

LEGISLATIVE FINANCE-HOUSE/SENATE FINANCE COMM. FILES 8879

HB 428 cont. 524 115

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

HOUSE FINANCE COMMITTEE



House of Representatives

FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

Medicaid Services by Priority	Recipients	FY 91 Request
1. Chiropractic	0	0
2. Adult Dental	2,208	1,585
3. Emergency Hospital Services	0	0
4. Speech, Hearing & Language Disorders	324	213
5. Optometrists Services & Eyeglasses	4,937	1,392
6. Occupational Therapy	40	446
7. Prosthetic Devices	216	855
8. Medical Supplies @ Equipment	358	855
9. Clinic Services Incl Mental Health Clinics	1,503	6,258
10. Physical Therapy	243	192
11. Personal Care	103	1,265
12. Prescribed Drugs	19,973	6,175
13. Non- Institutional Long Term Care	0	0
14. Inpatient Psychiatric Services (incl. API)	75	7,482
15. Intermediate Care for the Mentally Retarded	121	9,698
16. Intermediate Care Services	469	37,123
17. Pregnant Women and Children 5 & under (healthy baby fed mandate)	5,654	15,990
18. Individuals Under 21 Not Eligible for AFDC	7,122	15,160
19. Skilled Nursing Services for Individuals under 21	17	957
20. Aged, Blind and Disabled Individuals	9,684	71,536
21. Individuals in a Hospital, Skilled or Intermediate Care Under 300% SSI level	143	5,364
22. Individuals Under 21 Under Supervision of the Department of H&SS	1,802	6,700

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REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

# Alaska State Legislature



House of Representatives

SOLDOTNA  
312 TYEE STREET  
SOLDOTNA, ALASKA 99689  
(907) 262-7841

JUNEAU  
BOX V  
JUNEAU, ALASKA 99811  
(907) 465-2689

## MEMORANDUM

TO: Representative Ron Larson, Co-Chair  
Representative Lyman Hoffman, Co-Chair  
House Finance Committee

FROM: Representative C.E. Swackhammer, Vice-Chair  
House Finance Committee

DATE: February 9, 1990

TOPIC: HB 428 Supplementals/Department of Law

A handwritten signature in cursive script, appearing to read "Swack", written over the "FROM" line of the memorandum.

The following explains the requests for supplementals pertaining to the Department of Law.

I recommend Section 10 and 11 be expedited as soon as possible. These are court-awarded costs and, as a practical matter, they are outside the control of the State. Late payment of court awarded costs is subject to statutory interest at the rate of 10.5 percent, per annum. Underfunding these costs will result in the State paying unnecessary interest costs.

### Sec.10 Judgments & Claims

G/F  
222.3

This request of \$222,324.79 is to pay court mandated judgments awarded against the State for FY90. Current number of judgments in this request is 15. The amount has varied between \$4,500.00 to more than \$1.0 million in preceding years.

Following past practices, the department will seek to amend this request, when and if new judgement awards become known.

### Sec.11 Weiss V. State (Mental Health Trust Lands)

G/F  
160.0

This is to request an FY90 supplemental appropriation in the amount of \$160,000 to pay court awarded costs and fees to the plaintiffs in Weiss V. State. The Department of Law's regular FY90 appropriation available to plaintiffs' attorney fees and costs in

2/9/90  
Page 2

Weiss v. State has a current balance of \$26,966.93. Thus far, the department has received and paid court judgments, in this matter, totaling \$184,133,37 this year. Based upon the current balance and the work in progress, funds to pay court-mandated Weiss costs will be more than exhausted when the cost bill is received for January.

This request includes an FY89 shortfall (approximately \$100,000), the FY90 miscellaneous deduction, and funds to fully cover plaintiffs' costs and fees anticipated for this year.

<u>Sec.12</u>	<u>Sheffield Impeachment Hearing Legal Fees</u>	G/F <u>302.7</u>
---------------	---	---------------------

This is to request \$302,683 to pay for professional services rendered in connection with the Juneau Grand Jury and impeachment proceedings conducted by the Alaska State Senate in 1985.

The States' AG office was unable to provide legal assistance to Governor Sheffield since it conducted the Grand Jury investigation recommending the legislature take action.

Currently, there is not existing statutory authority which would authorize disbursement of this supplemental request. The Administration has drafted a bill relating to legal expenses of public officials to address this issue.

I recommend this receive routine supplemental funding.

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

Alaska State Legislature

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House of Representatives

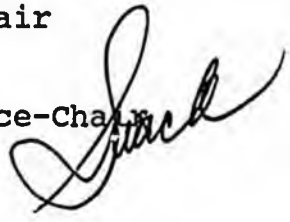
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(907) 465-2689

MEMORANDUM

TO: Rep.(s) Larson and Hoffman, Co-Chairs  
House Finance

FROM: Rep. C.E. Swackhammer, Vice Chair

DATE: February 9, 1990

TOPIC: Supplemental Requests

The following are recommendations regarding the Supplemental Requests for Public Safety and Corrections as found in HB 428.

HB 428 - Supplementals DEPARTMENT OF PUBLIC SAFETY

Sec. 36                    Increased Contract Jail Costs                    440.4

This is to fund shortfalls in jail contracts. Kodiak, Kotzebue and Dillingham only had 9 months funding committed to them. They have threatened to close their doors March 31, 1990. This request also includes 127.5 for state sponsored liability insurance.

This should be funded through routine supplemental request.

Sec. 37                    Increased Serology Evidence Testing                    83.1

This is to fund an existing vacant serology position. Without this, DPS will have to revert back to using FBI services which puts a 6-8 month time lag. The results of serology evidence very often reduces the chance of a case going to trial because of the test impacts.

This should receive immediate funding to avoid unnecessary delays in evidence testing. Serology fluids decrease in "readability" if time delays occur.

Sec. 38                    Shortfalls in Criminal Record Systems                    58.1

This funding will allow existing staff to remain. Without funding, local police will have to be billed to cover the service.

This should receive routine supplemental funding.

Sec. 39                      Maintain Access to NCIC                      137.9

This is broken down into the following:

NCIC	40.1
AAFIS	73.2
WIN	24.6

The FBI found DPS out of compliance with NCIC training and audit.

DPS had to move admin. staff into AAFIS to support the function because the 2.7 million AAFIS CIP was not accompanied by new operating funds. Not funding would increase backlog.

WIN funds are for the hook up fees to the rest of the western states which means access to 12,000,000 sets of fingerprints.

All of the police departments in Alaska depend on these services.

This should receive immediate supplemental funding to enable compliance with NCIC mandates, keep communication lines open and avoid local police departments from being charged for services.

Sec. 40                      MV Veterans' License Plates                      21.8

This will eventually generate revenue, it's being researched.

This should not be funded at this time, currently, this is being scrutinized for potential G/F revenue generation.

HB 428 - Supplementals                      DEPARTMENT OF CORRECTIONS

Sec. 41                      Permanent Fund Reimbursement                      1,500.0

1988 legislation passed which disallowed Permanent Fund Dividends to certain felons. The budgets of Public Safety and Corrections were increased by 1500.0 because of the new law. A superior court ruled this unconstitutional. With the advent of appeal to the Supreme Court, an interest bearing trust fund was established for the above amount, pending the appeals decision. This request addresses this.

Funding of this supplemental request is not recommended at this time. The issue is currently being investigated and legislation is forthcoming which also addresses this concern.

Sec. 52                      Major Medical Shortfall                      1,600.0

This is routinely underfunded and DOC has no absolute control over the expenses incurred during any given fiscal year.

This supplemental should receive immediate consideration because, routinely, Corrections has to stop making payments to the medical

field due to lack of funds, there is a potential for 1 and penalty charges stemming from late payment.

Sec. 53                      Maniilaq Shortfall                      250.0

Maniilaq, a social services program, was intentionally underfunded because of low numbers of individuals receiving treatment. At the time of funding, it was averaging approximately one person a day. Underfunding forced Maniilaq into reassessing their program. This has led to a major increase in activity. Currently, the program is serving an average of 7 to 8 people a day.

This should receive routine supplemental funding.

Sec. 54                      Outstanding Arbitration Costs                      25.3

This is broken down into two segments:

Withdrawn Leave 19.3  
Legal Fees                      6.0

Arbitration re: demotion of PO's in Anchorage was won by the state. However, the arbitrator allowed the PO's to withdraw annual leave in the amount of 19.3. There were legal fees attached to the case in the amount of 6.0.

This should receive routine supplemental funding. This recommendation was established after assurance that other funds had not been identified.

REPRESENTATIVE  
C.E. "SWACK" SWACKHAMMER

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### M E M O R A N D U M

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# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

HB 428  
STEVE COWPER, GOVERNOR

P.O. BOX K—STATE CAPITOL  
JUNEAU, ALASKA 99811-0300  
PHONE: (907) 465-3600

April 23, 1990

Honorable Ron Larson, Co-Chair  
House Finance Committee  
P. O. Box V  
Juneau, AK 99811

Dear Representative Larson:

During budget hearings regarding the oil and gas litigation supplemental, I indicated that there was a strong effort to force a major postponement in the trial date of the North Slope royalty case (better known as the "Amerada Hess case", though Amerada Hess has settled with the state). I now have the unpleasant duty of advising you that the court has ordered a delay in the trial date until at least April 1991.

I bring this matter to your attention in part because the Department of Law's FY 1991 litigation budget was predicated upon the trial date beginning in October 1990. It is now apparent that we will be approaching the 1991 Legislature with a further supplemental request to cover the remainder of FY 91.

The legislature should also expect the FY 92 budget to reflect litigation costs in the royalty case. This is because, even if the trial were to begin in April, it would surely carry over into the following fiscal year. The court has not fixed the final trial date and has only determined that it will not occur before April 1991. The producer defendants are urging a delay in the trial until January 13, 1992.

I have directed Wil Condon and his staff to continue to vigorously oppose major delay. Argument has now been scheduled for May 3, 1990, before Judge Carpeneti.

Despite these setbacks, the efforts of our litigation team are compelling more producers to open serious settlement discussions. The negotiations that are presently being conducted are attempting to deal not only with the years directly in dispute (1977-86), but with the intervening years as well, along with a methodology to resolve valuation issues in the future so that resort to litigation and lengthy delays in payment are avoided.

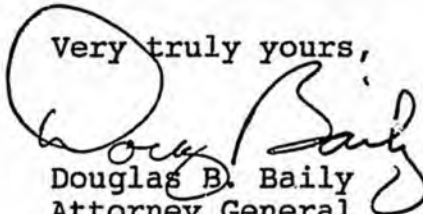
Honorable Ron Larson, Co-Chair  
House Finance Committee

April 23, 1990  
Page 2

Finally I am pleased to report that the United States Supreme Court refused today to review the producers' petition for certiorari to the Ninth Circuit Court of Appeals. This means that we should expect no further federal impediment to a trial in Alaska state courts.

I am, of course, prepared to meet with you at any time to discuss the matters raised in this letter in more detail. In any case, I will keep you informed of further developments respecting the trial schedule.

Very truly yours,



Douglas B. Baily  
Attorney General

DBB:BMB:tg



Alaska Court System  
State of Alaska

STEPHANIE J. COLE  
Deputy Administrative Director

OFFICE OF ADMINISTRATIVE DIRECTOR  
303 K STREET  
ANCHORAGE, ALASKA 99501

(907) 264-8230

March 16, 1990

Arthur H. Snowden, II  
Administrative Director  
Alaska Court System  
303 K Street  
Anchorage, Alaska 99501

Dear Art:

The attached fiscal note reflects the financial impact the court anticipates from the Amerada-Hess litigation.

State of Alaska vs. Amerada Hess, et. al. involves the State of Alaska and approximately fourteen oil companies. The case was filed in 1977 in the Juneau Superior Court. The main issue in the case is the valuation of royalties due to the State of Alaska for oil pumped through the Alaska pipeline since its completion.

Trial in the case is currently scheduled to commence in April 1991 and is expected to last for six to eight months. There are eight lead attorneys in the case at this point, and to date approximately one million documents have been submitted. Because of the enormous magnitude of the case, the assigned trial judge is expected to devote approximately four months of work to pretrial matters, in addition to his time presiding over the trial.

The fiscal note reflects the expenses of utilizing pro tem judicial resources to handle the Juneau caseload for the period of time the judge assigned to this case will be unavailable for other purposes. The note also reflects other expenses necessitated by the complexity and length of the case, including a law clerk who will be assigned solely to assist the judge in his consideration of the multitude of legal issues and a legal technician to organize documents and provide paralegal level services.

Arthur H. Snowden, II  
March 16, 1990  
Page 2

In addition to personnel costs, funds are requested to cover extraordinary jury fees, additional copy machine and telephone expenses, and equipment needed to support the additional positions.

Very truly yours,

*Stephanie Cole*

Stephanie J. Cole  
Deputy Administrative Director

SJC:bh

Att.

