doug Baily, Administrative Assistant to the Governor, by the Fiscal Office within the Office of the Governor.

II. SCOPE

We reviewed all prior year expenditures that were charged against fiscal year 1975 as well as a review of vouchers applicable to lease rental fees and ASHA payments for fiscal year 1975. We have also examined findings and recommendations set forth in the State Internal Auditor's examination dated March 15, 1973 on the Public Defender Agency which covered fiscal years 1971, 1972, and 1973. Also, a review was made on the Special Audit Report dated November 7, 1973 which was prepared by Legislative Audit.

III. FINDINGS

1. Status of Prior Year Audit Findings.

The Internal Auditor's report found that the Public Defender Agency for fiscal year 1973 withheld invoices for two to three months before submission for payment. This in effect understated both the agency's and State's expenditure and authorization balances for the months that the bills were not paid. Also, it created a very unequitable situation because the vendor did not receive prompt payment.

The Legislative Audit's report which did a review of the status of action taken on the above finding found that the accounts payables were being kept current although a lack of filing equipment made it difficult to maintain orderly files.

2. Prior Year Expenditures.

We have identified \$66,554.00 of prior year expenditures which were charged against fiscal year 1975. A total of seventy six invoices

for charges from fiscal year 1974 were examined. Of these seventy six invoices, there were forty three invoices which were contractual services related. It is our opinion that these expenditures were illegal charges against fiscal year 1975 appropriations. The invoices in support of the above expenditures were coded by the Public Defender Anchorage Office as prior year expenditures chargeable to the 1974 fiscal year. This coding apparently was changed to current year charges by the certifying officers within the Office of the Governor.

Alaska Statutes 3.10.020 - 37.10.040 clearly and specifically defines the following responsibilities of a Certifying Officer as follows:

The Certifying Officer is responsible for the existence of correctness of the facts recited in the certificate or stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved. (Emphasis added.)

The Certifying Officer shall be held accountable for and required to make good to the State the amount of illegal, improper, or incorrect payment resulting from false, inaccurate, or misleading certification made by him, or a payment prohibited by law or which does not represent a legal obligation under the appropriation involved. (Emphasis added.)

Since the Certifying Officers - Mrs. Elsie Newton and Mr. James Fennel - are no longer employed by the Office of the Governor, we could not establish the circumstances surrounding the code changes. Evidently, prior year lapse funds were insufficient to cover the \$66,554.00 and therefore, expenditures were illegally allowed to be lagged over and charged against current appropriations. It is our opinion that prior year expenditures should have been paid with a supplemental appropriation or by prior legislative approval.

We believe that the responsibility for illegally certifying the \$66,554.00 of prior year expenditures cannot be affixed to any present employees of either the Public Defender Agency or the Fiscal Office of the Office of the Governor. Therefore, we recommend that any further legal action not be pursued.

3. Untimely Submission of Invoices for Payment.

The same conditions as described in findings of prior audits were in existence during fiscal year 1974. Invoices were held back by the Anchorage Agency Office for submission at the end of fiscal year 1974. We found some invoices which dated back ten months, to September, 1973, that were not submitted for payment until June, 1974. Although these vouchers were coded into the proper fiscal year by the Public Defender Agency, the codes, as described above, were later changed by the Fiscal Office of the Office of the Governor because of insufficient lapse funds.

We feel that all invoices should be paid in a regular and timely basis. The preparation of invoices for payment processing should be instituted, at the minimum, on a weekly basis. Furthermore, the statutory requirements in regards to controls and responsibility over fiscal year expenditures should be incumbent to only the agency which will bear ultimate responsibility. To avoid further incurrences of illegal code changes and certification of expenditures, we recommend to the Office of the Governor that they implement steps to grant full certifying authority to the Administrative Officer in the Public Defender Office. In so doing, it should be stressed that in the future, the Public Defender Agency will bear the full responsibility for fiscal control.

4. Lease and Rental Adjustments.

Lease payments for the Anchorage Agency Office were discontinued on December 15, 1974. The Division of Finance was not notified of this fact resulting in a \$2,503.75 overpayment. This amount has been requested as a refund from the vendor. The remaining unexpended \$8,612.50 of budgeted rent is available to the agency for the remainder of the year.

