

LEGISLATIVE FINANCE - HOUSE / SENATE FINANCE COMM. FILES 8879

HB 4 - 8

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HOUSE COMMITTEE REPORT

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(11)

Date Referred: January 24, 1990
(taken from Rules)

FURTHER REFERRALS:

Date of Committee Action: 2/14/90

The FINANCE Committee considered:

HB 4

HOUSE BILL NO. 4

DEADLINES FOR FUNDING EDUCATION

"An Act relating to deadlines for action on funding of public education; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with CS HB 4 (2d FIN) [] the same title
- [] have attached amendment(s) [] a new title
- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note H. FIN CMTE.
- [] zero with analysis _____

- [] fiscal note(s) _____
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
PASS No Rec Amend

[Signature] Hoffman
[Signature] Larson
[Signature] Swackhammer
[Signature] Brown
[Signature] Koponen
[Signature] Phillips
[Signature] Barnes
[Signature] Rieger

<u>[Signature]</u> wallis		<input checked="" type="checkbox"/>	

[Signature] Hoffman
 Chairman's Signature
[Signature] Larson

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Deadlines for funding education

Agency Affected: Education
BRU: _____

Sponsor: Rep. Swackhammer
Requestor: House Finance Committee

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: House Finance Committee Phone: 465-3727
 Division: Co-Chairman Ron Larson *Ronald Larson* Date: 1/31/90
 Approved by Commissioner: Co-Chairman Lyman Hoffman *Lyman Hoffman* Date: _____
 Agency: _____

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)

Original sponsor(s): REP. SWACKHAMMER, Ellis, Navarre, Miller, Ulmer,
Boucher, Hanley, Zawacki

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 4 (2d Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to deadlines for the borough school
7 board to submit a school budget to the borough assem-
8 bly and for the borough assembly to appropriate money
9 for schools."

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

11 * Section 1. AS 14.14.060(c) is amended to read:

12 (c) The borough school board shall submit the school budget for
13 the following school year to the borough assembly by May 15 [APRIL 1]
14 for approval of the total amount. Within 30 days after receipt of the
15 budget, the assembly shall determine the total amount of money to be
16 made available from local sources for school purposes and shall fur-
17 nish the school board with a statement of the sum to be made avail-
18 able. If the assembly does not, within 30 days, furnish the school
19 board with a statement of the sum to be made available, the amount
20 requested in the budget is automatically approved. By June 30
21 [MAY 31], the assembly shall appropriate the amount to be made avail-
22 able from local sources from money available for the purpose.

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HOUSE COMMITTEE REPORT

(11)

Date Referred: January 20, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/21/89

The FINANCE Committee recommends that:

HOUSE BILL NO. 4 [DEADLINES FOR FUNDING EDUCATION]
"An Act relating to deadlines for action on funding of public education;
and providing for an effective date."

be replaced with CS HB 4 (Fin.) the same title
 new title

have attached amendment(s)

do pass
 do not pass
 no recommendation
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

fiscal note(s) published:

zero fiscal notes(s) published:
1/20/89

SIGNING DO PASS:

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

R.C. Phillips PHILLIPS
Tan Brown BROWN
Harjoon KUOPONEN
Barbara Barnes BARNES
Dick Shultz SHULTZ
Steve Swack SWACK

^{WALLS} 7. Kay Wallis do not pass
too big part of state budget,
too early to determine if we
can afford.

^{HOFFMAN} [Signature]
^{LARSON} [Signature] (NO Rec)

Ronald J. [Signature]
CO- [Signature]
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Deadlines for Action on Funding
Public Education
 Sponsor: Swackhammer, Ellis, et.al
 Requestor: House HESS

Agency Affected: Education
 BRU: K-12 Support, School Debt
Reimbursement
 Components: Foundation, Pupil Transportation,
Student Lunch, Youth in Detention, et.al

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Mary Hakala Phone: 505-2800
 Division: Commissioner's Office Date: Jan. 10, 1989
 Approved by Commissioner: William G. Demmert Date: 1/12/89
 Agency: Education

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Original sponsors: Swackhammer, Ellis,
Navarre, et al.

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 4 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to deadlines for action on funding
7 of public education; and providing for an effective
8 date."

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

10 * Section 1. AS 14.11.100(c) is amended to read:

11 (c) The school construction account is established. Funds to
12 carry out the provisions of this section may be appropriated annually
13 by the legislature to the account. Before April 7 the legislature
14 shall appropriate funds to school districts under this section for the
15 next fiscal year. If amounts in the account are insufficient for the
16 purpose of providing the share to which a borough or city is entitled
17 under this section, those funds that are available shall be distribut-
18 ed pro rata among the eligible local governments except that the
19 legislature may direct that additional debt service on refunding bonds
20 that exceeds the total debt service on the refunded bonds be disre-
21 garded in whole or in part.

22 * Sec. 2. AS 14.14.060(c) is amended to read:

23 (c) The borough school board shall submit the school budget for
24 the following school year to the borough assembly by April 30
25 [APRIL 1] for approval of the total amount. Within 30 days after
26 receipt of the budget the assembly shall determine the total amount of
27 money to be made available from local sources for school purposes and
28 shall furnish the school board with a statement of the sum to be made
29 available. If the assembly does not, within 30 days, furnish the

1 school board with a statement of the sum to be made available, the
2 amount requested in the budget is automatically approved. By May 31,
3 the assembly shall appropriate the amount to be made available from
4 local sources from money available for the purpose.

5 * Sec. 3. AS 14.17.225(b) is amended to read:

6 (b) Money to carry out the provisions of AS 14.17.010 - 14.17.-
7 190 may be appropriated annually by the legislature into the public
8 school foundation account. Before April 7 the legislature shall
9 appropriate funds for direct and indirect services and other funding
10 under this chapter for the next fiscal year. If amounts in the ac-
11 count are insufficient to meet the allocations authorized under
12 AS 14.17.010 - 14.17.190 for a fiscal year, each district's basic need
13 shall be reduced pro rata as necessary to make the funds available
14 sufficient to meet the allocations for that fiscal year.

15 * Sec. 4. AS 37.07.030 is amended to read:

16 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legis-
17 lature shall

18 (1) provide for a budget review function;

19 (2) analyze the comprehensive operating and capital im-
20 provements programs and financial plans recommended by the governor;

21 (3) adopt legislation to authorize implementation of the
22 governor's comprehensive operating and capital improvements programs
23 and financial plans or appropriate alternatives to those plans;

24 (4) provide for a post-audit function to cover financial
25 transactions, program accomplishment, and compliance with legislative
26 intent;

27 (5) adopt or revise the estimate or receipts required to
28 balance the succeeding fiscal year's budget in order that proposed
29 expenditures do not exceed estimated receipts for that fiscal year;

1 (6) adopt, revise, or initiate revenue measures in order to
2 balance the succeeding fiscal year's budget and the capital improve-
3 ments section of the budget for the succeeding six years;

4 (7) appropriate money for public school construction debt
5 retirement under AS 14.11.100, public school foundation program under
6 AS 14.17, pupil transportation, student lunch program, cigarette tax
7 distribution, tuition students, boarding home grants, youth in deten-
8 tion, and schools for the handicapped before April 7 of each year for
9 the succeeding fiscal year.

10 * Sec. 5. This Act takes effect July 1, 1989.
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CENTRAL COUNCIL
Tlingit and Haida Indian Tribes of Alaska
ANDREW P. HOPE BUILDING
320 West Willoughby Avenue • Suite 300
Juneau, Alaska 99801-9983

February 13, 1989

The Honorable Ronald L. Larson
State Representative
Alaska House of Representatives
P. O. Box V
Juneau AK 99811

Dear Representative Larson:

I am extremely concerned that as it gets later into this session of the Legislature more bills are being passed that reduce the funds available to adequately fund the school foundation program which is the heart and soul of Alaska's educational system. Since it is the constitutional responsibility of State Government to provide for the education of the children in our State, I feel it is critical that legislation appropriating necessary funding to our schools be passed as early as possible while there are still funds available to take care of this very important responsibility.

I realize the difficulty in making these very important decisions at a time when funds are very limited and I also realize the importance of other State programs that benefit our citizens. However, I urge your support of stable funding for our educational system.

Any consideration given my concern is very much appreciated. Best wishes to you as you decide on these very important issues on behalf of Alaska's citizens.

Sincerely,

Edward K. Thomas
President

EKT/jg

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NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

January 30, 1989

To: Representatives Ron Larson, Lyman Hoffman; Co-Chairs
Members, House Finance Committee

Re: House Bill No. 4; "An Act relating to deadlines for action on funding of public education; and providing for an effective date."

NEA-Alaska supports and encourages your expeditious attention to HB 4.

Until we have real and meaningful forward funding of public education in Alaska this kind of legislation is essential to the continuity of programs and services in public schools.

Local school district budgets are heavily dependent on the level of state financial support. They require early knowledge of the amount of support in their budget building process so that program planning, staffing levels, and collective bargaining can be done on the basis of reliable financial data.

Quality education requires informed decision making. Specific program needs, class sizes, teacher load and preparations and the types of classes and course options which can be available to students derive directly from the information which is the basis of financial support.

On page 2, line 10 of SB 10, we suggest the addition of a sentence which would provide that if the legislature fails to make an appropriation as required by this legislation before March 14 that the previous fiscal year appropriation for funding under this chapter would automatically be approved for the subsequent fiscal year.

Such a provision would serve to encourage expeditious attention by the legislature.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Secretary

cc: Rep. Swackhammer



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3050

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

January 13, 1989

To: Rep. Johnny Ellis, Chair
Members, House HESS Committee

Re: House Bill No. 4; "An Act relating to deadlines
for action on funding of public education; and
providing for an effective date."

NEA-Alaska supports and encourages your expeditious attention to HB 4.