**Alaska Court System**  
**Amerada Hess Case**  
**Supplemental Operating Budget Request**  
**FY 90, FY 91 & FY 92**

<u>Expenditure Category</u>	<u>Fiscal Year Cost Distribution</u>			<u>Total Cost</u>
	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92 *</u>	
<u>Personal Services</u>				
	<i>(Full Period of Employment)</i>			
<u>Position</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>	
Law Clerk	\$46,455	\$3,857	\$50,312	\$5,300
Clerk Typist	20,295	1,883	21,978	0
In-court Clerk	20,820	1,740	22,560	0
Legal Technician	39,558	3,308	42,864	4,500
Pro Tem Judge	4,429	2,646	7,075	0
Total Personal Services				
	<u>9,800</u>	<u>88,100</u>	<u>49,000</u>	<u>144,900</u>
<u>Travel</u>				
Judicial coverage of Juneau caseload provided by pro tem judge and judges from other 1st district courts				
Per diem at \$80/day for 30 days a month for 11 months	0	8,100	13,500	21,600
Transportation:				
Round trip airfare from 1st Judicial District courts at \$400 for 2 trips/month for 11 months	0	1,400	2,300	3,600
Total Travel	<u>0</u>	<u>9,500</u>	<u>15,800</u>	<u>25,200</u>
<u>Contractual</u> <i>(During trial period)</i>				
Extraordinary jury fees at \$25/day for 18 jurors for 22 days a month for 8 months	0	29,700	49,500	79,200
Rental copy machine at \$300/month for 8 months	0	800	1,300	2,100
Temporary telephone service at \$200/month for 8 months	0	600	1,000	1,800
Total Contractual	<u>0</u>	<u>31,100</u>	<u>51,800</u>	<u>82,900</u>
<u>Equipment</u>				
Equipment for positions	<u>8,600</u>	<u>3,500</u>	<u>0</u>	<u>12,100</u>
Grand Total	<u>\$18,400</u>	<u>\$130,200</u>	<u>\$116,600</u>	<u>\$265,100</u>

\* Court will include FY 92 funding requirements in FY 92 operating budget request.



Official Business

# Alaska State Legislature

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

March 12, 1990

Governor Steve Cowper  
P. O. Box A  
Juneau, AK 99811

Dear Governor Cowper:

We expect final action on SB 396 to occur in the very near future. Among other things, there is a \$2 million appropriation to the Disaster Relief Fund contained in the legislation.

Two current emergencies appear to require immediate attention: the Stebbins School fire and the high rate of mortality of moose in south central Alaska.

We hereby request your office to expend money from the Disaster Relief Fund to address these emergencies. We will support the replenishment of those funds in a later appropriation measure.

Sincerely,

Handwritten signature of Sam Cotten.

Representative Sam Cotten  
Speaker of the House

Handwritten signature of Tim Kelly.

Senator Tim Kelly  
Senate President

SC/TK/jmk

# MEMORANDUM

State of Alaska

HB 428

TO: Allison Elgee, Director  
Division of Budget Review  
Office of Management and Budget

DATE: March 5, 1990

OMB-NDTR

FILE NO.:

465-4604

THRU:

TELEPHONE NO.:

SUBJECT:

Broadcasting  
Emergency  
Disaster  
ADN 0900156

FROM:

*J Morrison*  
Jeff Morrison, Director  
Administrative and Support Division  
Department of Military and  
Veterans Affairs

The Department of Military and Veteran's Affairs, Alaska Division of Emergency Services, requests authority to expend a total of \$130,000 for disaster relief. This request is to provide disaster relief to Bethel TV Station KYOK for loss of its antenna. This disaster was declared February 22, 1990 and gives the Director of the Alaska Division of Emergency Services the authority to utilize funds for this disaster in such amounts as considered necessary. This is the eleventh disaster declaration in FY90. The budget transaction is ADN 0900156, Batch 412884-1.

The current fund balance is calculated below:

Cash Balance (less Liabilities)	7,401,324
General Fund Balance of Open Disasters	<u>6,969,671</u>
Available Fund Balance	431,653
Broadcasting Emergency (ADN 0900156)*	<u>130,000</u>
Fund Balance *(Pending OMB approval)	<u><u>301,653</u></u>

Your prompt approval of this request is appreciated. Thank you for your assistance in this matter.

## Attachments

cc: Ervin Paul Martin, Director, Alaska Division of Emergency Services  
Raydene Garrison, Finance Officer, Administrative and Support Division  
Roger Lavine, Legislative Fiscal Analyst  
Senator Kerttula  
Senator Frank  
Senator Kelly  
Senator Coghill  
Representative Larson  
Representative Gruenberg  
Representative Martin  
Representative Foster



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

DECLARATION OF AN IMMINENT EMERGENCY

WHEREAS, the antenna for public television station KYUK in Bethel has failed and if not replaced, the station will go off the air; and

WHEREAS, KYUK is the Emergency Broadcast System station for the Bethel/Kuskokwim region; and

WHEREAS, if the station goes off the air, timely warnings and alerts will not be provided to residents of the area and may result in loss of life or damage to property; and

WHEREAS, KYUK has indicated that the situation is beyond their funding ability to provide necessary relief and has requested state assistance; and

WHEREAS, the public radio station KDLG and public safety in Dillingham are without emergency power generation; and

WHEREAS, KDLG is the Emergency Broadcast System station for Dillingham and the Aleutian Islands, and Public Safety; Dillingham is an essential node of the National and Alaska Warning System; and

WHEREAS, if KDLG and public safety in Dillingham go off the air, timely warning/alert will not be available; and

WHEREAS, KDLG and public safety in Dillingham have indicated that the situation is beyond their funding ability to provide necessary relief and has requested State assistance;

NOW, THEREFORE, on this 22nd day of February, 1990, under the authority granted by the Alaska Statutes, Sections 26.23.20 and 44.19.040 (c), I hereby declare that a condition of imminent emergency exists regarding the Public Broadcasting System in Southwest Alaska and the potential threat of failure is of sufficient severity and magnitude to warrant an imminent emergency declaration in order to provide assistance.

FURTHER, the Director, Alaska Division of Emergency Services, is hereby authorized to utilize funds made available for these purposes in such amounts as considered necessary for disaster assistance and necessary administrative

*Pub w/ Supplemental  
5*

*#B 428*



February 21, 1990

**Duty Free Shoppers  
ALASKA DIVISION**

Representative G.E. Swackhammer:  
Alaska State Legislature  
P.O. Box V (MS 3100)  
Juneau, Alaska 99811

Dear Representative Swackhammer:

International tourism within Alaska has been hit hard by Mt. Redoubt. Over seven million dollars has already been lost in Anchorage Airport concessionaire revenues. As Redoubt continues to erupt, like this morning, additional flight cancellations continue to increase this loss.

As additional "fallout" several airlines are moving up their overflight timetable to pull out of Alaska as soon as possible. Korean Airlines, for one, now plans to pull all Alaska transiting Korea to Europe flights as of March 25. On an annualized basis this represents almost 1,000 flights lost through Alaska and will not only directly affect airport system concessionaire revenues but Alaskan jobs and airport system revenues dramatically.

International tourism has already played an important role in building Alaska infrastructure. It has been the basis of airport expansion and growth through international concessionaire contributions. It has kept Anchorage's hotel infrastructure alive through the winter by providing crew occupancy. A hotel infrastructure, that if affected in the winter, will cut back infrastructure growth potential for domestic tourism in the summer for both Anchorage and bush communities. It has subsidized airport landing fees for domestic air travel by providing, again through concessionaires, over 60% of total airport operating cost coverage. A subsidy that when lost will increase the cost for all air travel through the state for residents and domestic tourists alike.

We need to make sure this support from international continues. We need to start building international tourism as a destination business, not just a transit flight business. And, we need to do these things now.

**Duty Free Shoppers Limited Partnership/Alaska Division**  
Anchorage International Satellite Terminal, Anchorage, Alaska 99502 U.S.A.  
Mailing Address: P.O. Box 190205, Anchorage, Alaska 99519-0205 U.S.A.  
Telex: 31425195 Cable: Dutyfree Anchorage Phone: (907) 243-0445

Page two  
Tourism  
February 21, 1990

You can help in this effort. As you are exposed to supplementary funding for international tourism, I urge you to give it your full support.

Supplementary funding will give the Department of Tourism a "jump start" on the following action points already identified within DOT's strategic plan but with no current funding to pursue.

1. Work to develop Alaska destination seat capacity with current carriers.
2. Work to develop Alaska charter flights to create market demand.
3. Implement a study of key international markets to define specific opportunities.
4. Implement Alaska awareness advertising campaigns to target travel agents and target markets.
5. Educate Alaska state industry on how to develop tour packages catered to international tourism.

Supporting international tourism protects current state travel and tourism infrastructure and invests in what could be a fast growing state industry. Thank you for your support.

Sincerely,



Auguste K. Robinson  
Vice President, Operations  
Alaska Division

AKR/fkf

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## OFFICE OF THE GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

### OFFICE OF MANAGEMENT AND BUDGET DIVISION OF BUDGET REVIEW

February 7, 1990

The Honorable Kay Wallis  
Chairman, Department of Commerce and  
Economic Development Subcommittee  
House Finance Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Wallis:

You have requested the Administration's position regarding additional funding for the Division of Tourism and the Alaska Tourism Marketing Council for FY90, as proposed by the Labor and Commerce Committee in House Bill 431.

House Bill 431 proposes three appropriations: \$1,800.0 for international airport marketing; \$2,000.0 for domestic tourism marketing; and \$200.0 for the 1990 International Travel Fair. All of the above appropriations are for FY90, and would lapse June 30, 1990.

The Administration must consider all appropriations above those proposed by the Governor in the context of the total spending plan adopted by the legislature. At this time it appears that the revenues available to the state are sufficient to be able to support these appropriations, however, there are many other proposals for state spending also under consideration by the legislature which could change this outlook. Therefore, it is impossible at this time to do more than indicate that on the merits of these proposals, there is no objection. Any objection of these proposed levels of spending would be in the context of the total state spending plan. It is also impossible to say at this time that we could approve continuation of any or all of these items as increased funding for FY91.

The subcommittee may wish to discuss the advisability of appropriating sums of these magnitude which must be expended or obligated prior to the end of the current fiscal year. It is difficult to adequately plan and address additional marketing efforts under such a short time frame with assurance that the

The Hon. Kay Wallis

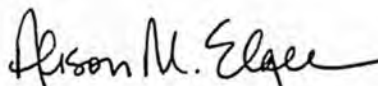
2

February 7, 1990

decisions are made wisely and the funds best put to use for the long term interests of the state. In addition, marketing the international airport has recently been complicated by the eruptions of Mt. Redoubt. Finally, it is our understanding that the planning for the International Travel Fair would be begun in FY90, but the proposal includes expenses which will continue into FY91.

If I can be of further assistance, please contact me.

Sincerely,



Alison M. Elgee  
Director

AME/lb

# STATE OF ALASKA

## DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

January 29, 1990

DIVISION OF TOURISM

STEVE COWPER, GOVERNOR

P. O. BOX E  
JUNEAU, ALASKA 99811-0800  
PHONE: (907) 465-2010

TELEX: 45331

To: Representative Loren Leman  
Alaska House of Representatives

From: Dana Brockway, Director  
Division of Tourism

Subject: House Bill 431

Per your request for additional information on program proposals contained in the divisions response to Representative Dave Donley of January 9, 1990. That request asked the division to prepare a plan outlining how the division would use a \$1.8 million supplemental appropriation for international airport marketing during the remainder of FY90.

### Situation

For the past two years, the Division of Tourism has increased its' efforts to develop international tourism markets focussing particularly on Japan and the German speaking countries of Europe. These efforts when combined with those of other organizations and agencies have resulted in steady growth in the numbers of visitors from those markets. Concurrent with that growth however, has been the steady decline in the number and frequency of international flights transiting Alaska on Asia/Europe routes.

In recognition of both the potential that exists in international markets and the importance of seat capacity to continued growth, the division has aggressively pursued commitments to seat allocations and turn around service with international air carriers while increasing sales contact with international tour producers.

We have had some initial successes in adding seat availability which will add capacity to and from Alaska and have developed increasing consumer awareness of Alaska as a destination. We have had set backs as well. Most notable of those has been the sporadic eruptions of Mt. Redoubt. During this time international transiting flights have been disrupted to a much greater degree than domestic flights. The ready availability of Soviet airspace demonstrated during this period has added new incentive to airlines to move up any plans to change routings.

Additional funding during FY90 would allow the division, working with the Alaska International Airport System to accelerate our efforts to secure seat allocations, support consumer advertising prior to summer 1990, and establish a fund for joint promotions with airlines committing to provide seats to and from Alaska.

Goal

Increase the capacity on international air routes allocated to Alaska service from overseas markets and correspondingly develop heightened consumer awareness of Alaska as a destination.

Strategies

1. Increase direct contact with international air carriers and conduct familiarization tours for decision makers in airlines and tour companies.
2. Develop presentation materials, consumer advertising and tour models to support carrier negotiations and create consumer demand.
3. Establish a cooperative air route promotional fund to market Alaska in conjunction with carriers and tour producers.

Budget

1. Increase contact with carriers and conduct showcase tours:  
Travel.....35.0  
Tour producers fam trips.....50.0
2. Develop collateral materials, produce and place advertising  
Presentation video.....30.0  
Printing.....20.0  
Ad production.....15.0  
Ad placement(Germany).....100.0  
Ad placement(Japan).....100.0  
Public relations.....50.0  
Travel writers fams.....45.0
3. Establish a cooperative air route promotional fund.  
consumer print and television  
advertising to support seat  
allocations and charter flights  
.....1,355.00

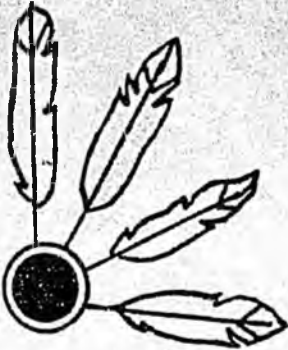
Summary

The budget above is based on estimates of the actual costs that would be incurred by various program components. The establishment of a contingent promotional fund would provide for almost immediate execution of the marketing programs that would be necessary to ensure the viability of carrier committed space on flights.