The Nome Office has closed its offices as of July 1, 1974 and has since been operating on a contractual basis. We have been informed by the Public Defender Office that \$400.00 of rent payments will be refunded from the contracting attorney. The remaining \$1,800.00 that was restricted is available to the Public Defender's Account.

The Fiscal Office of the Office of the Governor has adjusted \$10,997.00 of ASHA payments from the Public Defender Office accounts to the Executive Office account. This appears to be proper because \$10,997.00 was budgeted by the Executive Office to cover payments of this type. Also, due to unbudgeted rental increases having been charged to the Ketchikan account, and the fact that the bond payment for the Fairbanks Office was not applicable to the Public Defender Agency, we feel that the \$10,977.00 transfer is in keeping with the intent of the Governor's Executive Office budget.

5. Ending Authorization Balances as of December 31, 1974.

As shown in Exhibit A, the current authorization balances on all budget categories except personal services available to the Public Defender Agency for the last six months of fiscal year 1975 is a minus \$9.42.

Mr. Nick Mangieri, Administrative Officer in the Public Defender Office, has informed us that the Fiscal Office of the Office of the Governor was informed by him early in the fiscal year of the possibility that fiscal year 1975 expenditures balances were overstated as the result of prior years expenditure being charged to the current fiscal year balances, particularly in the contractual services budget category. Apparently, Mr. Keith Wiese, at that time Administrative Officer in the Office of the Governor, responded to Mr. Mangieri concerns by stating that the situation was being taken care of. Although, this conversation was never confirmed in writing, we do believe from examining other correspondence between the Public Defender Agency in Anchorage and the Fiscal Office in the Office of the Governor that there was a serious lack of communications and non-response on the part of the Fiscal Office toward the Public Defender Agency.

We have projected the amount of additional funding that will be needed by the Public Defender Agency for the last six months of fiscal year 1975. At the present rate of expenditures, the Public Defender Agency will disburse approximately \$210,500.00 for the last half of fiscal year 1975. Contingent in obtaining lease rental and bond payment recoveries, \$13,980.00; and the transfer of personal services to contractual categories, \$82,800.00; we have determined that the Public Defender Agency will require \$113,720.00 supplemental appropriation from the legislature to avoid a deficit at fiscal year end. We recommend that a \$113,720.00 supplemental appropriation be requested, due in part from the \$66,500.00 of erroneous prior year expenditures.

The personal services transfers cover personnel positions in the Nome agency office which were deleted due to the closing of that office. The function of providing legal services to the City of Nome will be contracted out to private attorneys, therefore, justifying the transfer of personal services into the contractual budget categories.

SUMMARY

We recommend that the Administrative Officer within the Office of the Governor take prompt attention to monitoring all refunds of rents, refunds of rent restrictions, and the transference of personal services into contractual budget categories applicable to the Nome Office in order to assure that adequate authorized balances will be available to cover all current outstanding obligations. We also suggest that all current outstanding obligations be promptly paid up the transference of sufficient balances.

As mentioned in our findings, further legal action in regards to unauthorized payments on prior year expenditures should not be pursued being that the responsible certifying officers are no longer employed by the State.

We recommend that expeditious action be taken by the Office of the Governor to request an additional \$113,720.00 from the legislature in order to fund expenditures that will be incurred by the Public Defender Office for the last six months of fiscal year 1975.

We feel it is imperative that full certifying authority be granted to the Administrative Officer of the Public Defender Agency, Mr. Nick Mangieri, in order to place full statutory responsibilities upon the Public Defender Agency and therefore making it incumbent upon that agency for future fiscal accountability.