Until we have real and meaningful forward funding of public education in Alaska this kind of legislation is essential to the continuity of programs and services in public schools.

Local school district budgets are heavily dependent on the level of state financial support. They require early knowledge of the amount of support in their budget building process so that program planning, staffing levels, and collective bargaining can be done on the basis of reliable financial data.

Quality education requires informed decision making. Specific program needs, class sizes, teacher load and preparations and the types of classes and course options which can be available to students derive directly from the information which is the basis of financial support.

On page 2, line 10 of HB 4, we suggest the addition of a sentence which would provide that if the legislature fails to make an appropriation as required by this legislation before March 14 that the previous fiscal year appropriation for funding under this chapter would automatically be approved for the subsequent fiscal year.

Such a provision would serve to encourage expeditious attention by the legislature.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners

Bob Manners
Executive Secretary

cc: Rep. Swackhammer

f3j89h4

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

POSITION PAPER

HB 4: EARLY FUNDING

The Association of Alaska School Boards supports and encourages passage of HB 4, an early funding bill.

AASB encourages the legislature to determine the funding level for education for the following fiscal year prior to April 7 to allow school districts adequate time for planning and budget preparation before submission to the Department of Education.

AASB also supports modification of the due date for submission of a municipal school district budget to the municipal government to coincide with the April 7 deadline.

Early planning of programs, staffing and procurement of supplies, equipment and maintenance are critical for providing students with quality education. The ability to plan wisely is largely dependent on knowing what the available financial resources will be early in the planning process.

Prior to 1988, determination of the following year's funding level has not been made by the Legislature until the end of the Legislative session. Districts around the state applaud the early funding knowledge provided by the Legislature last year, and encourage passage of a bill to establish this as a standard practice.

HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES



P.O. BOX V, JUNEAU 99811
(907) 465-3759

MEMORANDUM

TO: Rep. Ron Larson and Rep. Lyman Hoffman, Co-Chairs
and Members of the House Finance Committee

FROM: Jim Nordlund, Professional Assistant
House HESS Committee *JN*

RE: Education funding proposals

DATE: February 14, 1989

As requested by Rep. Koponen at the House Finance hearing on HB 4, deadlines for funding education, I am providing you with a copy of the House HESS education funding subcommittee report which was adopted by the HESS Committee last year.

If I can provide any further assistance, please feel free to call on me. I can be reached at 465-3759.



Alaska State Legislature

House of Representatives

COMMITTEE ON HEALTH, EDUCATION AND SOCIAL SERVICES

OFFICIAL BUSINESS

POUCHV
JUNEAU, AK 99811
465-3759

MEMORANDUM

TO: House HESS Committee Members

FROM: Reps. Johnny Ellis, Niilo Koponen, Bill Hudson

RE: Education Funding Subcommittee Report

DATE: March 22, 1988

The HESS Subcommittee on Education Funding has considered several measures dealing with the funding of elementary and secondary schools. This memo explains our recommendations.

Funding for Alaska's public school system has been an unfortunate victim of the state's declining revenues. Within a two year span, FY 86 - FY 88, state aid to public schools through the Foundation Program has been reduced from \$490 million to \$410 million. The \$80 million represents a 16.3% cut. At the same time the state's student population has declined by only 1%. Such drastic cuts are having a significant impact on the quality of education in Alaska. Class sizes are increasing, staffs are being reduced and programs are being eliminated.

Another problem that has plagued the school system for years has been one of budget uncertainty. School districts are expected to finalize their budget requests to municipal assemblies or councils by April 1st of each year, without knowing their state funding levels. Budget deliberations have to be repeated two or three times, often eroding the credibility of the process. Due to the uncertainty, good teachers are often unnecessarily dismissed since school districts must notify tenured teachers of their employment status by March 16th.

The Subcommittee has considered several options to deal with the funding cutbacks and budget uncertainties. Early, certain, full, additional and forward funding are all catch words to characterize the approaches that have been suggested.

Early funding was accomplished this year by the legislature in the form of SB 330, and has yet to be signed by the Governor. This bill, if signed, will give certainty to school districts of state funding levels approximately three months earlier than usual. This early/certain bill also provides full funding for the three major entitlement programs: the foundation program, construction debt reimbursement, and pupil transportation. Full, in this case, means the amounts equal to those prescribed by law. A bill similar to SB 330 would need to pass each year in order for the school districts to be certain of state funding earlier than June. Such a bill may or may not constitute full funding and may or may not address the three programs.

The Subcommittee searched for a better mechanism to ensure full funding on a yearly basis. If full funding could be achieved each year, and counted upon, then the funding level would always be certain, (based on a district's ADM x the instructional unit value) thus obviating the need for an early appropriation measure outside of the operating budget.

Funding uncertainties in education have been due to unanticipated decreases or increases in state revenue and by vacillating school enrollments (ADMs). Through no fault of the legislature, funding is sometimes not full due to these variables. Without funds to draw upon to make the funding level full, either before the budget year or during the budget year as a supplemental appropriation, there will be budget uncertainties. Thus the subcommittee strongly endorses the idea of an education buffer fund. Appropriations from this special fund could be made to make the marginal adjustments necessary in order to assure full, certain funding each year. Early funding would not be necessary because districts could count on full funding each year due to the existence of this supplemental funding source. This proposal would also accomplish the objectives of forward funding, but at much less cost.

Governor Cowper's bill, HB 407, provides \$60 to \$70 million of badly needed additional funding for education, which is actually a partial restoration of previous cuts. The Subcommittee found several problems with the bill, deliberated upon them, considered several amendments and now strongly recommends the attached committee substitute. As amended the bill now answers two fundamental questions of the original version: What assurances are there that these funds will truly be additional funds for education; that general funds would not be backed out of education thus enabling these permanent fund earnings to supplement the general fund as a whole? And, what is the purpose for these additional dollars?

The first question is answered by an amendment to increase the instructional unit value by \$4,950, which would require approximately \$50 million to fully fund. This is the best guarantee that the funds would truly be additional. This amendment also partially answers the second question. Most of the extra money would go through the state's primary funding mechanism, the foundation program. This would be a partial restoration of the previous two years' cuts. The remaining money, \$10 to \$20 million, could be used for school construction to reduce pupil/teacher ratios, if necessary, or for other special projects.

Under this plan, two years worth of earnings, after dividends, would go into the school account. Since there would be no appropriation until after the second year, due to the necessary wait for the advisory vote, there would accrue earnings of approximately \$100 million before legislative appropriation. The extra \$30 million could serve as a buffer account, serving the purposes mentioned above.

Thus, after amendment, HB 407 can be viewed as an additional, full, and certain funding proposal. It also mandates pupil/teacher ratios in grades K-3, and allows for an advisory vote of the people.

The Subcommittee discussed at length an amendment to make the advisory question a binding vote of the people amending the constitution to make the school account a dedicated fund for education. At the level of \$70 million per year, a dedicated funding source would not be that helpful since the annual total aid to schools is over \$500 million. Also, there would be no guarantee that the \$70 million would not supplant education dollars from the general fund. Governor Cowper is adamantly opposed to a constitutional amendment at this time.

In a similar vein there was concern that, since permanent fund earnings were being used for state operation for the first time, adequate checks and balances would allow considerable care and due regard for this historic action. As HB 407 is proposed by the Subcommittee, permanent fund earnings would not be spent until, 1) the bill passed, 2) a positive vote of the people, 3) affirmative action by the legislature next session to repeal the repealer clause in the bill, and 4) annual legislative appropriations from the school account earnings to education programs.

The Subcommittee also amended the bill to simplify the ballot question and to make it clear to the voters that they were voting on the expenditure of permanent fund earnings.

In addition to the new draft for HB 407, the Subcommittee also recommends the passage of HB 378, creating a buffer

account, and HB 379 which is an appropriation to that account. While our first choice is to have a buffer as part of the Governor's school account, we suggest the passage of these bills as a backup measure in case HB 407 does not pass. HB 379 uses funds from the Dinkum Sands settlement instead of from permanent fund earnings.

The subcommittee also recommends the passage of HB 414, which reinstitutes a school tax. While the subcommittee had no philosophical objection to SB 2, regarding early funding, more work may need to be done on this bill. As it stands, the bill has no penalties if the legislature fails to pass an education budget by March 15th, as is required in the bill.

Finally, the Subcommittee considered HB 370, HB 376, HB 377 and HJR 54. None are recommended for passage.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

HB4
POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

MEMORANDUM

August 23, 1988

SUBJECT: Education budget deadline
(Work Order No. 16-0073)

TO: Representative C. E. Swackhammer

FROM: Michael F. Ford *M.F.*
Legislative Counsel

I wanted to make sure you understand that the attached draft, while creating a statutory education funding date, does not remove the power of the legislature to appropriate money at a later date or choose to ignore the "deadline." Under Article IX, section 13 of the Alaska Constitution the legislature has total and absolute power to fund or not fund as the legislature chooses, subject of course to the governor's veto power. This power cannot be changed by statute, but could be changed by constitutional amendment. Note also that Article IX, section 8, prohibits, with certain very limited exceptions, the incurring of any state debt.

There are numerous examples of similar funding statutes, such as the requirement for funding bonded debt retirement contained in AS 14.11.100(a). However, none of these statutes bind the legislature to make an appropriation. The legislature may weigh competing public needs against available revenue and fund some items and not others, or fund at a lower level than established in statute. In short, the legislature cannot create by statute an enforceable right to appropriate funds by a certain date.