The additional programs would undertaken to create demand in the travel trade and consumer marketplace.

FEB 01 1990

HB 428



# KYUK

BETHEL BROADCASTING, INC.

Pouch 468 Bethel, Alaska 99559 (907) 543-3131 Fax: 543-3130

January 25, 1990

Lyman Hoffman  
P.O. Box V  
Juneau, AK 99811

Dear Lyman:

As stated in the attached reports, KYUK's TV antenna failed on December 14th. Upon investigation, the antenna was found to be heavily corroded with cracked junction boxes. The failure caused the television transmitter to shut down because of water that had been sucked into the antenna elements. Attempts were made to seal the leaks and repressurize, but they failed. The connectors could not be tightened, due to further cracking.

This antenna was manufactured in 1957 and bought used and installed in 1974 by KYUK. For nearly 20 years, the antenna has gone with minimal maintenance while enduring some of the harshest weather on earth. The company that manufactured the antenna, G.E., no longer constructs or maintains antennas. Other companies have indicated that because of the age and condition of the antenna, it can not be reharnessed or refurbished.

At the present time the antenna cannot be pressurized, due to cracks, and still has water in the elements and junction boxes. The cold temperatures have frozen the water so the transmitter can be operated. As soon as the weather warms up, KYUK TV will have to operate in an altered pattern in order not to damage the transmitter.

This antenna must be replaced this summer (1990) or we will go off the air by fall. This is an Emergency Broadcast System in Southwest Alaska.

KYUK is requesting that an appropriation of 125 thousand dollars be made for this antenna replacement project. The request for funds for this antenna replacement has been made for the last 3 years. KYUK is at the point now where replacement is a necessity and not part of a preventive maintenance schedule.

KYUK is requesting your support in this emergency capital request. If you have any questions or concerns, please feel free to contact me or KYUK's engineering staff.

Thank you for your time in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "John McDonald".

John McDonald  
General Manager  
KYUK TV/AM

BETHEL BROADCASTING KYUK-TV  
ANTENNA FAILURE REPORT AND ANTENNA REPLACEMENT PROPOSAL

JANUARY 26, 1990

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ENGINEERS REPORT ON ANTENNA FAILURE

ATTACHMENT 1: PROPOSED BUDGET FOR ANTENNA REPLACEMENT

ATTACHMENT 2: TOWER RIGGERS REPORT ON ANTENNA FAILURE

ATTACHMENT 3: QUOTATIONS FROM VENDORS AND CONTRACTORS

## KYUK-TV ANTENNA FAILURE REPORT

SUBMITTED BY JAMES B. HUMELSINE, CHIEF ENGINEER

ON DECEMBER 14, 1989 KYUK TELEVISION WAS UNABLE TO GO ON THE AIR DUE TO HIGH VSWR TURNING OFF THE TRANSMITTER. UPON INITIAL INVESTIGATION, I FOUND THAT WE HAD A SHORT IN ONE OF THE TRANSMISSION LINES. I HAD NOTED THE VSWR INCREASING AS THE OUTSIDE TEMPERATURE INCREASED, BECAUSE IT WAS ABOVE FREEZING I SUSPECTED THAT WATER HAD INFILTRATED THE SYSTEM. THE REASON IT HAD NOT BEEN NOTICED EARLIER WAS THAT ICE DOES NOT CONDUCT ELECTRICITY, AND THAT HAD MASKED THE PROBLEM. THE WATER PROBABLY GOT INTO THE SYSTEM WHILE I WAS OUT AFTER I INJURED MY HAND.

WE CALLED IN A TOWER RIGGER TO INSPECT THE ANTENNA SYSTEM. HIS ARRIVAL WAS DELAYED FOR SEVERAL DAYS DUE TO THE VOLCANIC ACTIVITY OF MT. REDOUBT, THIS PROVED TO BE DETRIMENTAL, BECAUSE THE WEATHER TURNED QUITE COLD, IN THE MEAN TIME. WHEN THE RIGGER ARRIVED HE WENT UP AND DISCONNECTED THE TRANSMISSION LINE FROM THE ANTENNA, AND DISCOVERED AN ICE SLUG IN ONE SIDE OF THE ANTENNA. THE SLUG WAS APPROXIMATELY TWO INCHES LONG AND THE DIAMETER OF THE TRANSMISSION LINE. THE SLUG WAS REMOVED AND THE INSIDE OF THE LINE WAS DRIED, BY APPLYING HEAT TO THE LINE FOR A PERIOD OF TWENTY FOUR HOURS. THIS PROCESS WAS REPEATED ON THE OTHER SIDE OF THE ANTENNA. THE CONNECTORS ON THE ENDS OF THE TRANSMISSION LINES WERE THEN REPLACED AND THE SYSTEM WAS THEN TESTED. WE WERE THEN ABLE TO GO BACK ON THE AIR WITH FULL POWER AND HAVE REMAINED ON THE AIR SINCE. EVEN THOUGH THE VSWR INCREASES SUBSTANTIALLY WHEN THE TEMPERATURE RISES ABOVE FREEZING. THIS IS AN INDICATION OF THE CONTINUED PRESENCE OF MOISTURE IN THE SYSTEM. THE FACT THAT WE ARE ON THE AIR IS DUE TO THE COLD AND DRY WEATHER, IT IS MY OPINION THAT AS WE MOVE ON TO SPRING THIS CONDITION WILL CONTINUE TO DETERIORATE.

THE CONDITIONS THAT CAUSED US TO GO OFF THE AIR BEGAN WHEN THE ANTENNA WAS INSTALLED. BROADCAST ANTENNA SYSTEMS ARE PRESSURIZED WITH DRY NITROGEN. THIS PROVIDES A BARRIER AGAINST MOISTURE. IF A LEAK DEVELOPS IN THE SYSTEM THE WATER IS KEPT OUT BY THE GAS ESCAPING FROM THE HOLE. THE KYUK TV ANTENNA SYSTEM WAS INSTALLED WITH A GAS BARRIER AT THE TOP OF THE TRANSMISSION LINE. THIS PREVENTED THE ANTENNA FROM BEING PRESSURIZED, AND ALLOWED THE WATER TO ENTER THE SYSTEM, WHEN A LEAK DEVELOPED.

THE LEAK IN THE ANTENNA WAS APPARENTLY CAUSED BY CORROSION AND AGE. WHEN THE ANTENNA WAS PURCHASED IT WAS USED AND WAS ALREADY FIFTEEN YEARS OLD. THE ANTENNA IS NOW THIRTY TWO YEARS OLD AND IN POOR SHAPE. IT SUFFERS FROM HEAVY CORROSION TO THE MAST, AND THE ELECTRICAL COMPONENTS ARE QUITE BRITTLE FROM AGE. THE MANUFACTURER OF THE ANTENNA WAS GENERAL ELECTRIC, AND THEY HAVE SINCE CLOSED UP SHOP IN THE BROADCAST EQUIPMENT BUSINESS. SO WE ARE UNABLE TO GET ANY TYPE OF MANUFACTURER SUPPORT.

I CONTACTED OTHER ANTENNA SUPPLIERS ABOUT REHARNESSING THE ANTENNA AND THEY DECLINED TO DO THE JOB, DUE TO THE AGE OF THE MAST. THIS LEAVES US WITH ONLY ONE ALTERNATIVE, AND THAT IS REPLACEMENT.

ATTACHED TO THIS REPORT YOU WILL FIND A PRICE BREAKDOWN FOR REPLACING THE ANTENNA. THE TOTAL COST OF THE REPLACEMENT WILL BE \$125,084.00. I EXPLORED SEVERAL VENDORS FOR THE ANTENNA, ATTACHED YOU FIND QUOTATIONS FOR THEIR PRODUCTS. I SELECTED JAMPRO TO PROVIDE THE ANTENNA FOR REASONS OTHER THAN PRICE. CONSTRUCTION TECHNIQUES USED BY OTHER MANUFACTURERS, LEAVE MUCH TO BE DESIRED FOR AN INSTALLATION IN AN ENVIRONMENT LIKE BETHEL. UNLIKE OTHER MANUFACTURERS JAMPRO HOT DIP GALVANIZES ALL OF THE ANTENNA STRUCTURE. THEY ALSO USE SUPERIOR MATERIALS IN THEIR WIRING HARNESS. CONSIDERING THE CAUSE OF OUR FAILURE I FEEL THE SELECTION OF A JAMPRO PRODUCT IS THE CORRECT CHOICE. OTHER REASONS FOR THIS SELECTION IS THE LOCATION OF THEIR MANUFACTURING PLANT, WHICH IS IN SACRAMENTO, CA. THE PLANTS OF THE OTHER MANUFACTURERS ARE LOCATED IN THE MIDWEST OR ON THE EAST COAST. SHIPMENT OF A STRUCTURE OF THIS SIZE FROM A LOCATION THAT FAR AWAY PRESENTS A SUBSTANTIAL INCREASE IN THE PRICE OF SHIPPING, AND INCREASES THE CHANCE OF DAMAGE IN ROUTE. ANOTHER REASON FOR THE SELECTION OF JAMPRO IS THAT THE ANTENNA CAN BE PARTIALLY DISASSEMBLED TO ALLOW IT TO BE FLOWN IN FROM ANCHORAGE. THE OTHER MANUFACTURERS PRODUCTS WOULD BE PRECLUDED FROM AIR TRANSPORTATION BECAUSE, THEY WILL NOT FIT IN THE TYPE OF FREIGHT AIRCRAFT THAT SERVICE BETHEL.

I HAD ON MANY OCCASIONS INFORMED THE PREVIOUS MANAGEMENT THAT IF WORK WAS NOT COMPLETED ON THE ANTENNA WE RAN THE RISK OF SUFFERING SUCH A FAILURE. OUR ABILITY TO STAY ON THE AIR DUE TO THIS FAILURE IS TENUOUS, AND RAPID MOVEMENT IN PROCURING FUNDING FOR REPLACEMENT CRITICAL. IN ORDER TO MAKE AN INSTALLATION POSSIBLE THIS SUMMER WE MUST HAVE AN ORDER PLACED BY THE 23rd OF FEBRUARY. SO WE MUST MAKE EVERY EFFORT TO PROCURE A FUNDING COMMITMENT AS SOON AS IS PRACTICALLY POSSIBLE. PAYMENT FOR THIS PROJECT WILL BE DUE ON A NET 30 DAY BASIS FROM THE TIME OF DELIVERY. THAT MAKES PAYMENT DUE AROUND THE 1st OF JULY.

ATTACHMENT 1

KYUK-TV ANTENNA REPLACEMENT BUDGET

ITEM 1: ONE EACH JAMPRO JAT 4/4 FOUR BAY TV ANTENNA	\$ 73,159.00
ITEM 2: REMOVING EXISTING TELEVISION ANTENNA AND INSTALLING NEW ANTENNA ON TOWER	\$ 13,400.00
ITEM 3: SCRAPING AND REPAINTING OF TOWER	\$ 6,125.00
ITEM 4: SHIPMENT OF ANTENNA FROM SACRAMENTO, CA	\$ 19,800.00
ITEM 5: AIRFARE AND EXPENSE FOR STATION REPRESENTATIVE TO TRAVEL FROM, BETHEL, AK TO SACRAMENTO, CA FOR ACCEPTANCE OF ANTENNA	\$ 1,750.00
ITEM 6: TRANSPORTATION AND EXPENSE, FOR FACTORY SERVICE PERSONELL TO TRAVEL SACRAMENTO, CA TO BETHEL, AK FOR FINAL INSTALLATION.	\$ 5,850.00
PROJECT TOTAL	\$125,084.00

THE ABOVE LISTED PRICES HAVE BEEN DERIVED FROM QUOTATIONS FROM  
MIDWEST COMMUNICATIONS, FOR THE ANTENNA AND SHIPPING, SOUTH CENTRAL  
COMMUNICATIONS PROVIDED THE QUOTATION FOR INSTALLATION.

ATTACHMENT 2

REPORT OF ANTENNA INSPECTION

SUBMITTED BY:

BRADLEY KIFFMEYER  
SOUTHCENTRAL COMMUNICATIONS



# Southcentral

C O M M U N I C A T I O N S

34320 Tanglewood • PO Box 2316 Soldotna, AK 99669 • (907) 262-9262

January 25, 1990

Mr. Brad Humilsine  
KYUK  
Pouch 468  
Bethel, AK 99559

Dear Brad,

The following is a summary of what we found during our inspection of your TV Broadcast Antenna.

Upon our arrival you suspected water or ice had entered the antenna or transmission lines somewhere. We then disconnected the transmission lines and discovered water and ice at the base of the antenna feed point. The ice was only evident on one half of the antenna at this point. Next, we attempted to dry the antenna internally by applying forced air heat at the feed and opening the valve at the top of the transformer. We have no way of knowing how effective this procedure was. We then changed the connectors at the top of the transmission lines to facilitate pressurization of the antenna. After the antenna was pressurized, we inspected the antenna for leakage. We found small cracks in the pressurized harness at the transformer connection points. Upon further inspection it was obvious that most all the connection points on the top of the transformers were leaking or visibly weak. It appears that this weakening may be caused by vibration over the years. We also noticed considerable corrosion at these points where the aluminum lines are attached to the transformers with copper connection hardware.

We decided to attempt to temporarily repair the leakage using a metal epoxy-type product (JB Weld) with no success - probably in part at least due to the frigid temperature at the time. I also opened one of the connections and found considerable corrosion inside. I cleaned the contact as best I could and tried to open another one but decided I would do more harm than good. Because of the corrosion, the connection nut would not spin without stressing the already weakened harness.