01-41
Sam D. Jurgens
Internal Auditor
February 4, 1975

EXHIBIT A

PUBLIC DEFENDER AGENCY
CURRENT YEAR AUTHORIZATIONS AND EXPENDITURE BALANCES
AS OF 12/31/74

<u>Budget Category</u>	<u>Authorization</u>	<u>Disbursements</u>	<u>Transfer-Out</u>	<u>Expenditures</u>	<u>Restrictions</u>	<u>Balance</u>
100 Personal Services	\$ 784,200.00	\$363,096.06		\$363,096.06		\$421,103.94
200 Travel	45,500.00	33,370.97	(\$1,329.00)	32,041.97		13,458.03
300 Contractual Services	182,822.00	198,472.44	838.36	199,310.80	\$2,683.68	(19,172.48)
400 Commodities	10,900.00	7,778.44		7,778.44		3,121.56
500 Equipment	4,500.00	1,897.69		1,897.69		2,602.31
Total	<u>\$1,027,922.00</u>	<u>\$604,615.60</u>	<u>(\$ 490.64)</u>	<u>\$604,124.96</u>	<u>\$2,683.68</u>	<u>\$421,113.36</u>

HB 250

March 3, 1975

The Honorable Mike Bradner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99611

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Legislature, I am transmitting a bill making a supplemental appropriation to the Office of the Governor for \$1,258,300.

The money is to be allocated as follows:

- \$21,900 to fund the Office of the Governor in Bethel;
- \$1,000,000 to the Disaster Relief Fund; the fund requires replenishing to allow the Governor to make special allocations to alleviate disasters and their effects, as authorized by AS 44.19.171;
- \$118,000 to the Public Defender Agency, for 1974 Fiscal Year obligations and to fund the remainder of the 1975 Fiscal Year's activities;
- \$61,000 to the Human Rights Commission, to repay 1974 Fiscal Year overexpenditures charged to a continuing federal grant and to provide additional 1975 Fiscal Year funding to cover an expected deficit;
- \$30,000 to the Division of Elections, to pay the costs of the election recount, plus the amounts paid for terminal leave; and
- \$27,400 to the Office of Telecommunications, for travel, contractual services, commodities, and equipment.

Sincerely,

Jay S. Hammond
Governor

MEMORANDUM

State of Alaska

TO: -Larry Talbert
Special Assistant to
the Governor

DATE: January 21, 1975

FILE NO:

TELEPHONE NO:

FROM: Marian L. Hellen
Administrative Officer

SUBJECT: Supplemental Appropriation
Office of Telecommunications

The following is submitted for your review and concurrence as the request for the subject supplemental.

<u>Travel</u>		<u>Total Request</u>
Conventions & Meetings Out-of-State		
Transportation	\$3,125	
Per Diem & Related	875	
	<u>\$4,000</u>	
Administrative In-State		
Transportation	\$ 930	
Per Diem & Related	840	
	<u>\$1,770</u>	\$ 5.8

The above travel includes 5 trips to Washington, D.C. by the Director for IEEE Conference, 2 Common Carrier Evaluation hearings, the organizational meeting for the Steering Committee of the Public Service Satellite Consortium and presentation of the ATS-6 Demonstration to the National Institute of Education. Estimated per diem is 5 1/2 days per trip. The administrative travel is required for six Juneau/Anchorage trips, 4 days each.

Contractual

Professional Services	\$20,000	\$20.5
Evaluation of RCA Statewide Communications Systems Plan.		
Printing-Bi-monthly Newsletter & Stationery	\$ 500	
<u>Commodities</u> - Office Supplies	\$ 300	\$.3
<u>Equipment</u> -Typewriter & Stand	\$ 800	\$.8
		<u>\$27.4</u>

cc: V. Kent Dawson, Director
Division of Budget & Management

MEMORANDUM

State of Alaska

TO: Larry Talbert
Special Assistant to
the Governor

DATE: January 21, 1975

FILE NO:

TELEPHONE NO:

FROM: Marian L. Hellen
Administrative Officer

SUBJECT: Supplemental Appropriation
Bethel Office of the Governor

The following is submitted for your review and concurrence as the request for the subject supplemental.