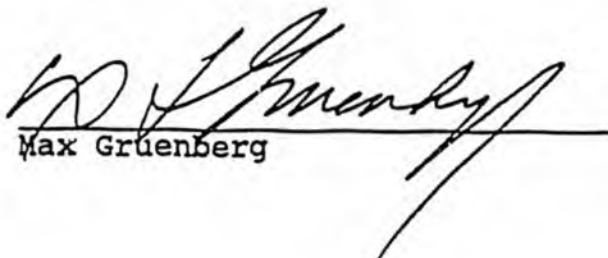
Please contact me if you have further questions.

MFF:mi
wkmi3/012

Attachment

SEPARATE VIEWS OF MAX GRUENBERG TO ACCOMPANY HB 4

I strongly support early funding of education. However, with the ongoing consideration of long-range budget planning legislation and the budget summit talks, passing an early funding statute early in this session may be premature. This bill should be considered as part of total state fiscal planning.


Max Gruenberg

ИВ

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HOUSE REPORT

(11)

Date Referred: February 1, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/10/89

The FINANCE Committee recommends that:

HOUSE BILL NO. 5 [CORRECTIONAL INDUSTRIES COMMISSION]
"An Act amending the composition and membership of the Correctional Industries Commission; and providing for an effective date."

[] be replaced with _____ [] the same title
[] a new title

[] have attached amendment(s)

- [X] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- [] fiscal impact
- [] zero fiscal note
- [] zero with analysis

APPROVES PREVIOUS:

- [] fiscal note(s) published: _____
- [] zero fiscal notes(s) published:
Corrections 1/25/89

SIGNING DO PASS:

[Signature] HOFFMAN
[Signature] LARSON
[Signature] SWACKHAMMER
[Signature] BARNES
[Signature] PHILLIPS
[Signature] RIEGER

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)
[Signature] KOPONEN
[Signature] ULMER
[Signature] WALLIS
[Signature] SCHULTZ

CO- [Signature]
 Chairman's signature
 CO- [Signature]

FISCAL NOTE

REQUESTS:

Revision Date: Agency Affected: Department of Corrections
 Title: "An Act amending the composition and membership
and membership BRU: Statewide Operations
 Sponsor: Rep. Swackhammer, Gruenberg Component: Correctional Industries
 Requestor: and Donley Product Cost

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLABS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The increased costs for travel and per diem will be paid out of the Correctional Industries' Revolving Fund.

Susan E. Knighton

Prepared by: Susan E. Knighton, Director
 Division: Administrative Services

Phone: 465-3376
 Date: 1-19-89

Approved by: Susan Humphrey-Barnett
 Agency: Department of Corrections

Date: 1-19-89

Distribution (by prepares):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

1 IN THE HOUSE

BY SWACKHAMMER, GRUENBERG
AND DONLEY

2 HOUSE BILL NO. 5

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act amending the composition and membership of
7 the Correctional Industries Commission; and providing
8 for an effective date."

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

10 * Section 1. AS 33.32.070(a) is amended to read:

11 (a) The Correctional Industries Commission is established to
12 provide general policy direction to the correctional industries pro-
13 gram through the commissioner of corrections. The commission consists
14 of eight [SEVEN] members, six [FIVE] of whom shall [ARE TO] be ap-
15 pointed by the governor to serve staggered terms of four years. The
16 appointed members must include one [A] representative each from [OF]
17 private industry, [ORGANIZED LABOR,] agriculture, and the general
18 public; [, AND] one ex-offender; and two representatives from orga-
19 nized labor, one of whom must be from the building trades and one of
20 whom must be from the service industries. The commissioner of admin-
21 istration is also a member, as is the commissioner of corrections who
22 shall [IS TO] serve as chairperson.

23 * Sec. 2. AS 33.32.070(b) is amended to read:

24 (b) The Correctional Industries Commission shall meet at least
25 four times during each fiscal year and may hold additional meetings at
26 the call of the chairperson. Five [FOUR] members of the Correctional
27 Industries Commission constitute a quorum and a vote of a majority of
28 the quorum is necessary for the transaction of the business of the
29 commission.

1 * Sec. 3. TERM OF OFFICE OF EXISTING ORGANIZED LABOR REPRESENTATIVE.

2 (a) Notwithstanding AS 33.32.070(a), as amended by sec. 1 of this Act, the
3 representative of organized labor serving on the Correctional Industries
4 Commission on the effective date of this Act may continue to serve for the
5 duration of the term to which the person was appointed.

6 (b) As soon as practicable after the effective date of this Act, the
7 governor shall specify whether the representative of organized labor serv-
8 ing on the Correctional Industries Commission under (a) of this section on
9 the effective date of this Act is appointed from the building trades or
10 from the service industries.

11 * Sec. 4. TERM OF OFFICE OF NEW LABOR REPRESENTATIVE. (a) After
12 making the designation required by sec. 3(b) of this Act, the governor
13 shall appoint the second labor representative authorized by AS 33.32.-
14 070(a), as amended by sec. 1 of this Act.

15 (b) Notwithstanding the requirement of a four-year term of office set
16 out in AS 33.32.070, the governor shall specify the term of the labor
17 representative appointed under (a) of this section, but the term may not
18 extend beyond June 30, 1991.

19 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).
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26
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28
29

REPRESENTATIVE
C.E. "SWACK" SWACKHAMMER

Alaska State Legislature



House of Representatives

SOLDOTNA

312 TYEE STREET
SOLDOTNA, ALASKA 99699
(907) 282-7841

JUNEAU

BOX V
JUNEAU, ALASKA 99811
(907) 485-2689

MEMORANDUM

TO: Rep. Lyman Hoffman, Co-Chairman
Rep. Ron Larson, Co-Chairman
House Finance Committee

FROM: Rep. C.E. Swackhammer *Swack*

DATE: February 2, 1989

TOPIC: House Bill 5

This bill was introduced during the second session of the 15th Legislature and successfully passed through both houses without amendment. It was scheduled for hearing on the floor of the senate, but unfortunately the senate adjourned prior to being heard.

House Bill 5 is basically constructed to assure greater input from labor to minimize the opportunity for the Alaska Corrections Industry to compete with private enterprise; this is especially important during the economic downswing Alaska is currently facing.

Attached is a sectional analysis which specifically spells out how the Commission's membership will be increased by one additional member of organized labor. There is a zero fiscal impact on general funds, the expense of the added member will be borne by receipts of prison industries.

I respectfully request your support of House Bill 5.

REPRESENTATIVE
C.E. "SWACK" SWACKHAMMER

Alaska State Legislature



House of Representatives

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SECTIONAL ANALYSIS OF HB 5

"An act amending the composition and membership of the Correctional Industries Commission; and providing for an effective date."

Section 1 - Adds language to increase the members of the Correctional Industries Commission from seven to eight. The Governor will appoint six instead of five of these members. The appointed members criteria is amended to require that there be two representatives from organized labor; one from the building of trades and the other from the service industries.

Section 2 - Adds language that changes the number of members necessary to constitute a quorum from four to five.

Section 3 - Existing organized labor representative may continue to serve for the duration of his/her appointed term. It must be determined whether this representative was appointed from the building trades or the service industry.

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Section 5 - Immediate effective date under AS 01.20.070 (c).

НВ

5

SENATE COMMITTEE REPORT

FURTHER

3/14/89

DATE TURNED INTO OFFICE

4/27/89

Mr. President:

FINANCE

Committee considered

HB 5

amending the composition and membership of the Correctional Industries Commission; efd

and recommended

- replace with _____ CS _____) same title
- or adopt _____ CS _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) ^{DCC} zero fiscal impact appropriation no FN
 new updated previous
 same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Jim Deen

[Signature]

Paul F. Harney

Paul [Signature]

Rich [Signature] (Do Pass)

 Chairman signature and recommendation

Committee Backup attached

John [Signature] CO-CHAIR

**STATE OF ALASKA
1989 LEGISLATIVE SESSION**

BILL VERSION: HB 5
PUBLISH DATE: HOUSE 1/25/89

FISCAL NOTE

REQUEST:

Revision Designation: _____
Title: "An Act amending the composition and membership _____"
Sponsor: Rep Swackhammer, Gruenberg _____
Requestor: and Donley _____

Agency Affected: Department of Corrections
BRU: Statewide Operations _____

Component: Correctional Industries
Product Cost: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The increased costs for travel and per diem will be paid out of the Correctional Industries' Revolving Fund.

Susan E. Knighton

Prepared by: Susan E. Knighton, Director Phone: 465-3376
Division: Administrative Services Date: 1-19-89

Approved by: Susan Humphrey-Barnett Date: 1-19-89
Agency: Department of Corrections

- Distribution (by preparer):**
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)

1 IN THE HOUSE

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Alaska State Legislature



House of Representatives

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JUNEAU

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SECTIONAL ANALYSIS OF HB 5

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Section 5 - Immediate effective date under AS 01.20.070 (c).

3/2/87

BRIEF HISTORY OF ALASKA CORRECTIONAL INDUSTRIES

GENERAL: 1979 - State of Alaska financed "Alaska Corrections Master Plan" by Moyer and Associates, who recommend implementation of an Industries program. An Industries Manager, Wally Roman was hired October 16, 1981. In the spring of 1982, the Hammond Administration introduced and the Legislature passed HB 194 (enacted as AS 33.32.) which establishes the Alaska Correctional Industries program. In October of 1982, the Governor appointed the Correctional Industries Commission. In July, 1985, a Marketing and Sales Manager was added to the staff, and in September, 1985 the management of the Industries program (three individuals) was relocated from Juneau to Anchorage. Staff which did not transfer was replaced at the new location.

AGRICULTURAL OPERATIONS: Farming operations began as a camp work project at the Palmer Correctional Center over twenty years ago. In March, 1983, the Correctional Industries Commission approved the expansion of the operation as a correctional industry to provide produce for state institutions. Mechanized field and potato processing equipment was purchased for a sum in excess of \$100,000 including many surplus pieces of equipment which were rebuilt at the institution. Acreage under cultivation was increased to approximately 27 acres, and is yielding in excess of 200 tons of potatoes. Flowers are also grown for State projects, including the Anchorage International Airport. 8 to 15 inmates are employed based upon seasonal needs.