# Southcentral

COMMUNICATIONS

-2-

Unfortunately we were unable to repair the antenna at the time. As we discussed, your options are limited. You could rebuild the antenna or replace it. Because of it's age, replacing it is probably the best solution.

Thank you for your time and consideration. If I can be of any further assistance, please don't hesitate to contact me.

Sincerely,



Bradley M. Kiffmeyer

BMK:ben

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

# Southcentral

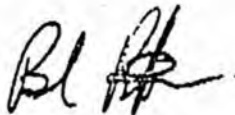
COMMUNICATIONS

-2-

Unfortunately we were unable to repair the antenna at the time. As we discussed, your options are limited. You could rebuild the antenna or replace it. Because of it's age, replacing it is probably the best solution.

Thank you for your time and consideration. If I can be of any further assistance, please don't hesitate to contact me.

Sincerely,

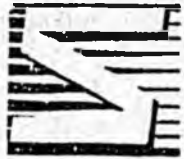


Bradley M. Kiffmeyer

BMK:ben

**ATTACHMENT 3**

**QUOTATIONS FROM VENDORS AND CONTRACTORS**



# Southcentral

C O M M U N I C A T I O N S

34320 Tanglewood • PO Box 2316 Soldotna, AK 99669 • (907) 262-9262

January 4, 1990

Brad Humilsine  
KYUK  
Pouch 468  
Bethel, AK 99559

Dear Brad,

I wanted to follow up my last visit of December, 1989 with this summary of what we did and give you some budgetary figures for what needs to be done.

As you know, with the volcano, the trip started as a fiasco and unfortunately it ended up that way too! I was sorry to discover the condition of your antenna after we pressurized it and I hope someone can suggest an alternative fix other than replacement. Although, as we discussed, that isn't likely so for your information I have these budget quotations:

Completely scrape and paint tower	\$ 6,125.00
Remove and replace TV broadcast antenna	18,400.00
BUDGETARY TOTAL:	\$24,525.00

The above quotation assumes summer time work and one site visit. This quotation provides for all materials and equipment necessary to install your antenna and paint your tower FOB Bethel, Alaska. Also assumed with this quotation is your antenna will be delivered to the base of the tower by others and will be complete and compatible for the installation.

Please accept these quotes as budgetary only. When the decision on what to do is made, and I have more information concerning the antenna and equipment availability, I will be able to save some of the cost quoted here.

Thank you for your time and consideration.

Sincerely,

Bradley M. Kiffmeyer



4632 Business Park Blvd  
Anchorage, AK 9950  
907-563-278

January 26, 1990

KYUK-TV  
Pouch 468  
Bethel, AK 99559  
ATTN: Brad Humielsine

Dear Brad,

Midwest Communications is pleased to present the following quote to you at your request.

QTY	MFG	MODEL	DESCRIPTION	UNIT PRICE
1	JAMPRO	JAT-4/4	Antenna	\$73,159.00

The antenna will be a VHF bat-wing type antenna that is tuned to Channel 4 and will have a VSWR better than 1.1:1 over the entire channel. All wings and poles will be hot dipped galvanized. The power gain will be 4.0 and have an input rating of 35 KW. The system includes: pole, dual feed (quadrature) input and range testing. It will be mounted on top of the tower. Deicers are not included, but are available if desired. Midwest will handle transportation if desired. Jampro is my suggestion for your application. The price quote is FOB Sacramento, CA and is valid for 60 days.

Transportation routing and method proposed:

-Truck to Seattle, barge to Anchorage, air to Bethel. Total cost is \$19,800.00.

Field installation engineer to test and adjust antenna after installation will cost as follows:

-Air fare and lodging-\$2,650.00.

-Pay rate in addition to above-\$800.00.

Subtotal for above: \$5,850.00

TOTAL COST FOR PACKAGE: \$98,809.00

Vendor advises to plan on four days. You may want to add a "weather day" or two.

Thank you for giving Midwest Communications the opportunity to present this quote to you. If you have any questions, please don't hesitate to call.

Sincerely,

Bob Schaeffer  
Sales Manager



4632 Business Park Blvd  
Anchorage, AK 99506  
907-563-2784

January 26, 1990

KYUK-TV  
Pouch 468  
Bethel, AK 99559  
ATTN: Brad Humielsine

Dear Brad,

Midwest Communications is pleased to present the following quote to you at your request.

QTY	MFG	MODEL	DESCRIPTION	UNIT PRICE
1	DIE	DCSC-4	Antenna	\$97,500.00

The antenna will be a VHF bat-wing type antenna that is tuned to Channel 4 and will have a VSWR better than 1.1:1 over the entire channel. All wings and poles will be hot dipped galvanized. The power gain will be 4.0 and have an input rating of 35 KW. The system includes: pole, dual feed (quadrature) input and range testing. It will be mounted on top of the tower. Deicers are not included, but are available if desired. Midwest will handle transportation if desired.

Thank you for giving Midwest Communications the opportunity to present this quote to you. If you have any questions, please don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads 'Bob Schaeffer'.

Bob Schaeffer  
Sales Manager



4632 Business Park Blvc  
Anchorage, AK 9950  
907-563-278

January 26, 1990

KYUK-TV  
Pouch 468  
Bethel, AK 99559  
ATTN: Brad Humielsine

Dear Brad,

Midwest Communications is pleased to present the following quote to you at your request.

QTY	MFG	MODEL	DESCRIPTION	UNIT PRICE
1	LDL	LDL-4	Antenna	\$159,000.00

The antenna will be a VHF bat-wing type antenna that is tuned to Channel 4 and will have a VSWR better than 1.1:1 over the entire channel. All wings and poles will be hot dipped galvanized. The power gain will be 4.0 and have an input rating of 35 KW. The system includes: pole, dual feed (quadrature) input and range testing. It will be mounted on top of the tower. Deicers are not included, but are available if desired. Midwest will handle transportation if desired.

Thank you for giving Midwest Communications the opportunity to present this quote to you. If you have any questions, please don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads 'Bob Schaeffer' with a long horizontal line extending to the right.

Bob Schaeffer  
Sales Manager



# Anchorage!

Convention & Visitors Bureau

Our Community's Way of Attracting and Serving Visitors

1900 A Street • Suite 200

Anchorage, Alaska 99501-5147

(907) 278-4118 • Telex: 553743

Fax: (907) 278-5559

Telecopier  
Transmission

to: 2/8/90 From: Sue Elanek  
Representative Only RE: Appropriation for  
Travel Fair

Following this page, please find 1 page(s). If this does not reach you in full, please inform ASAP. Our fax number is: (907) 278-5559. Thank you.

The Alaska International Airport Tourism Marketing Council (Sea Otters) along with many tourism industry businesses are willing and able to support and conduct a second Alaska Travel Fair in May, 1991. As you know, Travel Fair I hosted over 175 Japanese tour operators and industry leaders throughout the State of Alaska. Feedback from the participants indicated that this was a highly successful endeavor and many expressed the necessity for a second event of this nature. The Travel Fair not only generated strong interest from the Japanese market, it also generated considerable interest from the European travel industry.

Travel Fair II would be a combination of Japanese, Korean and European tour operators and would do much in our State's attempt to secure airline seats from both directions.

In as much as the private industry contributed over 90% of the cost of conducting Travel Fair I, it is hoped that stronger participation from the State revenues can be procured to ensure the success of Travel Fair II. To conduct the event within the next 18 months it is imperative that the AIATMC begin investing in this event immediately. We are requesting a supplemental appropriation of \$200,000 that we need to commit as follows:

- \$20,000 for bilingual brochures. These brochures will be distributed at the international Pow Wow travel show that will take place early July, 1990 and will be attended by top representatives from all international destinations.
- We intend to contract a representative to begin qualifying industry leaders in Europe. This individual will support the Division of Tourism's representative in Germany, Austria and Switzerland but also encompass the United Kingdom, Holland, Italy, France, Belgium and Spain. This will require approximately \$40,000 for both immediate travel and materials.
- An Alaska exhibit booth must be developed for both the European and Japanese travel shows that Alaska industry will attend this year. This will cost approximately \$40,000.
- The AIATMC must immediately contract an Alaskan events company to coordinate all promotion, invitations, marketing and operations for Travel Fair II. This requires approximately \$100,000 based upon the costs incurred in Travel Fair I.

Should we be unable to receive the supplemental, Travel Fair II will probably occur. However, we would have to shift to a later date in 1991 which could make it too repetitive from Travel Fair I. I am hopeful that a favorable decision to grant the supplemental funds is forthcoming.

PROPOSED SUPPLEMENTAL  
INTERNATIONAL BUDGET

<u>Item</u>	<u>Amount</u>
I. ADVERTISING	
A. Travel Trade Promotion (To educate travel agents in Europe and Asia about Alaska as a travel destination.)	
1. Cooperative advertising with tour operators.....	\$200,000
2. Wholesaler/tour producer FAM tours (3).....	45,000
3. Travel Trade publications directed at the travel trade.....	175,000
4. Trade Show participation.....	20,000
	440,000
B. Consumer Advertising/PR (To expand direct consumer awareness of Alaska as a travel destination, and increase visitation during summer 90 and fall of 90. )	
1. Print Advertising Japan (6) placements .....	100,000
Europe (4) placements.....	80,000
Production.....	40,000
2. Public Relations .....	100,000
3. Travel Writers FAM tours.(3).....	30,000
	350,000
C. Joint promotions with scheduled international air carriers. (To market Alaska directly through the international air carriers who currently provide scheduled air service to Alaska.)	
1. Cooperative Advertising in Europe and Asia to travel trade and consumers.....	500,000

Proposed International  
Supplemental Budget -- Page Two

<u>Item</u>	<u>Amount</u>
D. Charter Flight Promotion (Promote currently scheduled charter flights from Japan and Korea.)	
1. Charters from Japan (5).....	150,000
2. Charters from Korea (5).....	90,000
	240,000
II. COLLATERAL MATERIALS (Window displays, posters, exhibits, foreign language brochures.)	95,000
III. 1991 TRAVEL FAIR DEVELOPMENT	50,000
IV. CONTRACT AMENDMENTS (To provide funds to ASDOT representatives in Europe and Japan to manage expanded international program)	50,000
V. TRAVEL (Additional sales meetings with airlines and travel trade)	35,000
VI. RESEARCH/MEASUREMENT	<u>40,000</u>
TOTAL	\$1,800,000

Introduced: 1/1 0  
Referred: Labor Commerce, Transportation, and Finance

6-1957A

Funding Information: General Fund \$4,000,000  
Other Funds - 0 -  
\$4,000,000

BY THE LABOR & COMMERCE COMMITTEE

1 IN THE HOUSE

2

HOUSE BILL NO. 431

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act making special and supplemental appropria-  
7 tions for international airport marketing, domestic  
8 tourism marketing, and the 1990 International Travel  
9 Fair; and providing for an effective date."

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

11 \* Section 1. The sum of \$1,800,000 is appropriated from the general  
12 fund to the Division of Tourism for international airport marketing for the  
13 fiscal year ending June 30, 1990.

14 \* Sec. 2. The sum of \$2,000,000 is appropriated from the general fund  
15 to the Alaska Tourism Marketing Council for a domestic tourism marketing  
16 program for the fiscal year ending June 30, 1990.

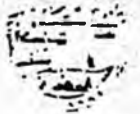
17 \* Sec. 3. The sum of \$200,000 is appropriated from the general fund to  
18 the Alaska Tourism Marketing Council for the 1990 International Travel Fair  
19 for the fiscal year ending June 30, 1990.

20 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX V, JUNEAU 99811



PRESS RELEASE \* PRESS RELEASE \* PRESS RELEASE \*

Date: January 21, 1990  
 Contact: Representative Dave Donley, Chair  
 House Labor and Commerce Committee  
 465-4954, 465-3892, 465-3893

DB

COMMITTEE BILL ADDRESSES TOURISM CRISIS

The House Labor and Commerce Committee sponsored a major funding bill last week to help the state's tourism industry respond to recent cataclysmic events.

"Between the oil spill and the Mt. Redoubt we've been hit with a lot of bad press we must counteract", said Committee Chairman Representative Dave Donley, D-Spenard. "Tourism is one of Alaska's brightest hopes and we shouldn't sit back and watch it being tarnished."

The \$4 million dollar appropriation measure will fund an aggressive international tourism marketing program to mitigate the damage caused by the eruption of Mt. Redoubt and the reduction in international flights stopping over in Alaska.

"The Redoubt eruption has raised safety questions and longer range passenger jets are bypassing our international airport. This can cost us millions of dollars in state revenues in just the next few months," Donley said.

Included in House Bill 431 is funding to for the Alaska Tourism Marketing Council's domestic tourism program and \$200,000 for the 1990 International Travel Fair, a major event for Alaska's tourism industry.

"The House Labor and Commerce Committee proposed this as a supplemental appropriation to advance our marketing strategy and to assist the tourism industry this summer," Donley said. "Funding coming through the regular budget process will arrive too late."

"Without immediate funds the state can take no new initiatives in time to avoid a serious loss of tourism activity this summer," Donley said.

# STATE OF ALASKA

## DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

January 29, 1990

DIVISION OF TOURISM

STEVE COWPER, GOVERNOR

P. O. BOX E  
JUNEAU, ALASKA 99811-0800  
PHONE: (907) 465-2010

TELEX: 45331

To: Representative Loren Leman  
Alaska House of Representatives

From: Dana Brockway, Director  
Division of Tourism

Subject: House Bill 431

Per your request for additional information on program proposals contained in the divisions response to Representative Dave Donley of January 9, 1990. That request asked the division to prepare a plan outlining how the division would use a \$1.8 million supplemental appropriation for international airport marketing during the remainder of FY90.