<u>Personal Services</u>		<u>Request total</u>
Administrative Officer, Range 19B \$2246/month, 6 man months	\$13,476	
Benefits @ 18%	\$ 2,426	
	<u>\$15,902</u>	\$15.9
 <u>Travel</u>		
Administrative In-state Transportation	\$ 2,914	
Per Diem & related costs	\$ 480	
	<u>\$ 3,394</u>	\$ 3.4
 Travel reflects: 4 Juneau trips, 4 days each 2 Anchorage trips, 2 days each 6 village field trips, 1 day each		
 <u>Contractual Services</u>		
Communications (Incl L.D.)	\$ 620	
Machine rental- copier service	\$ 300	
	<u>\$ 920</u>	\$.9
<u>Commodities</u> - Consumable office supp.	\$ 200	\$.2
<u>Equipment</u>	\$ 1,500	
 Based on above position needs:		
1 Executive Desk & chair		
1 Calculator		
1 Typewriter		
2 File Cabinets		<u>\$ 1.5</u>
		<u>\$21.9</u>

cc: V. Kent Dawson, Director
Division of Budget & Management

MEMORANDUM

TO: Andrew S. Warwick, Commissioner
Department of Administration

DATE : February 6, 1975

FROM: ~~Larry W. Talbert~~
Administrative Assistant
to the Governor

SUBJECT: Supplemental Appropriation
Public Defender Agency

The Public Defender Agency requires a supplemental appropriation of \$118.0 for the remainder of FY 75. The agency expended all authorization other than personal services by December 31, 1974. This over-expenditure is attributable in part to \$66,500 for prior year obligations illegally charged to the current appropriation. The agency did not lapse sufficient funds in FY 74 to provide payment of outstanding obligations. Additionally \$7.0 in prior year costs billed this fiscal year are being held for payment pending legislative approval. The remaining \$44.5 requested will provide sufficient authorization for the FY 75 anticipated deficit.

FY 75 rates of expenditure are consistent with the maintenance budget request; however, authorization was provided for support costs equal to or less than FY 73 actual expenditures. Although the agency is no longer required to absorb legal fees for conflict of interest cases, it must utilize private attorneys to replace services lost by denied maintenance attorney positions. Professional services are also required for medical or psychiatric evaluations, expert witness fees and legal aides. Approximately 30% of all contractual expenditures are relative to such professional fees and services. Travel for the third and fourth judicial districts cost \$35.3 in FY 73. The current authorization of \$24.0 is insufficient for maintenance level performance. The prior year travel costs absorbed in this year are attributable to these districts.

Your assistance in expediting this request will be appreciated. Budget amendment details are attached.

STATE OF ALASKA
 Dept. of Administration
 Budget & Management Div.

REVISED PROGRAM
 COST ANALYSIS SUMMARY
 by BUDGET COMPONENT

AGENCY	CATEGORY	06	Admin of Justice
Office of Governor	PROGRAM	64	Public Defender
DIVISION	SUB-PROGRAM	01	Operations
Public Defender Agency	ELEMENT	03	Third Judicial
	SUB-ELEMENT		

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	378.6		378.6
200	TRAVEL	16.5	19.9	36.4
300	CONTRACTUAL SERVICES	122.2	40.0	162.2
400	COMMODITIES	5.5	5.0	10.5
500	EQUIPMENT	2.5		2.5
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	525.3	64.9	590.2
NEW CODE	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	525.3	64.9	590.2
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	525.3	64.9	590.2
	PERMANENT FULL-TIME POSITIONS			
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS			

(CURRENT FY)

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

REVISED PROGRAM
 COST ANALYSIS SUMMARY
 by BUDGET COMPONENT

AGENCY	CATEGORY	code	
Office of the Governor	PROGRAM	06	Admin of Justice
		64	Public Defender
DIVISION	SUB-PROGRAM	01	Operations
Public Defender	ELEMENT	04	4th Judicial
	SUB-ELEMENT		

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	198.9		198.9
200	TRAVEL	7.5	21.3	28.8
300	CONTRACTUAL SERVICES	25.2	31.8	57.0
400	COMMODITIES	2.7		2.7
500	EQUIPMENT	2.0		2.0
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	236.3	53.1	289.4
NEW CODE	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	236.3	53.1	289.4
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	236.3	53.1	289.4
	PERMANENT FULL-TIME POSITIONS			
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS			

(CURRENT FY)

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

MEMORANDUM

State of Alaska

TO: Andrew S. Warwick, Commissioner
Department of Administration

DATE: February 5, 1975

FILE NO:

TELEPHONE NO:

FROM: Larry W. Talbert *LWT*
Administrative Assistant
to the Governor *2/5*

SUBJECT: Supplemental Appropriation
Human Rights Commission

The Human Rights Commission requires a supplemental appropriation of \$21.0 for FY 74 over-expenditures charged to a continuing federal grant and additional FY 75 funding to cover an expected deficit of \$40.0.