AUTO BODY REPAIR: This business also began in prior years sometime in the 1970's, at the Palmer Correctional Center. In March, 1983, upgrading and modernization of the existing auto body shop program was approved by the Correctional Industries Commission. Conversion of an existing shop building yielded a 2900 square foot shop which contains a paint booth, mixing room, tool room, welding facilities, and a state of the art frame straightening rack. The quality control was brought up to rigid commercial standards, and the shop now repairs virtually all State of Alaska vehicles in the southcentral region. This shop employs from 5 to 8 inmates.

COMMERCIAL LAUNDRY: In March, 1983, the Correctional Industries Commission approved the building of a commercial laundry facility at the Lemon Creek Correctional Center to provide service to the State of Alaska Marine Highway system's southeast runs, and all other state institutions in the Juneau area. At that time, the laundry needs of the Marine Highway system were being met in Seattle, Washington, and Prince Rupert, B.C., Canada. Laundry operators in the Juneau area declined this business due to high seasonal nature. Construction of the new facility was begun in the fall of 1983 and completed in December, 1984. Operations have been excellent with almost 3/4 of a million pounds of laundry processed annually, employing 18 to 35 inmates.

COMMERCIAL BAKERY: In October, 1983, the Correctional Industries Commission approved the establishment of a commercial bakery at Lemon Creek Correctional Center to provide baked goods to the Marine Highway system and other state agencies throughout Alaska. This operation was designed to share the same building as the laundry operation, and went into operation in January, 1985. It has continued from that time to supply top quality baked goods to the Marine Highway system at prices at or less than previous suppliers in Seattle, Washington, and Prince Rupert, B.C., Canada. This operation has commission approval for commercial sales which are being developed. The bakery employs 5 to 8 inmates.

FURNITURE ASSEMBLY: July, 1983, the Correctional Industries Commission approved the establishment of a furniture and upholstery production and repair facility. A first consideration was to utilize a quonset hut at the Lemon Creek Correctional Center, but this idea was discarded and the proposed operation was moved to the Wildwood Correctional Center in Kenai, Alaska. The decision was based upon the availability of a building that could be renovated at a relatively low cost, an institutional work force of medium custody inmates, and proximity to the large southcentral market for furniture. In the spring of 1985, a contract was awarded to CPSI, a Boulder, Colorado consulting firm which gives assistance to correctional systems for furniture manufacturing. An agreement with four large national furniture companies provided pre-made components of standard furniture items for assembly at the new plant. Furniture manufacturing began in the Wildwood plant in January, 1986. A substantial dollar volume has been produced since start up of the plant, but further review is necessary due to much lower margins than originally expected, and a major collapse of the furniture market due to budget restrictions. The plant employs 15 to 25 inmates. After careful review of the current product lines, which are quite broad, this operation will probably be reduced to labor intensive oak/upholstered furniture and a few other complimentary lines which have proven very acceptable in our market place, and provide a more adequate profit margin.

METAL FABRICATION PLANT: In October, 1983, the Correctional Industries Commission approved the establishment of a metal fabrication plant to be located at the Wildwood Correctional Center. Plant operations began in January, 1986 and with the receipt of the large Spring Creek Correctional Center production order for bunks and desks, the plant has been running at full production level for the past 8 months with 20 to 30 inmates working full time. This plant produces a variety of products beyond cell furniture, including fish carriers for the Department of Fish and Game, barbeque pits for the Division of Parks, and several communities in Alaska, as well as custom fabricated "one off" specialties.

MT. MCKINLEY MEAT AND SAUSAGE PLANT: In May, 1986, the Division of Agriculture approached the Department of Corrections with the idea of using inmate labor to operate the failed meat plant in Palmer until the private sector was able to operate it again. The Agricultural Revolving Loan Fund purchased the plant and has signed an agreement with the Department of Corrections to operate the facility. Initial public hearings were held on February 6, 1987 and the Industries Commission decided to table the operational proposal until the next meeting, March 16, 1987, when the commission will hear additional public testimony regarding operation of the plant. At the present time the Department of Corrections plans to provide meat for its own consumption only. This facility will employ 20 inmates.

HB

6

HOUSE COMMITTEE REPORT

File

(11)

Date Referred: February 9, 1990

FURTHER REFERRALS:

Date of Committee Action: _____

The FINANCE Committee considered:

HB 6

HOUSE BILL NO. 6 PACIFIC RIM LANGUAGE GRANT FUND

"An Act creating the Pacific Rim language study grant fund."

RECOMMENDATIONS:

- be replaced with CS HB 6 (FIN) the same title
- a new title
- have attached amendment(s)
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

- fiscal impact DOE
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) _____
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

[Signature] Koponen

[Signature] Brown

[Signature] ULMER

[Signature] SWACKHAMMER

Signature	Name	Do Not Pass	No Rec	Amend
<u>[Signature]</u>	Hoffman	X		
<u>[Signature]</u>	Larson	X		
<u>[Signature]</u>	Phillips			
<u>[Signature]</u>	Barnes		✓	
<u>[Signature]</u>	Riegee			✓
<u>[Signature]</u>	WALLIS	✓		

[Signature] Larson
 Co-Chairman's Signature
[Signature] Hoffman

FISCAL NOTE

REQUEST:

Revision Date: <u>3/14/90</u> Title: <u>Pacific Rim language study</u> <u>grant fund</u> Sponsor: <u>Ellis</u> Requestor: <u>House Finance</u>	Agency Affected: <u>Education</u> BRU: <u>Education Program</u> <u>Support</u> Components: <u>Basic Education and</u> <u>Instructional Improvements</u>
--	---

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	40.7	40.7	40.7	40.7	40.7	40.7
TRAVEL	2.1	2.1	2.1	2.1	2.1	2.1
CONTRACTUAL	2.0	2.0	2.0	2.0	2.0	2.0
SUPPLIES	.6	.6	.6	.6	.6	.6
EQUIPMENT	2.0	2.0	2.0	2.0	2.0	2.0
LAND & STRUCTURES						
GRANTS, CLAIMS	250.0	250.0	250.0	250.0	250.0	250.0
MISCELLANEOUS						
TOTAL OPERATING	297.4	297.4	297.4	297.4	297.4	297.4
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	297.4	297.4	297.4	297.4	297.4	297.4
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY	12.0	12.0	12.0	12.0	12.0	12.0

ANALYSIS : (Attach a separate page if necessary)

This fiscal analysis coincides with the increment for an Asian language program within the Governor's proposed FY 91 budget (see attached).

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 3/14/90
 Approved by Commissioner: William G. Demmert Date: 3/14/90
 Agency: Education

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

INCREMENT-DESCRIPTION (Limit to 98 Characters)
 ASIAN LANGUAGE PROGRAM

AGENCY CONTACT/PHONE NUMBER:
 Mary Haka - 165-2800

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The need for Alaskans to understand the rest of the world and its languages is critical for economic and social development. Students need greater opportunities to develop proficiency in a foreign language. Learning a foreign language strengthens academic skills, enhances international economic competitiveness, helps develop informed citizens, stimulates an appreciation for our multicultural, pluralistic society and promotes world understanding.

In Alaska only 2.4% of all elementary students, 12% of all junior high and 26% of all high school students are enrolled in a foreign language program. The national percentage of student enrollments at the secondary level is 27-45%.

In school year 1988-89, Asian language programs were offered in eighteen elementary and secondary schools. Less than 1% of the total foreign language enrollments in Alaska were in Chinese, 13% in Japanese and 3% in Russian. These enrollments compare with 28% in French, 9% in German and 39% in Spanish.

There is a great need to assist school districts in the planning, development and evaluation of Asian language programs. Enrollments have increased by the following percentages from 1987 to 1989: Chinese + 60%; Japanese + 24%; Russian + 91%.

Funding will provide:

An incentive grant program to school districts for beginning or

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	81.4	40.7
200	Travel	5.0	2.1
300	Contractual Services	5.7	2.0
400	Supplies	1.3	.6
500	Equipment	4.0	2.0
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.	450.0	250.0
800	Miscellaneous		
TOTAL		547.4	297.4
I-A Transfer (NON-ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	547.4	297.4
1005	Program Receipts/GF		
1007	I-A Receipts		
	Other		
POSITION INFORMATION	PFT	2.0	1.0
	PPT		
	Non Permanent Staff Months	24.0	12.0

<input type="checkbox"/> Enhance Existing Service Compared to FY 90	<input type="checkbox"/> Formula Program
<input checked="" type="checkbox"/> New Service Compared to FY 90	
<input type="checkbox"/> Continuation of FY 90 Service Level	

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST

AGENCY PRIORITY _____ OF _____

AGENCY Department of Education

BRU Education Program Support

COMPONENT Basic Education & Instruct. Improvement

PROJECT Basic Education & Instruct. Improvement

4118

Page 1 of 2

Revised 11/20/89

FY - 91

00228

improv. of language programs in Chinese, Japanese, Korean, Russian or Tagalog;

Personnel in the Department to carry out the Asian Language Grant Program. An Education Specialist II and Clerk III will perform the following functions:

- . Provide training and technical assistance in program development requirements and application procedures;
- . Provide and/or develop appropriate resource materials and program support;
- . Review, approve and award grant proposals;
- . Provide clerical support to carry out the above;
- . Develop regulations and Requests for Proposals for the Asian Language Grant program.