### Situation

For the past two years, the Division of Tourism has increased its' efforts to develop international tourism markets focussing particularly on Japan and the German speaking countries of Europe. These efforts when combined with those of other organizations and agencies have resulted in steady growth in the numbers of visitors from those markets. Concurrent with that growth however, has been the steady decline in the number and frequency of international flights transiting Alaska on Asia/Europe routes.

In recognition of both the potential that exists in international markets and the importance of seat capacity to continued growth, the division has aggressively pursued commitments to seat allocations and turn around service with international air carriers while increasing sales contact with international tour producers.

We have had some initial successes in adding seat availability which will add capacity to and from Alaska and have developed increasing consumer awareness of Alaska as a destination. We have had set backs as well. Most notable of those has been the sporadic eruptions of Mt. Redoubt. During this time international transiting flights have been disrupted to a much greater degree than domestic flights. The ready availability of Soviet airspace demonstrated during this period has added new incentive to airlines to move up any plans to change routings.

Additional funding during FY90 would allow the division, working with the Alaska International Airport System to accelerate our efforts to secure seat allocations, support consumer advertising prior to summer 1990, and establish a fund for joint promotions with airlines committing to provide seats to and from Alaska.

Goal

Increase the capacity on international air routes allocated to Alaska service from overseas markets and correspondingly develop heightened consumer awareness of Alaska as a destination.

Strategies

1. Increase direct contact with international air carriers and conduct familiarization tours for decision makers in airlines and tour companies.
2. Develop presentation materials, consumer advertising and tour models to support carrier negotiations and create consumer demand.
3. Establish a cooperative air route promotional fund to market Alaska in conjunction with carriers and tour producers.

Budget

1. Increase contact with carriers and conduct showcase tours:

Travel.....35.0  
Tour producers fam trips.....50.0

2. Develop collateral materials, produce and place advertising

Presentation video.....30.0  
Printing.....20.0  
Ad production.....15.0  
Ad placement(Germany).....100.0  
Ad placement(Japan).....100.0  
Public relations.....50.0  
Travel writers fams.....45.0

3. Establish a cooperative air route promotional fund.  
consumer print and television  
advertising to support seat  
allocations and charter flights

.....355.00

Summary

The budget above is based on estimates of the actual costs that would be incurred by various program components. The establishment of a contingent promotional fund would provide for almost immediate execution of the marketing programs that would be necessary to ensure the viability of carrier committed space on flights.

The additional programs would undertaken to create demand in the travel trade and consumer marketplace.



SEIBU ALASKA, INC. dba: ALYESKA RESORT  
BOX 249, GIRDWOOD, ALASKA 99587 • TEL. (907) 783-2222 • FAX (907) 783-2814

February 5, 1990

The Honorable Mike Szymanski, Chair  
Senate Special Committee on  
International Trade and Tourism  
P.O. Box V  
Juneau, AK 99811

Dear Senator Szymanski,

On behalf of Seibu Alaska, Inc., I would like to take this opportunity to ask your support for Alaska's international tourism marketing efforts in Japan and Europe - and especially Japan.

As you know, Seibu is continuing plans for international resort development in Girdwood at Alyeska Resort. Of course, our parent company will also invest considerable time and money in developing the Japanese market. However, Seibu alone can not make a large Alaska impact on the total Japanese market.

In the past, I have received many comments from Japanese tour operators that attended the Alaska Travel Fair last September. The state of Alaska needs to continue this kind of direct marketing to key wholesalers and agents to help build more demand for Alaska and the necessary airline seats to Alaska.

House Bill 431 will assist in funding plans for Alaska Travel Fair II that will bring these important people from both Europe and Japan during the spring of 1991. Funds are needed now to begin initial planning and marketing. Many Japanese wholesalers plan overseas trips one to two years in advance. I ask for your support in passing this legislation that will assist the Travel Fair II and also will immediately expand international marketing with \$1.8 million in supplemental funding for 1990.

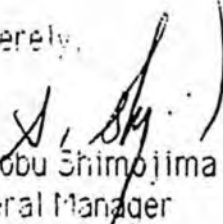
I also believe the State of Alaska must consider long-term funding for international tourism especially to Japan. The economy in Japan is very strong and nearly 10 million Japanese are taking vacations to foreign destinations each year. Reaching the Japanese market is very expensive and Alaska needs to commit several million dollars each year for the next five years to begin reaching this very good market. Those funds should go to either the Division of Tourism or ATMC but should be allocated specifically for international marketing.



My travels in Japan and Europe this past year have shown me that Alaska is, potentially, a very popular destination. Private industry like Seibu is willing to help develop the markets but we can not do all marketing alone. Assistance from the State of Alaska is necessary to make all programs a big success.

Thank you very much. I appreciate your continued support of Seibu and international tourism.

Sincerely,

  
Shinobu Shimojima  
General Manager

cc: Senate Special Committee on International Trade and Tourism  
Representative Dave Donley  
Mr. Dana Brockway, Director Division of Tourism  
Mr. Bob Miller, Executive Director Alaska Tourism Marketing Council  
Mr. Ron Noyal, Chairman Alaska International Airport Tourism Marketing Council

# HOUSE COMMITTEE REPORT

(7)

Date Referred: January 19, 1990

FURTHER REFERRALS:  
TRANSPORTATION  
FINANCE

Date of Committee Action: 1/23/90

The LABOR & COMMERCE considered:

HB 431

HOUSE BILL NO. 431

APPROP: TOURISM MARKETING

"An Act making special and supplemental appropriations for international airport marketing, domestic tourism marketing, and the 1990 International Travel Fair; and providing for an effective date."

RECOMMENDATIONS:

- [ ] be replaced with \_\_\_\_\_ [ ] the same title  
[ ] have attached amendment(s) [ ] a new title  
[  ] 4 do pass  
[ ] do not pass  
[ ] 2. 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 \_\_\_\_\_  
[ ] zero with analysis \_\_\_\_\_

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

SIGNING DO PASS:

\_\_\_\_\_  
(Finkelstein)  
\_\_\_\_\_  
(Collins)  
\_\_\_\_\_  
Dawn Souley

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
Mark Boyer		<input checked="" type="checkbox"/>	
Loren A. Peman		<input checked="" type="checkbox"/>	

\_\_\_\_\_  
Dawn Souley

Chairman's Signature

Chairmen Donley said he would hold the bill over to the Thursday meeting in order to allow for further testimony from other interested groups.

HB 431 - SUPPLEMENTAL APPROPRIATION/TOURISM

A teleconference with Anchorage was activated.

BEGIN: TAPE 66 SIDE B

RALPH NOGAL, PRESIDENT, SEA OTTER GROUP, asked for an amendment under Section 1 to designate the money for international marketing under the Director of Tourism (rather than international airport marketing). Mr. Nogal concurred with Section 2, but stated that under Section 3 the correct name should be the Alaska International Airport Tourism Marketing Council Travel Fair (AIATMC) rather than the 1990 International Travel Fair. He suggested the \$200,000 be used to develop the fair for 1990 and 1991 and further recommended holding individual travel fairs to solicit Japanese, Korean, and European travelers. In addition, he suggested portions of the \$200,000 be used to attend the World Trade Fair in Tokyo in December to help promote tourism to Alaska. Rep. Donley asked Mr. Nogal to provide testimony specific to a supplemental appropriation for the FY90 travel fair. Mr. Nogal said the appropriation was absolutely necessary to get the travel fair organized for the fall. Last year the state only appropriated \$100,000 and AIATMC raised a 9:1 contribution from the industry which would be more difficult to obtain this year.

AUGUSTE ROBINSON, DUTY FREE SHOPPERS, gave testimony on HB 431. He cited the contribution of international tourism to the Alaskan infrastructure by providing direct jobs and maintenance revenue for the Alaska airport system. Mr. Robinson stated that Alaska needs to convert international tourism from a 45-minute holdover into destination stays in order to further economic diversity and infrastructure development. He said it is essential to develop international tourism now in order to establish peak capacity with international carriers. Mr. Robinson cited examples of the decline of projected international flights to Alaska due to rerouting and direct overflights, as well as the impact of the Redoubt volcano on international airlines which caused flight cancellations to Alaska until the end of February and rerouting over Russia.

KEITH FERNANDEZ, ANCHORAGE CONVENTION AND VISITORS BUREAU, read prepared testimony which had been provided to committee members' files. Mr. Fernandez made a strong statement in favor of the supplemental appropriation for the 1990 Travel Fair that included comments made by participants at last year's fair.

Number 200

Rep. Boyer said he was not convinced the appropriation could not wait until the 1991 fiscal budget which will be completed by May 8.

Mr. Fernandez stated that planning and investing in the fair must begin more than a year in advance. He stressed the importance of showing a serious commitment to tourism overseas which Alaska has failed to do in the past.

BOB MILLER, EXECUTIVE DIRECTOR, ALASKA TOURISM MARKETING COUNCIL, testified in favor of HB 431. The Council believes the Division of Tourism is the best repository of international marketing funds. The division fully understands the importance of international travel to the airport system and to the entire state. Supplemental funding would be used to restore television advertising in key secondary markets, to expand a public relations campaign in order to take advantage of the Redoubt volcano and the anniversary of the oil spill, and to produce new television advertising for use in the early fall of 1990. Rep. Leman asked Mr. Miller to provide him with a list of the secondary markets which he referred to.

Rep. Boucher expressed his opinion that we should invite tourists to see Alaska as it is - nature in the raw.

Rep. Boyer questioned whether it would be responsible of the committee to fund the entire \$1.8 million appropriation at this late date in the fiscal year. He also asked for an explanation of the difference between the supplemental \$1.8 million and the funding for airport marketing received for the past several years from DOT.

Number 380

DANA BROCKWAY, DIRECTOR, ALASKA TOURISM MARKETING COUNCIL, explained that the \$1.8 million supplemental appropriation would compliment the two \$500,000 DOT appropriation funds used to promote cargo and passenger handling at Alaska's International Airport. The appropriation would accelerate efforts for a joint promotion currently being negotiated with the airlines to increase summer and fall visitations. The funds would also assist in direct sales, negotiating contracts, and funding of travel necessary for product development and tour producers.

Number 485

Chairman Donley announced that the teleconference concluded at 4:25 p.m.

Rep. Leman requested Mr. Brockway to provide a detailed

breakdown of proposed expenditures. Mr. Brockway referred to a response he prepared describing multifaceted strategies to be undertaken to generate tourism if supplemental funding is granted. This letter was provided to committee members' files.

ROBERT M. DINDINGER, PRESIDENT, ALASKA VISITORS ASSOCIATION, testified in favor of the supplemental funding and read prepared testimony provided in committee members' files. His testimony underscored the need for Alaska to step up its promotional outreach in tourism marketing and outlined proposed supplemental programs.

BEGIN: TAPE 67 SIDE A

Rep. Donley inquired about scheduling travel articles in major newspapers. Mr. Dindinger said Sunday supplements schedule travel features one year in advance and will often not schedule the articles unless there is long-term advance commitment and some state support involved. Editorial exposure is based on how much advertising is generated for the newspaper. For example, when the state commits to buying one page and industry buys smaller ads the result may be 5 or 6 editorial pages.

In addition, Mr. Dindinger stated the AVA recommended funding new television commercials as early as possible to avoid production delays due to bad weather later in the fall. Estimated cost of early funding for television commercials is \$550,000. The AVA further recommended the funding of a special public relations effort to deal with adverse publicity to be generated by first anniversary oil spill coverage and current adverse publicity on the Redoubt volcano. At issue with the Redoubt Volcano is the perception of health and safety being impaired. By spending \$4 million in a remedial campaign to overcome adverse publicity, Alaska recovered 16 percent of visitor potential last year. The AVA would like to see these programs put in place this year to generate increased economic activity and employment. A successful program could generate 16,000 additional visitors spending over \$30 million and generating 300 additional jobs.

Rep. Boucher asked Mr. Dindinger for a hard copy of the information he provided.

Rep. Finkelstein MOVED to report HB 431 out of Committee. Rep. Boucher seconded the motion. There being no objections, the MOTION CARRIED.

Rep. Boucher left the meeting at this point.

Page 15 line 12  
 H-163

**PROJECT TITLE:** Job Corps Center

**LOCATION:** South Central Alaska      **COMPLETION DATE:**      **ELECTION DISTRICT:**

**APPROPRIATION TO:** Community & Regional Affairs      **PROGRAM:**

FUNDING:		CAPITAL REQUEST	OPERATING COSTS	NEW POSITIONS (PFT):
1002	FEDERAL RECEIPTS			
1003	GENERAL FUND MATCH	1,000.0		
1004	GENERAL FUND			
1007	INTER-AGENCY RECEIPTS			
<b>TOTALS:</b>		1,000.0		

Governor Funding      1,000.0      Railbelt Energy

**PROJECT DESCRIPTION AND JUSTIFICATION:**

**Purpose:** The United States Department of Labor (USDOL) has named the State of Alaska as one of four sites for the establishment of a new Job Corps center. Job Corps is a residential vocational training center for youths aged 16 to 21, who are economically disadvantaged. USDOL funds Job Corps sites at 100 percent of their capital and operating costs. However, because Alaska was competing with 17 other states for the award, the Governor made the commitment to match \$1 million for capital costs associated with the construction of new dormitories in order to demonstrate our commitment to the project.