Insufficient program controls and direct charges of obligations contrary to provisions of Grant FEP 74050 requires repayment of \$20,886 from the general fund. This grant with the Equal Employment Commission was to expire on December 31, 1974. The new Executive Director for the Human Rights Commission requested and received an extension to provide an audit of the grant. This request is consistent with the report on examination by the auditor dated January 24, 1975. Subsequent grants and acceptance of the final reporting on the above grant is contingent on this repayment.

The FY 75 expected deficit of \$40.0 is a result of higher support costs for travel, commodities and equipment for Vista Volunteer staff. Six investigator positions were requested for FY 75 and anticipated use of VISTA contract staff for research and statistical duties. The positions were disallowed and the agency altered the intent of the VISTA contract to use volunteers for investigation and conciliation of cases filed with the agency. Travel and other costs related to the new positions were incurred by use of the volunteers but funding was not provided for this alternative.

The new Executive Director has initiated management controls to perform in accordance with the authorized budget. *LWT*

Travel for the remainder of the fiscal year is limited to: two quarterly Commission meetings as required by law, minimum travel by the Executive Director to field offices, travel of staff for investigations and attorneys and hearing examiners (Commissioners) as required when settlement efforts fail. The request for other costs is to off-set existing over-expenditures and provide required office supplies and services for the balance of this year.

Your assistance in expediting this request is appreciated. Budget Amendment details are attached.

cc: Mr. Neil Thomas
Executive Director

STATE OF ALASKA
Dept. of Administration
Budget & Management Div.

REVISED PROGRAM
COST ANALYSIS SUMMARY
by BUDGET COMPONENT

AGENCY	CATEGORY	code	
Office of the Governor	PROGRAM	06	Admin of Justice
		67	Prot of Indiv Rights
DIVISION	SUB-PROGRAM	01	Human Rights Comm
Human Rights Commission	ELEMENT	01	Operations
	SUB-ELEMENT	00	

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	124.8		124.8
200	TRAVEL	20.0	22.0	42.0
300	CONTRACTUAL SERVICES	49.4	13.0	62.4
400	COMMODITIES	3.2	4.0	7.2
500	EQUIPMENT	1.1	1.0	2.1
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS			
700	GRANTS, CLAIMS, SHARED REVENUE			
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	198.5	40.0	238.5
NEW CODE	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	198.5	40.0	238.5
	INTER-AGENCY TRANSFERS			
	OTHER:			
	TOTAL	198.5	40.0	238.5
	PERMANENT FULL-TIME POSITIONS	8		8
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS	96		96

(CURRENT FY)

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

MEMORANDUM

OFFICE OF THE GOVERNOR

DATE: December 10, 1974

TO: Wayne Weeks, Analyst
General Government Category TELEPHONE NO.:
Division of Budget and Management

FILE NO.:

FROM: James D. Fennel
Administrative Officer

SUBJECT: Supplemental
Division of Elections

As we discussed, I am submitting a supplemental request for the Elections Division due to the recent recount of the election held November 5, 1974. Also included in this request is the additional funds required to cover the termination pay for five employees.

<u>Recount</u>		<u>Termination Pay</u>	
Troopers	7.0	152 hours @ 16.62 =	2526
Election Board	3.8	339 hours @ 3.89 =	3013
Travel	2.0	562 hours @ 11.93 =	6704
Hand count	1.6	579 hours @ 7.67 =	4440
	<u>14.4</u>		<u>17.0</u>
		Benefits 18%	<u>2.4</u>
			19.4

The total request is 33.8 general fund money.

Your continued prompt attention to these matters is appreciated.