Phone, postage, copying costs for the program

Purchase of supplies

Purchase of word processing equipment compatible with Asian languages software

2677, page 19

AGENCY Department of Education

BRU Education Program Support

COMPONENT Basic Education & Instruct. Improvement

PROJECT Basic Education & Instruct. Improvement

CS ADDITIONAL
EXPLANATION
FORM

Page 2 of 2

Revised 1/20/89

FY - 91

Original sponsor(s): REP. ELLIS, M. Davis, Ulmer, Brown

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 6.(Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Pacific Rim language study grant
7 fund."

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

9 * Section 1. PURPOSE. It is the purpose of this Act to

10 (1) assist the public school system to provide Pacific Rim
11 language study programs;

12 (2) encourage pupils in the study of Pacific Rim languages;

13 (3) promote growth in relations between the state and Pacific
14 Rim nations.

15 * Sec. 2. AS 14.30 is amended by adding new sections to read:

16 ARTICLE 9. PACIFIC RIM LANGUAGE STUDY GRANT FUND.

17 Sec. 14.30.700. PACIFIC RIM LANGUAGE STUDY GRANT FUND. (a) The
18 Pacific Rim language study grant fund is established. The fund con-
19 sists of legislative appropriations and public or private donations
20 made for the purpose of the fund. The department may make grants from
21 the fund to eligible districts in the public school system for both
22 written and spoken Pacific Rim language study programs in grades K-12.

23 (b) The department shall establish by regulation eligibility
24 criteria for receiving grants under this section. The department may
25 not award a grant to a district of the public school system under this
26 section for more than three consecutive fiscal years.

27 (c) In this section, "Pacific Rim languages" means Russian,
28 Tagalog, Chinese, Japanese, or Korean languages.



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

Don Oberg, President

Mary Lou Brent
Vice-President
Box 801174
Fairbanks, Alaska 99708

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
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(907) 274-0536
FAX: (907) 274-0551

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090
FAX: (907) 586-2744

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435
FAX: (907) 456-2159

Judy Salo
NEA Director
4510 Kenaitze Court
Kenai, Alaska 99611

March 13, 1990

Paul Jarvi
Region I Director
PO Box 5076
Ketchikan, Alaska 99901

TO: Representatives Ron Larson and Lyman Hoffman, Co-Chairs,
Members, House Finance Committee

Deedie Sorenson
Region I Director
6903 Sunnyside Dr
Juneau, Alaska 99801

RE: HB 6 and HB 7 "An act ...

NEA-Alaska supports and encourages passage of HB 6 and 7.

Beverly Goad
Region II Director
Box 343
Copper Center, Alaska 99573

We support the concept of the addition of foreign language study opportunities for Alaska's students. The geographic location and trade relations of Alaska with countries of the Pacific Rim make our ability to communicate with people of those nations a necessity if we are to expand economic opportunity and cultural exchange.

DeWayne Craig
Region III Director
406 So Forest Dr - J-A
Kenai, Alaska 99611

Myra Poage
Region IV Director
Box 973
Nome, Alaska 99762

Part of foreign language study in high schools always involves cultural study as well. It is clear that as a nation and state we are sadly lacking in even a basic understanding of the cultures of the Pacific Rim nations. With more and more direct business and trade relations with Japan, Korea, and China we need, not only the ability to communicate effectively, but the knowledge of protocol, tradition, and social structure of those countries.

Marilyn Rosene
Region IV Director
Box 1170
Dillingham, Alaska 99576

It is important that we move toward providing quality programs in Asian language in order to open a window of opportunity for our students and for Alaska.

Mike Warme
Region IV Director
PO Box 72
Noorvik, Alaska 99763

Claudia Douglas
Region V Director
PO Box 74837
Fairbanks, Alaska 99707

The funding for this program as well as others must be supplemental to full foundation funding. Absent full funding any categorical aid is likely to be used to fill the gaps left by cuts rather than move school districts forward in enhancing their program--which is the intention of this legislation.

Gayle Harbo
Region V Director
Box 41522
College, Alaska 99708

Loretta B. Christie
Region VI Director
2220 Yorkshire Lane
Anchorage, Alaska 99504

NEA-Alaska encourages your support for HB 6 and 7.

Don Hadley
Region VI Director
3259 Weisner Dr
Anchorage, Alaska 99508

Respectfully submitted,

Don Oberg,
President

Robert C. Manners
Executive Secretary

Richard Kronberg
Region VI Director
3511 Chinook Bay Dr
Anchorage, Alaska 99515

Leona Mounds
Region VI Director
5816 Winding Way
Anchorage, Alaska 99504

LE02/Hb6&7/dl

Pamela Reynolds
Region VI Director
1510 Ekadore Dr - 135
Anchorage, Alaska 99507

Carolyn Tolson
Region VII Director
Box 873933
Wasilla, Alaska 99687

Hank Harrison
Region R Director
Box 110325 S Stanton
Anchorage, Alaska 99511

ИВ

8

HOUSE COMMITTEE REPORT

(11)

Date Referred: January 20, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/1/89

The FINANCE Committee recommends that:

HOUSE BILL NO. 8 [KACHEMAK BAY STATE PARK & WILDERNESS PARK]
"An Act relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Park."

be replaced with CS HB 8 (Finance) the same title
 a new title

have attached amendment(s)

- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

- fiscal note(s) published: _____
- zero fiscal notes(s) published: _____

SIGNING DO PASS:

SIGNING OTHER THAN DO PASS:
(Do Not Pass, No Recommendation, Amend)

Ronald J. Larson LARSON
Clarence Swackhammer SWACKHAMMER
Ken Brown BROWN
Mike Koponen KOPONEN
Mark Ullmer ULLMER
Kenneth Barnes BARNES
Roll E. Phillips PHILLIPS
Steve Rieger RIEGER
Kay Wallis WALLIS

Diab Shultz (Should have got it right the first time)
 SHULTZ

Ronald J. Larson
 Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: 2/1/89
Title: Addition to Kachemak Bay
State Park
Sponsor: Navarre/Swackhammer
Requestor: _____

Agency Affected: DNR
BRU: Park Management
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: House Finance Committee Phone: 465-3727
Division: Co-Chairman Ron Larson *Ronald L. Larson* Date: 2/1/89

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Original sponsors: Navarre, Swackhammer,
and Ellis

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 8 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the addition of land to Kachemak
7 Bay State Park and Kachemak Bay State Wilderness
8 Park."

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

10 * Section 1. LEGISLATIVE FINDINGS. The legislature, in its designation
11 of additional land to the Kachemak Bay State Wilderness Park, intends that
12 the land within the park be managed for its recreational values without
13 preventing reasonable access to inholdings in the Petrof View subdivision.
14 On Nuka Island, in recognition of planning conducted by the commissioner of
15 natural resources under AS 38.04.065, the legislature intends that the
16 island support

- 17 (1) a commercial lodge in a suitable place;
- 18 (2) renovation of existing facilities at Herring Pete's Cove;
- 19 (3) the construction and operation of one or two public use
20 cabins;
- 21 (4) docks, trails, and moorings necessary to provide for recre-
22 ational use; and
- 23 (5) maintenance of Berger Bay in an undeveloped state.

24 * Sec. 2. AS 41.21.131(a) is amended to read:

25 (a) The presently state-owned land and water, and all that
26 acquired in the future by the state, lying within the parcels describ-
27 ed in this section are designated as the Kachemak Bay State Park. In
28 order to protect and preserve this land and water for its unique and
29 exceptional scenic value, the park is established and shall be managed

1 as a scenic park. The land and water lying within the following
2 described parcels is reserved from all uses incompatible with its
3 primary function as a scenic park and is assigned to the department
4 for control, development and maintenance:

5 (1) Township 5 South, Range 10 West, Seward Meridian
6 Chugachik Island
7 Sections 31 - 32

8 (2) Township 5 South, Range 11 West, Seward Meridian

9 Section 2: Lot 1, excluding Tract A

10 Section 3: Lots 1 - 8, SW1/4NE1/4, S1/2NW1/4,
11 N1/2SW1/4

12 Section 4: Lots 1 - 4, S1/2N1/2, SE1/4, E1/2SW1/4

13 Section 8: E1/2NE1/4, SE1/4

14 Section 9: Lots 1 and 2, NW1/4NE1/4, NE1/4NW1/4,
15 W1/2NW1/4, N1/2NE1/4SW1/4, SW1/4NE1/4SW1/4,
16 excluding Lot 6

17 Section 10: Lot 1

18 Section 16: Lot 1

19 Section 17: Lots 1, 3, 4, NW1/4SW1/4, S1/2NW1/4

20 Section 18: Lot 4, SE1/4, E1/2NE1/4

21 Section 19: Lots 1-6, NW1/4NE1/4, NE1/4NW1/4

22 Section 20: Lot 1

23 Sections 24 - 25, excluding tide and submerged land
24 within the Kachemak Bay Critical Habitat Area

25 Section 26: SE1/4, excluding tide and submerged land
26 within the Kachemak Bay Critical Habitat Area

27 Sections 35 - 36

28 (3) [(2)] Township 6 South, Range 11 West, Seward Meridian

29 (4) [(3)] Township 7 South, Range 11 West, Seward Meridian

1 Sections 1 - 4

2 Section 5: N1/2

3 Sections 7 - 36

4 (5) [(4)] Township 7 South, Range 12 West, Seward Meridian

5 Section 12, except N1/2 NE1/4

6 Section 13

7 Sections 19 - 36

8 (6) [(5)] Township 7 South, Range 13 West, Seward Meridian

9 Sections 25 - 26

10 Sections 35 - 36 [25, 26, 35 AND 36]

11 (7) [(6)] Township 8 South, Range 11 West, Seward Meridian

12 Sections 1 - 8

13 Section 9: N1/2

14 Section 10: N1/2

15 Section 11: N1/2

16 Section 12: N1/2

17 Sections 17 - 18 [17 AND 18]

18 (8) [(7)] Township 8 South, Range 12 West, Seward Meridian

19 (9) [(8)] Township 8 South, Range 13 West, Seward Meridian

20 Sections 1 - 2 [1 AND 2]

21 Sections 10 - 14

22 Section 15: E1/2

23 Section 23: N1/2 and SE1/4

24 Sections 24 - 25 [24 AND 25]

25 Section 26: E1/2

26 Section 35: E1/2

27 Section 36

28 (10) Township 9 South, Range 8 West, Seward Meridian

29 Sections 7 - 10

Sections 15 - 22

Sections 27 - 34

(11) Township 9 South, Range 9 West, Seward Meridian

Section 13

Sections 24 - 25

Sections 35 - 36

(12) [(9)] Township 9 South, Range 12 West, Seward Meridian

Sections 1 - 6

Section 8: NE1/4

Sections 9 - 12

Section 13: N1/2

Section 14: N1/2

(13) [(10)] Township 9 South, Range 13 West, Seward Meridian

Sections 1 - 2 [1 AND 2]

(14) Township 10 South, Range 8 West, Seward Meridian

Sections 4 - 8

Sections 17 - 19

(15) Township 10 South, Range 9 West, Seward Meridian

Sections 1 - 4

Sections 10 - 15

Sections 22 - 24.