**Justification:** USDOL responded to our original proposal, dated December 19, 1988, by asking for additional information about coordination of existing services with Job Corps, and a description of ways in which the state might provide cost sharing for start up and operations. Construction of new dormitories was necessary for any site being proposed. Dorm construction estimates were approximately \$2 million, of which fifty percent was proposed as match from state general funds. Subsequent review of our proposal by USDOL indicated that the \$1 million match was instrumental in our being named a site, and is expected to be an obligation of the state in Job Corps implementation.

0024Z/0051H

CP1 CAPITAL PROJECTS DESCRIPTION

PRIORITY \_\_\_\_ OF \_\_\_\_

AGENCY Community & Regional Affairs

Page \_\_\_\_ of \_\_\_\_

Revised Date: \_\_\_\_\_

FY 91

0000405

(7/88)-cp1

S T A T E O F A L A S K A  
 OFFICE OF MANAGEMENT & BUDGET  
 DIVISION OF BUDGET REVIEW

DATE: 01/22/90  
 TIME: 12:03:09  
 PROG: F90SUPL2

Page 1 of GOVERNOR'S FY '90 SUPPLEMENTAL REQUESTS, BY BILL SECTION

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
1	DOA	Longevity Bonus: Grants	6,758,000	0	6,758,000	
			6,758,000	0	6,758,000	Sum
2	DOA	Office of Public Advocacy: Increased Caseload FY89	215,000	0	215,000	
			215,000	0	215,000	Sum
3	DOA	Office of Public Advocacy: Increased Attorney Caseload FY90	950,000	0	950,000	
			950,000	0	950,000	Sum
4	DOA	Labor Relations Agency: Amend Legal/Administrative Contracts	25,000	0	25,000	
			25,000	0	25,000	Sum
5	DOA	Pioneers' Homes: Increased Salaries and Operations Costs	738,300	0	738,300	
			738,300	0	738,300	Sum
6	DOA	Older Alaskans Commission: Arbitration Award	38,700	0	38,700	
			38,700	0	38,700	Sum
7	DOA	Public Defender: Attorneys' LWOP	193,600	0	193,600	
			193,600	0	193,600	Sum
8	DOA	Alaska Public Offices Commission: Elections Report Data	130,000	0	130,000	
			130,000	0	130,000	Sum
9	DOA	1988 Columbus Day Arbitration Award	370,900	0	370,900	
			370,900	0	370,900	Sum

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
10	LAW	Judgements and Claims	222,325	0	222,325	
			222,325	0	222,325	Sum
11	LAW	Attorney General's Office: Weiss v. State	160,000	0	160,000	
			160,000	0	160,000	Sum
12	LAW	Reimbursement of Governor Sheffield's Legal Expenses	302,653	0	302,653	
			302,653	0	302,653	Sum
13	DOR	Shared Taxes: Electric and Telephone Cooperative Tax FY89	32,774	0	32,774	
			32,774	0	32,774	Sum
14	DOR	Child Support Enforcement Division: (Gramm-Rudman-Hollings)	54,500	0	54,500	
			54,500	0	54,500	Sum
15	DOE	Foundation Funding: Increased Enrollment	17,858,100	0	17,858,100	
			17,858,100	0	17,858,100	Sum
16	DOE	Debt Retirement: Juneau/Sitka/North Slope FY89	1,753,300	0	1,753,300	
			1,753,300	0	1,753,300	Sum
17	DHSS	Assistance Payments: OAA-ALB Hold Harmless	413,100	0	413,100	
			413,100	0	413,100	Sum
18	DHSS	Medical Assistance: Medicaid Non-Facility Shortfall	2,919,600	2,919,500	5,839,100	
			2,919,600	2,919,500	5,839,100	Sum
19	DHSS	Medical Assistance: Medicaid Facilities Shortfall	7,152,500	7,152,400	14,304,900	
			7,152,500	7,152,400	14,304,900	Sum

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
20	DHSS	Medical Assistance: Indian Health Services Shortfall	0	3,446,200	3,446,200	
			0	3,446,200	3,446,200	Sum
21	DHSS	Medical Assistance: State Programs Shortfall	0	882,000	882,000	
			0	882,000	882,000	Sum
22	DHSS	Medical Assistance Central Administration: Legal Costs	50,000	50,000	100,000	
			50,000	50,000	100,000	Sum
23	DHSS	Medical Assistance Admin: Claims Processing Shortfall	309,400	657,600	967,000	
			309,400	657,600	967,000	Sum
24	DHSS	State Health Services: Nursing Position Reclassification	354,400	0	354,400	
			354,400	0	354,400	Sum
25	DHSS	Institutions & Administration: API Nursing Position Reclass	266,800	0	266,800	
			266,800	0	266,800	Sum
26	DOL	Wage and Hour - Contractual Hearing Officers	20,000	0	20,000	
			20,000	0	20,000	Sum
27	DOL	Occupational Safety & Health - Contractual Attorney	15,000	0	15,000	
			15,000	0	15,000	Sum
28	DOL	Workers' Compensation: Injured Worker	15,500	0	15,500	
			15,500	0	15,500	Sum
29	DOL	Labor Market Information: 1990 Census	42,900	0	42,900	
			42,900	0	42,900	Sum

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
30	DMVA	Veterans Death Gratuity: Program Underfunding	90,000	0	90,000	
			90,000	0	90,000	Sum
31	DMVA	Disaster Relief Fund: FY90 Projected Additional Funds	2,000,000	0	2,000,000	
			2,000,000	0	2,000,000	Sum
32	DNR	Division of Forest Management: Fire Suppression	663,200	0	663,200	
			663,200	0	663,200	Sum
33	DNR	Division of Forest Management: Emergency Fire Fighters	100,000	400,000	500,000	
			100,000	400,000	500,000	Sum
34	DNR	Alaska Historical Commission: Alaska at War	5,400	0	5,400	
			5,400	0	5,400	Sum
35	DFG	Division of Boards Reorganization	384,000	0	384,000	
			384,000	0	384,000	Sum
36	DPS	Municipal Jail Contracts: Request for Additional Funding	440,400	0	440,400	
			440,400	0	440,400	Sum
37	DPS	Laboratory Services: Crime Lab Request for Funding	83,100	0	83,100	
			83,100	0	83,100	Sum
38	DPS	Law Enforcement Support: Information Systems	58,100	0	58,100	
			58,100	0	58,100	Sum
39	DPS	Law Enforcement Support: Crime Information Systems	137,900	0	137,900	
			137,900	0	137,900	Sum

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
40	DPS	Motor Vehicles: Veterans License Plates	21,800	0	21,800	
			21,800	0	21,800	Sum
41		Permanent Fund Dividend Fund Reimbursement	1,500,000	0	1,500,000	
			1,500,000	0	1,500,000	Sum
42	DOT	Alaska Marine Highway System: FY89 Unpaid Bills	238,293	0	238,293	
			238,293	0	238,293	Sum
43	DOT	Alaska Marine Highway System: Maintenance of the FY89 Level	1,567,000	0	1,567,000	
			1,567,000	0	1,567,000	Sum
44	DOT	Western Highways & Aviation: Airport Maintenance Contracts	50,000	0	50,000	
			50,000	0	50,000	Sum
45	DOT	Spring Creek Prison Claim	2,325,000	0	2,325,000	
			2,325,000	0	2,325,000	Sum
46	DOT	Snow and Ice Control Supplemental	1,358,000	0	1,358,000	
			1,358,000	0	1,358,000	Sum
47	DOT	City and Borough of Juneau	136,000	0	136,000	
			136,000	0	136,000	Sum
48	DCRA	Family Support Act: Implement Child Care Benefits - April 1	341,000	340,900	681,900	
			341,000	340,900	681,900	Sum
49	DCRA	Coffman Cove Incorporation Grant of \$50,000	50,000	0	50,000	
			50,000	0	50,000	Sum

SECTION	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
50	DCRA	State Revenue Sharing Aid to Unincorporated Community Grants	24,660	0	24,660	
			24,660	0	24,660	Sum
51	DCRA	Local Boundary Commission: Optimum Boundaries Map Project	46,000	0	46,000	
			46,000	0	46,000	Sum
52	DOC	Major Medical: Full Funding	1,600,000	0	1,600,000	
			1,600,000	0	1,600,000	Sum
53	DOC	Statewide Programs: Manillaq Rehabilitation Center	250,000	0	250,000	
			250,000	0	250,000	Sum
54	DOC	Southcentral Probation: Arbitration Settlement	25,300	0	25,300	
			25,300	0	25,300	Sum
55	ACS	Alaska Commission on Judicial Conduct: Proceedings	32,591	0	32,591	
			32,591	0	32,591	Sum
56	DCED	Miscellaneous Claims	5,824	0	5,824	
	DFG	Miscellaneous Claims	67	0	67	
	DHSS	Miscellaneous Claims	37,327	0	37,327	
	DMVA	Miscellaneous Claims	2,254	0	2,254	
	DNR	Division of Management: Miscellaneous Claims	160	0	160	
	DOA	Miscellaneous Claims and Stale-Dated Warrants	26,900	0	26,900	
	DOE	Miscellaneous Claims	3,600	0	3,600	
	DOT	Miscellaneous Claims	23,269	0	23,269	
	DPS	Division of Administrative Services: Miscellaneous Claims	492	0	492	
	GOV	Human Rights Commission: Miscellaneous Claims	699	0	699	
	LEG	Legislative Affairs Agency: Miscellaneous Claims	593	0	593	
			101,185	0	101,185	Sum
			54,991,281	15,848,600	70,839,881	Sum

HB

428

# SENATE FINANCE COMMITTEE REPORT

DATE:

5/6/90

FURTHER:

DATE TURNED INTO OFFICE:

5/8/90

The Finance Committee considered

CSHB 428 (Finance)(edf fld)

Miscellaneous supplemental appropriations for fiscal year 1990 and prior fiscal years; making special appropriations for cost of Team Alaska and Arctic Winter Games dues; and making a transfer of an account balance within the general fund.

and recommended:

replace with 5 CS CSHB 428 (Fix)  
 or adopt \_\_\_\_\_ CS \_\_\_\_\_  
 attached amendment(s)  
 \_\_\_\_\_ letter of intent adopted

same title  
 new title  
 technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) \_\_\_\_\_

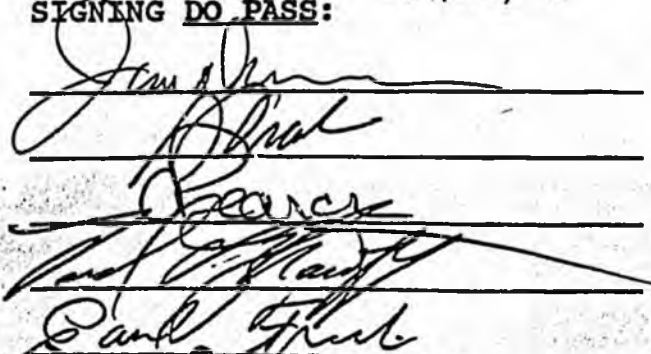
zero fiscal note(s) \_\_\_\_\_

appropriation-no fiscal note

SIGNING DO PASS:

767,017,291

OTHER RECOMMENDATIONS:



\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. Do Pass Rich W. D. Pass  
Co-Chairs: Signatures and Recommendations

5/8/90  
2-3  
Adopted

AMENDMENT  
SCS CS HB 428 (FIN)  
BY ZHAROFF

Replace the language in Section 67 with the following:

Sec. 67. The sum of \$400,000 is appropriated from the general fund to the Department of Transportation & Public Facilities for reconstruction of erosion damage to property adjacent to and in the vicinity of the Naknek/King Salmon Highway for the fiscal year ending June 30, 1990.

Funding Information:    General Fund \$53,901,501  
                               Other Funds    13,115,790  
   \$67,017,291

Original sponsor(s): Rules/Governor

IN THE HOUSE

BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 428 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act making miscellaneous supplemental appropriations for fiscal year 1990 and prior fiscal years; making special appropriations for costs of Team Alaska and Arctic Winter Games dues; and making a transfer of an account balance within the general fund; and providing for an effective date."

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

\* Section 1. The sum of \$642,000 is appropriated from the general fund to the Department of Administration for longevity bonus payments for the fiscal year ending June 30, 1990.

\* Sec. 2. The sum of \$25,000 is appropriated from the general fund to the Department of Administration, labor relations agency, for increased legal and administrative costs for the fiscal year ending June 30, 1990.

\* Sec. 3. The sum of \$358,300 is appropriated from the general fund to the Department of Administration, pioneers' homes, for increased operating costs for the fiscal year ending June 30, 1990.

\* Sec. 4. The sum of \$38,700 is appropriated from the general fund to the Department of Administration, Older Alaskans Commission, for an arbitration award for the fiscal year ending June 30, 1990.

\* Sec. 5. The sum of \$193,600 is appropriated from the general fund to the Department of Administration, public defender agency, to eliminate forced leave without pay for the fiscal year ending June 30, 1990.

\* Sec. 6. The sum of \$130,000 is appropriated from the general fund to the Department of Administration, Alaska Public Offices Commission, for a

storage, retrieval, and access system for election report data for the fiscal year ending June 30, 1990.

\* Sec. 7. The sum of \$267,167 is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the fiscal year ending June 30, 1990.

\* Sec. 8. The sum of \$267,000 is appropriated from the mental health trust income account in the general fund to the Department of Law to pay increased costs associated with Weiss v. State for the year ending June 30, 1990.

\* Sec. 9. The sum of \$32,774 is appropriated from the general fund to the Department of Revenue to refund additional electric and telephone cooperative tax revenue under AS 10.25.570 for the fiscal year ending June 30, 1989.

\* Sec. 10. The sum of \$54,500 is appropriated from the general fund to the Department of Revenue, division of child support enforcement, for increased operating costs caused by reduced federal funds for the fiscal year ending June 30, 1990.