* Sec. 3. AS 41.21.140(a) is amended to read:

(a) The presently state-owned land and water, and all that acquired in the future by the state, lying within the parcels described in this section are designated as the Kachemak Bay State Wilderness Park. In order to protect and preserve this land and water for its unique and exceptional wilderness value, the park is established and shall be managed as a wilderness park. The land and water lying within the following described parcels is reserved from all uses

incompatible with its primary function as a wilderness park and is assigned to the department for control and maintenance:

(1) Township 8 South, Range 11 West, Seward Meridian

Section 9: S 1/2

Section 10: S 1/2

Section 11: S 1/2

Section 12: S 1/2

Sections 13 - 16

Sections 19 - 36

(2) Township 9 South, Range 8 West, Seward Meridian

Section 2: W1/2

Sections 3 - 6

(3) Township 9 South, Range 9 West, Seward Meridian

Sections 1 - 12

Sections 14 - 23

Sections 26 - 34

(4) Township 9 South, Range 10 West, Seward Meridian

Sections 1 - 3

Sections 10 - 15

Sections 22 - 27

Sections 34 - 36

(5) [(2)] Township 9 South, Range 12 West, Seward Meridian

Section 7

Section 8: S 1/2 and NW 1/4

Section 13: S 1/2

Section 14: S 1/2

Sections 15 - 36

(6) [(3)] Township 9 South, Range 13 West, Seward Meridian

Section 11: NE 1/4

Sections 12 - 13

(7) [(4)] Township 10 South, Range 9 West, Seward Meridian

Sections 5 - 7

(8) [(5)] Township 10 South, Range 10 West, Seward Meridian

(9) [(6)] Township 10 South, Range 11 West, Seward Meridian

(10) [(7)] Township 10 South, Range 12 West, Seward Meridian

(11) [(8)] Township 11 South, Range 10 West, Seward Meridian

(12) [(9)] Township 11 South, Range 11 West, Seward Meridian

(13) [(10)] Township 11 South, Range 12 West, Seward Merid-

ian

Sections 1 - 10

Section 11: W 1/2 and E 1/2

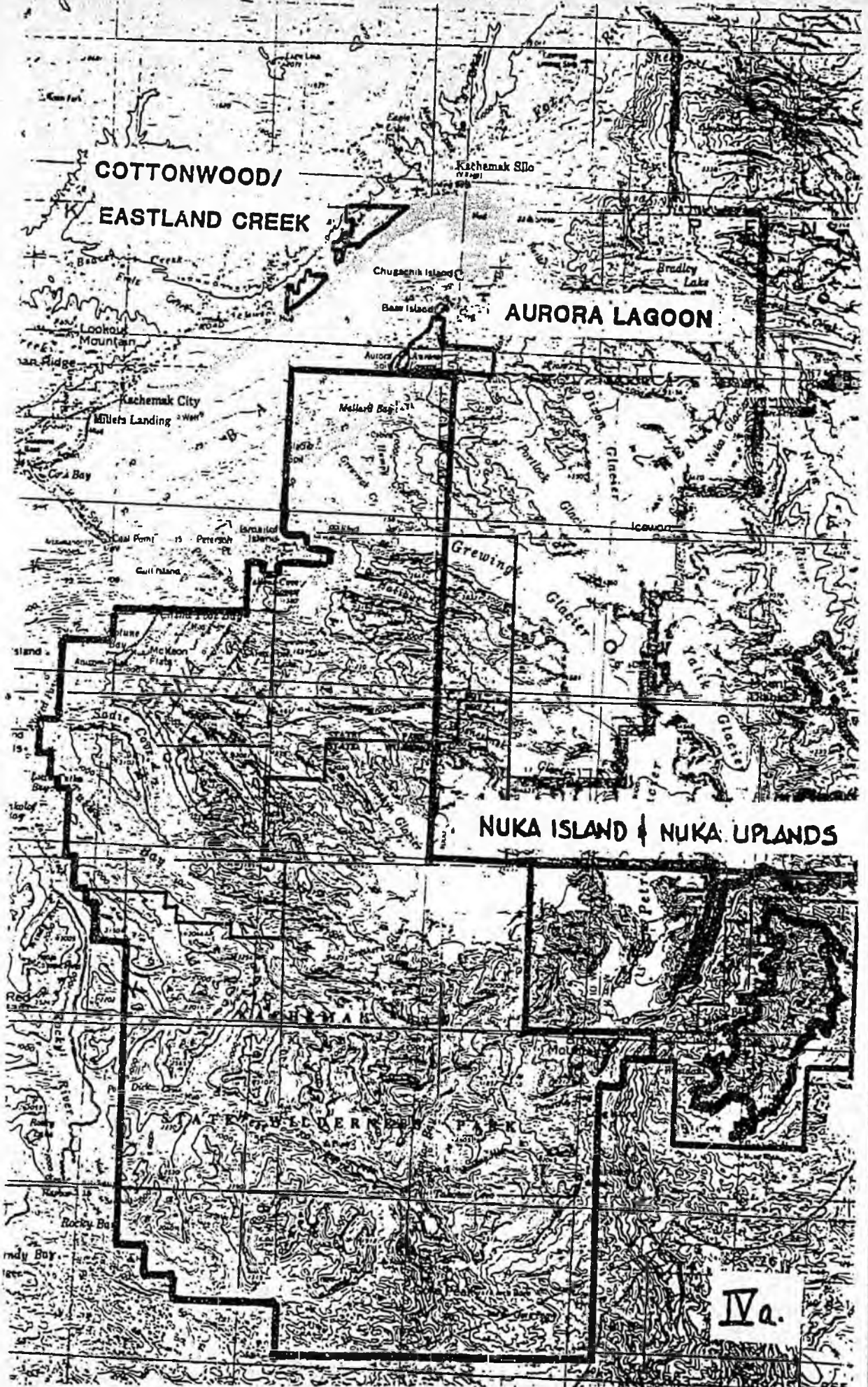
Sections 12 - 17

Sections 21 - 24.

* Sec. 4. AS 41.21.140 is amended by adding a new subsection to read:

(c) The tide and submerged land within the Aurora Lagoon is assigned to the Department of Natural Resources to preserve its value as a scenic park and to the Department of Fish and Game to preserve its value as critical habitat.

* Sec. 5. This Act does not prohibit the commissioner of natural resources from conveying 50 acres, more or less, on Nuka Island to the University of Alaska in accordance with the final finding of the commissioner of natural resources issued December 4, 1987, or its amendments. This Act does not apply to land conveyed to the University of Alaska under the commissioner's decision dated December 4, 1987.

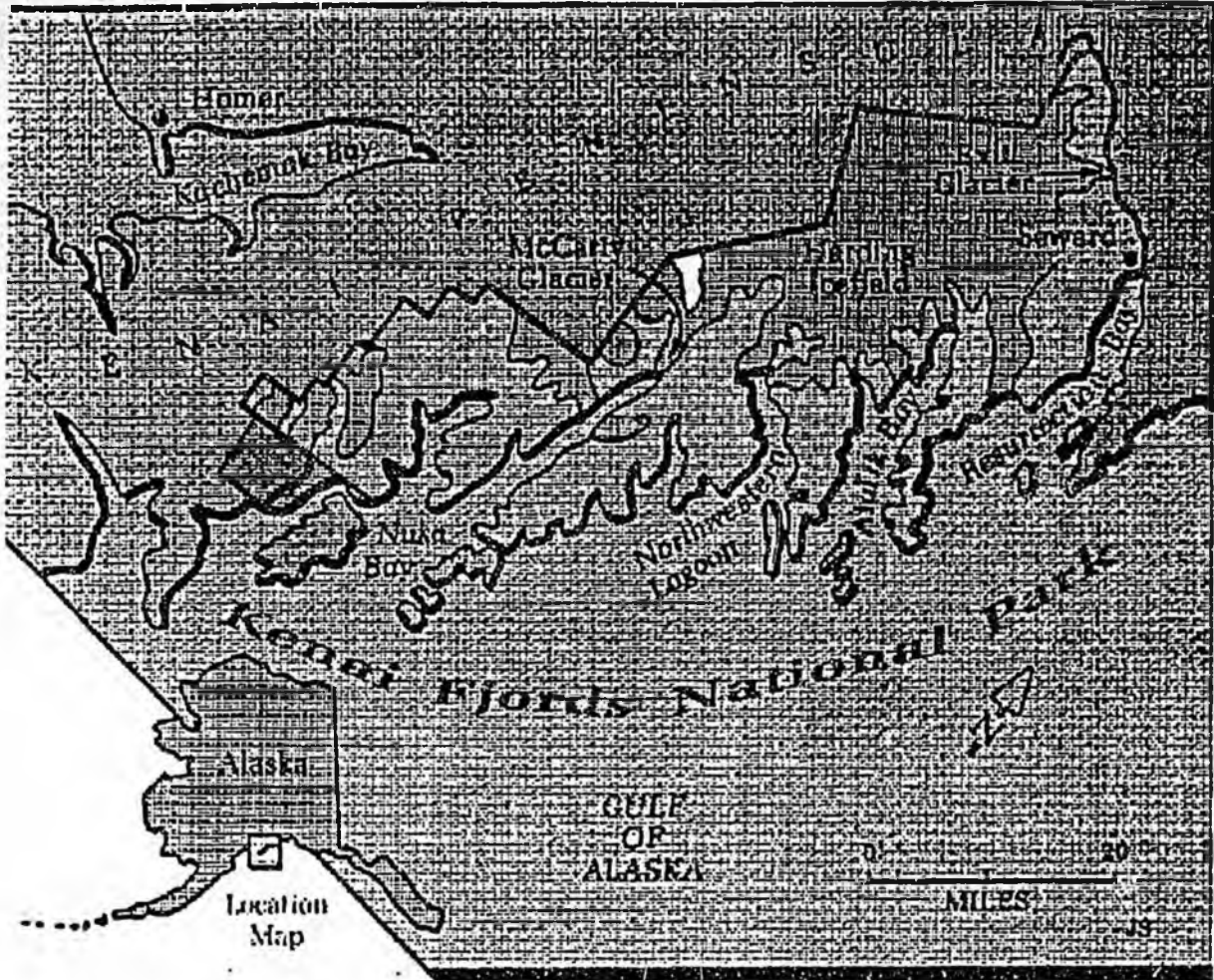


COTTONWOOD/
EASTLAND CREEK

AURORA LAGOON

NUKA ISLAND & NUKA UPLANDS

IVa.



Reprinted from Alaska Magazine February 1988

IV b.



CITY OF HOMER

CITY HALL

491 EAST PIONEER AVENUE

HOMER, AK 99603-7624

TELEPHONE (907) 235-8121

TELECOPIER (907) 235-3140

RECEIVED

1989

January 25, 1989

Representative Mike Navarre
P. O. Box V
Mail Stop 3100
Juneau, AK 99811

Re: Additions to Kachemak Bay State Park and Kachemak Bay State
Wilderness Park

Dear Representative Navarre:

Enclosed please find a copy of Resolution 89-13 as unanimously adopted by the Homer City Council at their regular meeting on Monday, January 23, 1989 supporting Senate Bill No. 2 and House Bill No. 8 relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Park.

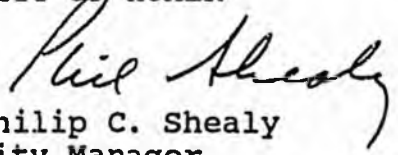
As you are undoubtedly aware, the City of Homer has consistently supported the addition of lands to the Kachemak Bay State Park and Kachemak Bay State Wilderness Park with the intent to protect and preserve these lands within the Kachemak Bay area for the recreational and scenic uses of both residents and the thousands of visitors which are attracted to the area annually.

The City Council would therefore respectfully request that you continue your efforts to support the passage of SB-2 and HB-8 relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Park.

If we may provide any further assistance in this matter, please advise at your convenience.

Sincerely,

CITY OF HOMER


Philip C. Shealy
City Manager

PCS/rah

Enclosure

cc: RCS & Finance
CRA, RCS & Finance

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 89-13

A RESOLUTION OF THE HOMER CITY COUNCIL SUPPORTING SENATE BILL No. 2 AND HOUSE BILL No. 8, RELATING TO THE ADDITION OF LAND TO KACHEMAK BAY STATE PARK AND KACHEMAK BAY STATE WILDERNESS PARK.

WHEREAS, the Legislature wishes to designate additional parcels of land to the Kachemak Bay State Park & Kachemak Bay State Wilderness Park with the primary intent that the land within the parks be managed for its primitive recreational values; and

WHEREAS, the City of Homer strongly supports the addition of lands to the Kachemak Bay State Park & Kachemak Bay State Wilderness Park with the intent to protect and preserve these lands within the Kachemak Bay area for the recreational and scenic uses of both residents and the thousands of visitors which are attracted to the area annually; and

WHEREAS, Senate Bill No. 2 and House Bill No. 8, designate that all presently state-owned land and water, and all that is acquired in the future by the state, lying with the parcels described within these bills as the Kachemak Bay State Park; and

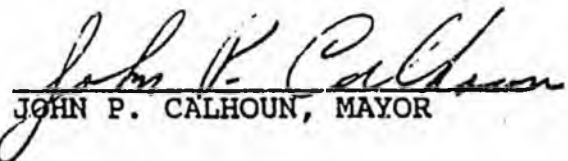
WHEREAS, Senate Bill No. 2 and House Bill No. 8, state that the Kachemak Bay State Park is established to protect and preserve the land and water for their unique and exceptional scenic value and shall be managed as such;

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council supports Senate Bill No. 2 and House Bill No. 8 relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Parks.

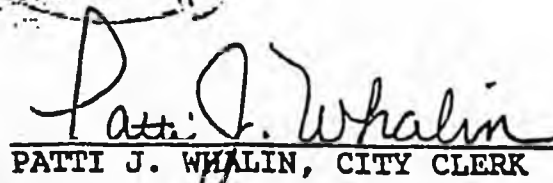
BE IT FURTHER RESOLVED that the City Manager is directed to send copies of this resolution of support to Governor Steve Cowper and respective delegates of the Sixteenth Session of the Alaska State Legislature respectfully urging their support of the bills.

DATED at Homer, Alaska this 23rd day of January, 1989.

CITY OF HOMER


JOHN P. CALHOUN, MAYOR




PATTI J. WHALIN, CITY CLERK

JUSTIFICATION SUMMARY

COTTONWOOD CREEK & EASTLAND CREEK: 2,310 ACRES +/-

The Cottonwood-Eastland Creek parcels have been under consideration as potential park for over a decade. In 1979, the Division of Parks and Outdoor Recreation completed a recreational development feasibility study on these parcels.

While these lands are not contiguous to the balance of Kachemak Bay State Park, they will meet a strong need for recreational park land near Homer that can be readily developed. The nearest developed state park facility is the Anchor River State Recreational Area (approximately 16 miles north of Homer, on the Sterling Highway), which is primarily used for fishing and camping. The Homer Spit is the only other area with public recreational facilities (operated by the City of Homer), and the summer impact to the Spit will be relieved somewhat by development of Cottonwood-Eastland.

There are also identified archaeological sites in the area. The 1979 feasibility study noted this, and recommended investigation, evaluation and excavation, if necessary, to preserve and protect these sites. Transfer to park status would help assure this protection.

Other justification for inclusion of these parcels in this legislation include:

- * High scenic and wildlife values.
- * Developed road to area.
- * Strong possibility of year-round public use, once facilities are developed.

AURORA LAGOON: 2,553 ACRES +/-

This is a logical adjustment to the boundary of the park. In discussion with former legislators, it seems apparent that the omission of Aurora Lagoon from the original legislation creating Kachemak Bay State Park was an oversight. Currently, the lagoon is heavily utilized for recreational pursuits.

Aurora Lagoon itself offers not only high scenic and recreational values, but is one of the few areas of safe high tide moorage in this area of Kachemak Bay that is unaffected by inclement weather. In addition, there are good beach landing sites for small craft.

Other justifications include:

- * Excellent camping and hiking potential.

JUSTIFICATION SUMMARY

- * Strong potential as a public use cabin site.
- * Good recreational fishing in area - salmon, crab, clams.
- * The Kachemak Bay State Park Citizen's Advisory Board has identified Aurora Lagoon for inclusion in the park since 1984.
- * Commercial development (a wilderness lodge) is taking place on private land at nearby Bear Cove, and state park status of these public lands would enhance and encourage recreation in the Aurora Lagoon/Bear Cove area. This is an excellent area for trail development, with high scenic and recreational use.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1798
PHONE: (907) 465-2400

January 18, 1989

The Honorable Curt Menard, Co-Chair
The Honorable Cliff Davidson, Co-Chair
House Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Representatives Menard and Davidson:

Subject: House Bill 8 adds two parcels totaling 4,800 acres to Kachemak Bay State Park and one parcel of 42,000 acres to Kachemak Bay State Wilderness Park.

Position: The Department of Natural Resources supports HB 8. The completion of the University of Alaska land settlement and the Mental Health lands agreement removed any actively competing interests in these lands.

Background: HB 8 has enjoyed wide support from the community of Homer with resolutions of support from the City of Homer, the Kenai Peninsula Borough, Homer Businessmen's Association, Chamber of Commerce and Visitor's Association, and from Commercial Fishing Groups.

Lands included in HB 8 include,

Aurora Lagoon: A 2,500 acre marine tidal estuary and rich habitat with associated uplands immediately adjacent to Kachemak Bay State Park. The lagoon is the site of several nesting eagles, and an important inter-tidal area. The area has a significant cultural history and is the location of the DeLaguna early man discovery. The lagoon is a major access point to the park and one of the very few safe boat anchorages along the parks' coastline.

Cottonwood/Eastland Creek: This 2,300 acre coastal bluff uplands on the Homer side of Kachemak Bay is the only public land along the entire coastline from Homer to the head of the bay. The area is accessible by East End Road and offers excellent potential for outstanding scenic vistas, trails, camping, and natural history interpretation. There is no other comparable parcel of land near Homer which offers such recreational opportunities for the local community and visitors.