\* Sec. 11. The sum of \$18,495,500 is appropriated from the general fund to the Department of Education for the public school foundation program for the fiscal year ending June 30, 1990.

\* Sec. 12. The sum of \$1,753,291 is appropriated from the general fund to the Department of Education for the school debt retirement program for fiscal year ending June 30, 1989, and is allocated in the amounts listed below to the following municipalities:

<u>Municipality</u>	<u>Allocation</u>
City and Borough of Juneau	\$ 5,968
City and Borough of Sitka	130,126
North Slope Borough	1,617,197

\* Sec. 13. The sum of \$3,619,100 is appropriated to the Department of SCS CSHB 428(Fin)

Health and Social Services for additional Medicaid nonfacility program costs for the fiscal year ending June 30, 1990, from the following sources:

Federal Receipts	\$1,809,500
General Fund Match	1,809,600

\* Sec. 14. The sum of \$8,524,900 is appropriated to the Department of Health and Social Services for additional Medicaid facilities program costs for the fiscal year ending June 30, 1990, from the following sources:

Federal Receipts	\$4,262,400
General Fund Match	4,262,500

\* Sec. 15. The sum of \$3,446,200 is appropriated from federal receipts to the Department of Health and Social Services for additional Indian Health Services Medicaid program costs for the fiscal year ending June 30, 1990.

\* Sec. 16. The sum of \$882,000 is appropriated from federal receipts to the Department of Health and Social Services for additional state program Medicaid costs for the fiscal year ending June 30, 1990.

\* Sec. 17. The sum of \$100,000 is appropriated to the Department of Health and Social Services, division of medical assistance, central administration, for additional legal costs associated with the federal upper-limit caps on Medicaid nursing home and hospital payment rates for the fiscal year ending June 30, 1990, from the following sources:

Federal Receipts	\$50,000
General Fund Match	50,000

\* Sec. 18. The sum of \$672,000 is appropriated to the Department of Health and Social Services, division of medical assistance, claims processing, for additional costs associated with increased volume, claims reprocessing, and implementation of federal OBRA 1989 requirements for the fiscal year ending June 30, 1990, from the following sources:

Federal Receipts	\$469,600
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General Fund Match 202,400

\* Sec. 19. The sum of \$90,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs for additional costs of the veterans' burial allowance program for the fiscal year ending June 30, 1990.

\* Sec. 20. The sum of \$663,200 is appropriated from the general fund to the Department of Natural Resources for fire suppression costs for the fiscal year ending June 30, 1990.

\* Sec. 21. The sum of \$500,000 is appropriated to the Department of Natural Resources for overtime costs of emergency fire fighting crews for the fiscal years ending June 30, 1988, and June 30, 1989, from the following sources:

Federal Receipts	\$400,000
General Fund	100,000

\* Sec. 22. The sum of \$5,400 is appropriated from Alaska Historical Commission general fund program receipts to the Department of Natural Resources for the fiscal year ending June 30, 1990, for purchase of a license for commercial use of the music used in the film Alaska at War.

\* Sec. 23. The sum of \$170,600 is appropriated from the general fund to the Department of Fish and Game for the additional costs of operations of the local advisory committees and regional councils for the fiscal year ending June 30, 1990.

\* Sec. 24. The sum of \$177,500 is appropriated from the general fund to the Department of Fish and Game for additional costs of the Board of Fisheries and Board of Game and headquarters support for the fiscal year ending June 30, 1990.

\* Sec. 25. The sum of \$440,400 is appropriated from the general fund to the Department of Public Safety to pay increased contract jail costs for the fiscal year ending June 30, 1990.

\* Sec. 26. The sum of \$83,100 is appropriated from the general fund to the Department of Public Safety to cover the costs of increased demands for serology evidence testing services at the state crime laboratory for the fiscal year ending June 30, 1990.

\* Sec. 27. The sum of \$58,100 is appropriated from the general fund to the Department of Public Safety to cover funding shortfalls for maintaining personal identification, criminal history, and police case report information to Alaska law enforcement agencies for the fiscal year ending June 30, 1990.

\* Sec. 28. The sum of \$137,900 is appropriated from the general fund to the Department of Public Safety to maintain law enforcement agency access to the National Crime Information Center, cover funding shortfalls in the Alaska automated fingerprint identification system and to pay for state participation in the Western Identification Network for the fiscal year ending June 30, 1990.

\* Sec. 29. The sum of \$238,293 is appropriated from general fund program receipts received from Exxon Corporation for vessel services provided during the Exxon Valdez oil spill cleanup effort to the Department of Transportation and Public Facilities, Alaska marine highway system, for payment of outstanding bills for the fiscal year ending June 30, 1989.

\* Sec. 30. The sum of \$95,000 is appropriated from the general fund to the Department of Transportation and Public Facilities, western district highways and aviation, for additional costs associated with the airport maintenance contracts, for the fiscal year ending June 30, 1990.

\* Sec. 31. The sum of \$2,325,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for the settlement agreed to in the Spring Creek Prison claim for the fiscal year ending June 30, 1990.

\* Sec. 32. The sum of \$6,678,700 is appropriated to the Department of

Transportation and Public Facilities, maintenance and operations components, for additional snow and ice removal costs and extraordinary Spring break-up maintenance work for the fiscal year ending June 30, 1990, from the following sources:

General Fund	\$5,800,000
Highway working capital fund	878,700

\* Sec. 33. The sum of \$900,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs, division of emergency services, for snow and ice removal from roads in municipalities for the fiscal year ending June 30, 1990. The division shall allocate this appropriation to local governments after considering the number of lane miles of roads within the municipal jurisdiction, the annual local government expenditure for road maintenance, and the climatic conditions within the area during the winter of 1989 - 1990.

\* Sec. 34. The sum of \$136,000 is appropriated from the general fund to the Department of Transportation and Public Facilities to reimburse the City and Borough of Juneau for repairs and renovation under a Transfer of Responsibility Agreement #H79148.

\* Sec. 35. The sum of \$294,100 is appropriated to the Department of Community and Regional Affairs, child assistance program, to pay for costs of implementation of the Family Support Act transitional child care benefits program for the fiscal year ending June 30, 1990, from the following sources:

Interagency Receipts	\$147,000
General Fund	147,100

\* Sec. 36. The sum of \$50,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as an organizational grant under AS 29.05.180 to the City of Coffman Cove for the fiscal year ending June 30, 1990.

\* Sec. 37. The sum of \$24,660 is appropriated from the general fund to the Department of Community and Regional Affairs to pay revenue sharing entitlements for the unincorporated communities of Chignik Lake and Perryville for the fiscal year ending June 30, 1990.

\* Sec. 38. The sum of \$46,000 is appropriated from the general fund to the Department of Community and Regional Affairs, Local Boundary Commission, for the optimum boundaries map project for the fiscal year ending June 30, 1990.

\* Sec. 39. The sum of \$1,600,000 is appropriated from the general fund to the Department of Corrections for additional major medical expenses for the fiscal year ending June 30, 1990.

\* Sec. 40. The sum of \$250,000 is appropriated from the general fund to the Department of Corrections to cover funding shortfalls at the Maniilaq Social Rehabilitation Center for the fiscal year ending June 30, 1990.

\* Sec. 41. The sum of \$25,300 is appropriated from the general fund to the Department of Corrections to pay outstanding fiscal years 1989 and 1990 costs and attorney fees for an arbitration settlement with employees of the Southcentral region probation office.

\* Sec. 42. The sum of \$56,397 is appropriated from the general fund to the Commission on Judicial Conduct for additional operating costs for the fiscal year ending June 30, 1990.

\* Sec. 43. The sum of \$108,825 is appropriated from the general fund to the following agencies for the fiscal year ending June 30, 1990, to pay miscellaneous claims and stale-dated warrants:

Governor	\$ 699
Administration	31,759
Health and Social Services	37,327
Commerce and Economic Development	5,824
Military and Veterans' Affairs	4,577

Fish and Game	67
Public Safety	492
Transportation and Public Facilities	24,752
Corrections	2,735
Legislature	593

\* Sec. 44. The sum of \$99,000 is appropriated from the dividend fund (AS 43.23.045) to the Department of Revenue, permanent fund dividend division, for increased operating costs for the fiscal year ending June 30, 1990.

\* Sec. 45. The sum of \$1,090,502 is appropriated from the general fund to the Department of Education for the school debt retirement program for fiscal year ending June 30, 1990, and is allocated in the amounts listed below to the following municipalities:

Kodiak Island Borough	\$982,117
City and Borough of Sitka	108,385

\* Sec. 46. The sum of \$80,300 is appropriated from the oil and hazardous substance release response fund in the general fund to the Department of Natural Resources, division of geological and geophysical surveys, to analyze the potential for flood hazards to the Drift River tank farm as a result of the eruptions of the Redoubt Volcano for the fiscal year ending June 30, 1990.

\* Sec. 47. The sum of \$298,000 is appropriated from general fund program receipts to the Department of Fish and Game, division of fisheries rehabilitation, enhancement, and development, for payment as a grant under AS 37.05.316 to the Prince William Sound Aquaculture Corporation for construction of an adult sockeye salmon fish ladder and maturation pond at the Main Bay Hatchery for the fiscal year ending June 30, 1990.

\* Sec. 48. The sum of \$340,900 is appropriated from federal receipts to the Department of Health and Social Services, Alaska work program, to pay SCS CSHB 428(Fin)

for costs of implementation of the Family Support Act transitional child care benefits program for the fiscal year ending June 30, 1990.

\* Sec. 49. The sum of \$606,902 is appropriated from the general fund to the Department of Education for the underpayments due to P.L. 81-874 for the public school foundation program for the fiscal year ending June 30, 1988.

\* Sec. 50. The sum of \$397,102 is appropriated from the general fund to the Department of Education for the underpayments due to P.L. 81-874 for the public school foundation program for the fiscal year ending June 30, 1989.

\* Sec. 51. The sum of \$27,000 is appropriated from the general fund to the Department of Education for the boarding home program for full year funding for the fiscal year ending June 30, 1990.

\* Sec. 52. The sum of \$40,000 is appropriated from the general fund to the Department of Education to implement ch. 7, SLA 1990, relating to background checks for teacher certification applicants for the fiscal year ending June 30, 1990.

\* Sec. 53. The sum of \$3,312,568 is appropriated from the general fund to the disaster relief fund (AS 44.19.048) for the following purposes:

Statewide spring flood disaster - 1989	\$1,011,888
Anchorage flood disaster - 1989	805,100
Kenai Peninsula Borough flood disaster - 1989	495,580
Bering Straits School District, Stebbins School fire disaster - 1989	1,000,000

\* Sec. 54. The sum of \$90,000 is appropriated from the general fund to the Department of Administration, public defender agency, for extraordinary felony cases for the fiscal year ending June 30, 1990.

\* Sec. 55. The sum of \$173,900 is appropriated from the international airports revenue fund to the Department of Transportation and Public

Facilities, Anchorage International Airport, for costs associated with the University of Alaska, Geophysical Institute monitoring of the Mount Redoubt Volcano for the period February 1, 1990, through June 30, 1990.

\* Sec. 56. The sum of \$30,000 is appropriated from the general fund to the Department of Corrections for payment of the Cleary Monitor for the fiscal year ending June 30, 1990.

\* Sec. 57. The sum of \$13,630 is appropriated from the general fund to the Department of Revenue to refund additional aviation fuel revenue to the Municipality of Anchorage under AS 43.40.010 for the fiscal year ending June 30, 1989.

\* Sec. 58. The sum of \$426,290 is appropriated from the general fund to the Department of Education for repayment to the federal government for fiscal year 1987 audit exceptions.

\* Sec. 59. The sum of \$76,290 is appropriated from the dividend fund (AS 43.23.045) to the Department of Revenue, permanent fund dividend division, to implement the provisions of the stipulation associated with Lindley v. Malone (3AN-90-2586 Civ.).

\* Sec. 60. The sum of \$148,600 is appropriated from the general fund to the Alaska Court System for extraordinary expenses resulting from State. v. Amerada Hess, et al. (1JU-77-847 Civ.) for the fiscal year ending June 30, 1990.

\* Sec. 61. The unobligated and unappropriated balance in the mental health trust income account on June 30, 1990, (AS 37.14.011 and 37.14.021) is transferred to the unreserved portion of the general fund on July 1, 1990.

\* Sec. 62. The sum of \$200,000 is appropriated from the general fund to the Department of Fish and Game, division of wildlife conservation, for moose habitat enhancement, improvement of access to browse for moose, and research, development, and implementation of proposals to reduce moose

mortality, including railroad related mortality, in Southcentral Alaska.

\* Sec. 63. The sum of \$100,000 is appropriated from the general fund to the Office of the Governor for transportation and other costs of Team Alaska.

\* Sec. 64. The sum of \$25,000 is appropriated from the general fund to the Office of the Governor for dues for the Arctic Winter Games.

\* Sec. 65. The sum of \$200,000 is appropriated from the general fund to the Department of Community and Regional Affairs to fully fund the property tax equivalency payment program (AS 29.45.040) for the fiscal year ending June 30, 1990.