Representative Menard
Representative Davidson

- 2 -

January 18, 1989

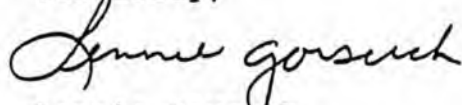
Nuka Island and Uplands: Nuka Island and uplands associated with Petrof glacier will become part of Kachemak Bay State Wilderness Park. Nuka island, located along the outer Gulf Coast, has a rugged landscape and high energy beaches exposed to wind and waves. The island is largely mountainous, but the west side has a number of attractive bays which offer good opportunities for recreational boat anchorages. The University land settlement provides the University with two 25 acre parcels in two bays for development of a wilderness lodge and recreational facilities associated with glacier trips, sealife tours, flight seeing, and excursions. The island is home to several nesting bald eagles and is a haul out area for the Stellar sea lion. Large concentrations of harbor seals and otters are common to the area. The island is an important seabird rookery with concentrations of kittiwakes, tufted and horned puffins, comorants, murrelets, murrelets and petrels. A survey conducted by the USFWS found Nuka Island to be one of the most heavily used bald eagle nesting areas along the entire south Kenai coast.

Timber resources on the island are marginal due to the exposed coast, rugged terrain, and a tree line ending at 500 feet elevation. The primary commercial tree stands are located on the mainland and are not included in this legislation.

Mineral potential on Nuka Island is considered poor for either minerals or sand, gravel, or construction materials. The geologic formation consists primarily of slates, greywacke, and easily eroded thinly bedded phyllites which are not known for their mineral potential. The island is unusual in that it is not a granite rock island like others in the region which contain gold in lode deposits. There are no mining claims on the island.

The department looks forward to working with the sponsor and the committee on this legislation.

Sincerely,



Lennie Gorsuch
Commissioner

cc: Bill Sponsor
Committee Members
Bob Evans

Packet Index:

- I. Memo from Rep. Navarre to Resources Committee
- II. Copy of HB 8
- III. Justification Summary
- IV.
 - (a). Map of additions
 - (b). Reproduction of map from Feb 1988 Alaska Magazine article about Kenai Fjords National Park.
- V. Resolutions of Support (for HB 244 from last year).

Alaska State Legislature



OFFICE IN SESSION
PO BOX 1
JUNEAU, ALASKA 99811
907 463-3779
HOUSE MAJORITY LEADER

HOME ADDRESS
PO BOX 169
KENAI, ALASKA 99814
907 262-3366
DISTRICT 5

Representative Mike Navarre

January 17, 1989

MEMORANDUM

TO: All members, House Resources Committee

FROM: Representative Mike Navarre

SUBJECT: House Bill 8, "An Act relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Park"

Attached is back-up material for the above legislation. The measure was originally introduced last session at the request of the Kachemak Bay State Park Advisory Board (as HB 244), and passed the House by a wide margin. Unfortunately, the measure died in the Senate Rules Committee during the final hours of the Fifteenth Legislature.

The bill has been endorsed (as HB 244) by the City Council of Homer, by the Kenai Peninsula Borough Assembly, and by numerous citizen's groups and individuals. They feel, as I do, that due to the high recreational and/or wilderness value of these lands, it is in the best public interest for them not only to be maintained as public lands, but to be managed by the Division of Parks and Outdoor Recreation.

There is one change from last year's bill - the McDonald Spit lands (some 16 acres) within HB 244 are not contained in this measure. Due to the recently revived land exchange negotiations between the State and Seldovia Native Association (SNA) for SNA's inholdings within Kachemak Bay State Park, these lands have been dropped from the bill. McDonald Spit has potential for inclusion as part of a pool of lands offered to SNA as part of the exchange.

I respectfully urge the House Resources Committee's favorable consideration of House Bill 8.

JUSTIFICATION SUMMARY

NUKA ISLAND AND NUKA UPLANDS: 42,092 ACRES +/-

Nuka Island has been identified in the U.S. Congressional Record for inclusion within the boundary of the Kenai Fjords National Park. As state land, it obviously cannot be part of Kenai Fjords, but this is a good illustration of the nationally significant values this island area possesses.

(As a matter of fact, the February 1988 edition of Alaska Magazine contains an article on the Kenai Fjords National Park. The article and its accompanying illustrations still indicate Nuka Island and a portion of the Nuka uplands as part of the national park.)

Some of the significant values are:

- * The area has some of the most varied life representation of littoral and sub-littoral marine ecosystem along the Kenai Fjord area.
- * The outstanding scenic beauty complements hiking, fishing, boating and other similar recreational opportunities.
- * Management of a commercial lease for facility development on the west side of the island corresponds with the current Nuka Island Management Plan. Development of recreational and tourism use by the Division of Parks and Outdoor Recreation make Nuka Island the logical "jumping off" point for enjoyment of Kachemak Bay State Wilderness Park, Kenai Fjords National Park, and the island itself.
- * It is the only potential development link between Seward and Homer, via cruise ship and state ferry system, and is the only sheltered potential development site from Gore Point to Cape Resurrection that is also safe from earthquake and tsunami waves.
- * Nuka Island has been identified by the Kachemak Bay State Park Citizen's Advisory Board for inclusion into the park since 1982. The Nuka Island Management Plan, completed in December of 1986, cites the island's high recreational potential.

NOTE: The State of Alaska's settlement with the University of Alaska has been reached, and certain Nuka Island lands are a part of this settlement. Two sites, which are available for commercial lodge development under the Department of Natural Resources' Nuka Island Management Plan, will be transferred to the University. These consist of approximately 25 acres at Herring Pete's Cove, and 25 acres at either Mike's Bay or Home Cove. The sites were to be selected by January 1, 1989, with conveyance subject to the conditions set forth in the management plan. At this writing, staff is making inquiries to ascertain if the University has finalized its selection of those sites. In any event, provisions are made in HB 8 for the tentative sites.



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Habitat	BILL NUMBER HB8	SPONSOR Navarre, Swackhammer, & Ellis	
SHORT TITLE OF BILL Kachemak Bay State Park and Wilderness Park				
DEPARTMENT POSITION Qualified Support				
PREPARED BY Frank Rue, Dir., Habitat Div.	DATE 1/18/89	COMMISSIONER'S SIGNATURE <i>Robert W. Riley</i>		DATE 1/19/89

SUMMARY

OTHER AGENCIES AFFECTED BY BILL Department of Natural Resources	CONSTITUENT GROUP(S) AFFECTED BY BILL Recreational & commercial fishermen Home and Southcentral Area Residents
ORGANIZATIONAL SUPPORT FOR BILL Unknown	ORGANIZATIONAL OPPOSITION TO BILL None known

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

The intent of this bill is to expand the Kachemak Bay State Park and Kachemak Bay State Wilderness Park to include more lands along Kachemak Bay, Nuka Island, sections of the outer/southern Kenai coast, and Cottonwood Creek/Eastland Creek area on the north shore of Kachemak Bay. It is also the intent of this bill to provide for the management of Aurora Lagoon as both a scenic park and as a critical habitat area.

ANALYSIS OF BILL/PROGRAM EFFECTS

The bill has the effect of establishing joint management of Aurora Lagoon as both a state critical habitat area (which it already is under AS 16.20.590) and as a scenic park. It assigns management of Aurora Lagoon to both the Department of Natural Resources and the Department of Fish and Game. It is the understanding of this department that commercial fishing activities and freedom of navigation shall in no way be limited in Aurora Lagoon as a result of this legislation and that mariculture may be allowed in Aurora Lagoon.

AMENDMENTS PROPOSED

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

FISCAL NOTE

REQUEST:

Revision Date: 4/20/88
 Title: Addition to Kachemak Bay State Park
 Sponsor: Navarre/Swackhammer
 Requestor: House Resource Committee
 Agency Affected: DNR
 BRU: Park Management
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		16.5	16.5	16.5	16.5	16.5
TRAVEL		.5	.5	.5	.5	.5
CONTRACTUAL		1.0	1.0	1.0	1.0	1.0
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT		1.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		20.0	19.0	19.0	19.0	19.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		20.0	19.0	19.0	19.0	19.0
FEDERAL FUNDS						
OTHER						
TOTAL		20.0	19.0	19.0	19.0	19.0

POSITIONS:

FULL-TIME						
PART-TIME		1	1	1	1	1
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

HB 8 provides for additions to Kachemak Bay State Park and Wilderness Park of important public access points, scenic and recreational values, marine and upland habitat and areas which will enhance the tourism potential of the area.

Prepared by: Neil C. Johannsen Phone: 762-2600
 Division: Parks & Outdoor Recreation Date: 1/17/89

Approved by Commissioner: Lennie Gorsuch Date: 1-19-89
 Agency: Department of Natural Resources

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

received
1-19-89

Position Title Park Ranger I		No. of Positions	Range/Step 14A	Barg. Unit GGU
Time Status PPT	Staff Months 5	Location Homer		Election District D, 5-A
Type of Expenditure		Amount		
1	2	3		
Salary	12.2			
Benefits	4.3			
Premium Pay				
Other				
Total Personal Services		16.5		
Travel		.5		
Contractual		1.0		
Commodities		1.0		
Equipment		1.0		
Other				
Total Cost		20.0		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	20.0		
I-A Receipts	1006			
CIP Receipts	1061			
Other				

Justification

HB 8 - Funding for a five-month seasonal Park Ranger I to be stationed in Homer. The ranger will be responsible for visitor services, resource protection, recruiting and supervising volunteers, park development and emergency services. Access to the park is primarily by water and visitors often encounter difficult tidal and weather conditions. The ranger provides essential public safety services and visitor information.

**Request For
New Position**

Agency NATURAL RESOURCES
 BRU Parks & Outdoor Recreation
 Component Parks Management

FY 90

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 Revised Date 1/17/89