\* Sec. 66. The sum of \$2,197,800 is appropriated from the general fund to the Department of Education for payment as grants for operating expenses for single-site school districts for the fiscal year ending June 30, 1990, as allocated to the following school districts in the amounts listed:

Bristol Bay Borough Schools	\$ 133,200
Cordova City Schools	66,600
Craig City Schools	108,000
Dillingham City Schools	76,200
Galena City Schools	156,000
Haines Borough Schools	94,800
Hoonah City Schools	113,400
Hydaburg City Schools	123,600
Kake City Schools	123,600
Klawock City Schools	108,000
Nenana City Schools	144,000
Pelican City Schools	129,600
Petersburg City Schools	60,000
St. Mary's School District	156,000
Skagway City Schools	126,000

Tanana City Schools	156,000
Unalaska City Schools	133,200
Wrangell City Schools	60,000
Yakutat City Schools	129,600

\* Sec. 67. The sum of \$400,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for reconstruction work on the Naknek/King Salmon highway for the fiscal year ending June 30, 1990.

\* Sec. 68. The sum of \$670,000 is appropriated from the general fund to the Department of Natural Resources for the division of forestry to build fire breaks and for prescribed burning operations in the Cooper Landing vicinity of the Kenai Peninsula and on other state land to control the fire hazard created by the bark beetle infestation for the fiscal year ending June 30, 1990.

\* Sec. 69. The sum of \$100,000 is appropriated from the general fund to the Department of Natural Resources for the division of forestry to identify and develop a public consensus on how to treat state land in order to control the fire hazard created by the bark beetle infestation for the fiscal year ending June 30, 1990.

\* Sec. 70. The sum of \$90,000 is appropriated from the general fund to the Department of Natural Resources for payment as a grant under AS 37.05.-316 for the fiscal year ending June 30, 1990 to the Copper River Native Association to build fire breaks and conduct prescribed burning operations in the Glennallen area.

\* Sec. 71. The sum of \$120,000 is appropriated from the general fund to the Department of Natural Resources, division of forestry, in McGrath to develop a system to control the fire hazard created by the bark beetle infestation and to protect state property for the fiscal year ending June 30, 1990.

1 \* Sec. 72. The sum of \$17,000 is appropriated from the general fund to  
2 the University of Alaska for the World Trade Center export trading consor-  
3 tium for the fiscal year ending June 30, 1990.

4 \* Sec. 73. The sum of \$990,000 is appropriated from the general fund to  
5 the Department of Natural Resources for submerged lands recalculation for  
6 the fiscal year ending June 30, 1990.

7 \* Sec. 74. The unexpended and unobligated balances of the appropria-  
8 tions made by secs. 63 and 64 of this Act lapse into the general fund  
9 June 30, 1992.

10 \* Sec. 75. The unexpended and unobligated balance of the appropriation  
11 made by sec. 59 lapses into the dividend fund (AS 43.23.045) June 30, 1991.

12 \* Sec. 76. The appropriations made by secs. 47, 62, and 67 of this Act  
13 are for capital projects and are subject to AS 37.25.020.

14 \* Sec. 77. This Act takes effect immediately under AS 01.10.070(c).  
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STEVE COWPER  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 19, 1990

The Honorable Sam Cotten  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making miscellaneous supplemental appropriations. It is explained in more detail in material being furnished by my division of budget review to the finance committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name.

Steve Cowper  
Governor

5FC-90  
1/25/90

STATE OF ALASKA  
OFFICE OF MANAGEMENT & BUDGET  
DIVISION OF BUDGET REVIEW

DATE: 04/20/90  
TIME: 13:42:52  
PROG: F90SUPL2

Page 1 of GOVERNOR'S FY '90 SUPPLEMENTAL REQUESTS, BY BILL SECTION

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
0	Y	DCED	Purchase of Locomotives and Rolling Stock	9,000,000	0	9,000,000	
	Y	DEC	VSW: Kotzebue Repairs to Water System/1990 Winter Freeze-up	2,826,700	0	2,826,700	
	Y	DFG	Main Bay Hatchery Brood Stock Maturation Facility Constructn	298,000	0	298,000	
	Y	DHSS	Alaska Work Programs: Family Support Act (Welfare Reform)	0	340,900	340,900	
	Y	DMVA	Disaster Relief Fund: 1986 Southcentral Flood Disaster	1,074,530	0	1,074,530	
	Y	DMVA	Disaster Relief Fund: 1989 Spring Flood Disaster (Statewide)	1,011,888	0	1,011,888	
	Y	DMVA	Disaster Relief Fund: 1989 Anchorage Flood Disaster	805,100	0	805,100	
	Y	DMVA	Disaster Relief Fund: 1989 Kenai Peninsula Flood Disaster	495,580	0	495,580	
	Y	DMVA	Mt. Redoubt Volcano Monitoring 02/01/90 - 06/30/90	173,900	0	173,900	
	Y	DNR	Redoubt Volcano/Drift River Study	80,300	0	80,300	
	Y	DOA	Public Defender: Extraordinary Felony Cases	90,000	0	90,000	
	Y	DOC	Clery Monitor	30,000	0	30,000	
	Y	DOE	Debt Retirement: Kodiak and Sitka FY90	1,090,500	0	1,090,500	
	Y	DOE	K-12 Boarding Home Program FY90 Full Cost	27,000	0	27,000	
	Y	DOE	Implementation of HB 52, FY90 Fiscal Impact	40,000	0	40,000	
	Y	DOE	FY '87 Audit Exception Payments to Federal Government	426,290	0	426,290	
	Y	REV	Permanent Fund Dividend Division FY '90 Operating Costs	0	99,000	99,000	
	Y	REV	Anchorage FY '89 Aviation Fuel Revenue Refund	13,630	0	13,630	
	Y	REV	Implement PFD Stipulation Provisions of Lindley v. Malone	0	295,290	295,290	
				18,283,418	735,190	19,018,608	Sum
1	Y	DOA	Longevity Bonus: Grants (6758.0 in Ch. 17)	7,400,000	0	7,400,000	
				7,400,000	0	7,400,000	Sum
2	Y	DOA	Office of Public Advocacy: FY89 (Funded Ch. 17)	249,200	0	249,200	
				249,200	0	249,200	Sum
3	Y	DOA	Office of Public Advocacy: FY90 (Funded Ch. 17)	950,000	0	950,000	
				950,000	0	950,000	Sum
4		DOA	Labor Relations Agency: Amend Legal/Administrative Contracts	25,000	0	25,000	

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
				25,000	0	25,000	Sum
5		DOA	Pioneers' Homes: Increased Salaries and Operations Costs	738,300	0	738,300	
				738,300	0	738,300	Sum
6		DOA	Older Alaskans Commission: Arbitration Award	38,700	0	38,700	
				38,700	0	38,700	Sum
7	Y	DOA	Public Defender: Attorneys' LWOP	193,600	0	193,600	
				193,600	0	193,600	Sum
8		DOA	Alaska Public Offices Commission: Elections Report Data	130,000	0	130,000	
				130,000	0	130,000	Sum
9		DOA	1988 Columbus Day Arbitration Award	370,900	0	370,900	
				370,900	0	370,900	Sum
10	Y	LAW	Judgements and Claims	267,167	0	267,167	
				267,167	0	267,167	Sum
11	Y	LAW	Attorney General's Office: Weiss v. State	267,000	0	267,000	
				267,000	0	267,000	Sum
12	Y	LAW	Reimburse Gov. Sheffield's Legal Expenses (Funded Ch. 17)	302,653	0	302,653	
				302,653	0	302,653	Sum
13		REV	Shared Taxes: Electric and Telephone Cooperative Tax FY89	32,774	0	32,774	
				32,774	0	32,774	Sum
14		REV	Child Support Enforcement Division: (Gramm-Rudman-Hollings)	54,500	0	54,500	

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
				54,500	0	54,500	Sum
15		DOE	Foundation Funding: Increased Enrollment	17,858,100	0	17,858,100	
	Y	DOE	Foundation Funding: Underpayments Due to PL81-874 for FY88	606,902	0	606,902	
	Y	DOE	Foundation Funding: Underpayments Due to PL81-874 for FY89	397,102	0	397,102	
	Y	DOE	Foundation Funding: FY90 Student Count Adjustment PL 81-874	637,400	0	637,400	
				19,499,504	0	19,499,504	Sum
16		DOE	Debt Retirement: Juneau/Sitka/North Slope FY89	1,753,300	0	1,753,300	
				1,753,300	0	1,753,300	Sum
18	Y	DHSS	Medical Assistance: Medicaid Non-Facility Shortfall	2,319,600	2,319,500	4,639,100	
				2,319,600	2,319,500	4,639,100	Sum
19	Y	DHSS	Medical Assistance: Medicaid Facilities Shortfall	5,252,500	5,252,400	10,504,900	
				5,252,500	5,252,400	10,504,900	Sum
20		DHSS	Medical Assistance: Indian Health Services Shortfall	0	3,446,200	3,446,200	
				0	3,446,200	3,446,200	Sum
21		DHSS	Medical Assistance: State Programs Shortfall	0	882,000	882,000	
				0	882,000	882,000	Sum
22		DHSS	Medical Assistance Central Administration: Legal Costs	50,000	50,000	100,000	
				50,000	50,000	100,000	Sum
23	Y	DHSS	Medical Assistance Admin: Claims Processing Shortfall	202,400	336,600	539,000	
				202,400	336,600	539,000	Sum
24		DHSS	State Health Services: Nursing Position Reclassification	354,400	0	354,400	
				354,400	0	354,400	Sum

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
25		DHSS	Institutions & Administration: API Nursing Position Reclass	266,800	0	266,800	
				266,800	0	266,800	Sum
30		DMVA	Veterans Death Gratuity: Program Underfunding	90,000	0	90,000	
				90,000	0	90,000	Sum
31	Y	DMVA	Disaster Relief Fund: FY90 (Funded Ch. 17)	2,000,000	0	2,000,000	
				2,000,000	0	2,000,000	Sum
32		DNR	Division of Forest Management: Fire Suppression	663,200	0	663,200	
				663,200	0	663,200	Sum
33		DNR	Division of Forest Management: Emergency Fire Fighters	100,000	400,000	500,000	
				100,000	400,000	500,000	Sum
34		DNR	Alaska Historical Commission: Alaska at War	5,400	0	5,400	
				5,400	0	5,400	Sum
35		DFG	Division of Boards Reorganization	384,000	0	384,000	
				384,000	0	384,000	Sum
36		DPS	Municipal Jail Contracts: Request for Additional Funding	440,400	0	440,400	
				440,400	0	440,400	Sum
37		DPS	Laboratory Services: Crime Lab Request for Funding	83,100	0	83,100	
				83,100	0	83,100	Sum
38		DPS	Law Enforcement Support: Information Systems	58,100	0	58,100	
				58,100	0	58,100	Sum

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
39		DPS	Law Enforcement Support: Crime Information Systems	137,900	0	137,900	
				137,900	0	137,900	Sum
40		DPS	Motor Vehicles: Veterans License Plates	21,800	0	21,800	
				21,800	0	21,800	Sum
41			Permanent Fund Dividend Fund Reimbursement	1,500,000	0	1,500,000	
				1,500,000	0	1,500,000	Sum
42		DOT	Alaska Marine Highway System: FY89 Unpaid Bills	238,293	0	238,293	
				238,293	0	238,293	Sum
43	Y	DOT	Alaska Marine Highway System: FY89 Level (Funded Ch. 17)	3,250,000	0	3,250,000	
				3,250,000	0	3,250,000	Sum
44	Y	DOT	Western Highways & Aviation: Airport Maintenance Contracts	50,000	0	50,000	
				50,000	0	50,000	Sum
45		DOT	Spring Creek Prison Claim	2,325,000	0	2,325,000	
				2,325,000	0	2,325,000	Sum
46	Y	DOT	Snow and Ice Control/Spring Break-up Maintenance	6,630,300	878,700	7,509,000	
				6,630,300	878,700	7,509,000	Sum
47		DOT	City and Borough of Juneau	136,000	0	136,000	
				136,000	0	136,000	Sum
48	Y	DCRA	Family Support Act: Implement Child Care Benefits - April 1	341,000	340,900	681,900	
				341,000	340,900	681,900	Sum

SECTION	AMENDED	AGENCY	TITLE	GENERAL FUND	OTHER FUNDS	TOTAL	
49		DCRA	Coffman Cove Incorporation Grant of \$50,000	50,000	0	50,000	
				50,000	0	50,000	Sum
50		DCRA	State Revenue Sharing Aid to Unincorporated Community Grants	24,660	0	24,660	
				24,660	0	24,660	Sum
51		DCRA	Local Boundary Commission: Optimum Boundaries Map Project	46,000	0	46,000	
				46,000	0	46,000	Sum
52		DOC	Major Medical: Full Funding	1,600,000	0	1,600,000	
				1,600,000	0	1,600,000	Sum
53		DOC	Statewide Programs: Manillaq Rehabilitation Center	250,000	0	250,000	
				250,000	0	250,000	Sum
54		DOC	Southcentral Probation: Arbitration Settlement	25,300	0	25,300	
				25,300	0	25,300	Sum
55	Y	ACS	Alaska Commission on Judicial Conduct: Proceedings	56,397	0	56,397	
				56,397	0	56,397	Sum
56		DCED	Miscellaneous Claims	5,824	0	5,824	
		DFG	Miscellaneous Claims	67	0	67	
		DHSS	Miscellaneous Claims	37,327	0	37,327	
	Y	DMVA	Miscellaneous Claims	4,577	0	4,577	
	Y	DOA	Miscellaneous Claims and State-Dated Warrants	31,759	0	31,759	
	Y	DOC	Miscellaneous Claims	2,735	0	2,735	
	Y	DOT	Miscellaneous Claims	24,752	0	24,752	
		DPS	Division of Administrative Services: Miscellaneous Claims	492	0	492	
		GOV	Human Rights Commission: Miscellaneous Claims	699	0	699	
		LEG	Legislative Affairs Agency: Miscellaneous Claims	593	0	593	