

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 719

The Honorable Mike Navarre  
The Honorable Eileen MacLean  
January 21, 1992  
Page 2

personnel reallocations, hiring freezes and procedural changes), we have attempted to develop a more streamlined, efficient judicial system with minimal additional financial resources.

Unlike many agencies in the executive branch, the court system does not have any discretionary programs; all functions in which the courts engage are mandated by the constitution or by statute. Moreover, the judiciary's workload is generated by external forces that are beyond its control; cases are filed by the state, by municipalities, and by the general public, and each case must be dealt with.

As a practical matter, this means that budget reductions cannot be achieved by the mere elimination of discretionary programs or by a cutback in workload. Instead, reductions impact the judiciary's mandated services. The area which is most immediately effected is that of case processing; budget reductions inevitably result in a delay in the time that is taken to resolve a case. For example, in 1981 it took an average of 445 days to process a civil case in Alaska. By 1990, the average time had lengthened to 676 days. This is well beyond the time standard of 365 days from filing to termination which was adopted at the 1982 Judicial Conference, and it will lengthen further if a the impact of the Governor's budget vetoes are not mitigated by supplemental funding.

The vetoes imposed by Governor Hickel total \$1,230,900. However, the court system is requesting a supplemental appropriation totaling only \$622,000; this represents the amount that provides for maintenance-level operations, and is necessary to preserve the status quo and prevent additional case processing delays. These essentials are as follows.

\$116,000 Cost of hiring temporary employees to cover eight legislatively-approved FY 92 positions. The request is for six months of personal services funding. These positions, most at Range 8 or 10, are primarily intended to compensate for unrealistic clerical loads in many rural courts and the custody investigator's office. The legislature recognized that cases cannot be processed and inquiries from the public cannot be handled unless the court can maintain its records accurately and operate in a prompt manner. See Attachment #1.

\$341,800 Funding for ten positions approved by the legislature in FY 91 with funding vetoed by then-Governor Cowper, funded again by the legislature

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in FY 92 and vetoed by Governor Hickel. The veto had the impact of increasing the underfunding percentage for FY 92. The court system was forced to fill the positions; they include custody investigators, clerks, and legal researchers, all necessitated by increased workload. For example, custody investigators aid the court by investigating situations in court cases that involve the welfare of children, and by recommending appropriate resolutions to the court. Existing staff in Anchorage and Fairbanks are tremendously overburdened, and so resolutions of many of these emotionally charged cases have been delayed; adequate investigations have been impossible in some cases. The legislature recognized the deleterious effect of this situation by twice granting funding for new positions. Other personnel additions were directed to relieve unrealistic clerical loads in several courts, as well as increase the efficiency of judges.

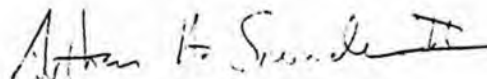
\$164,200 Four legislatively-approved FY 92 positions for the Amerada Hess case, as well as related jury fees and pro tem judge travel. Because of the sheer size of this case, it cannot be handled with existing resources. There has been some reprieve due to trial date continuance, and so the court system requires only a portion of the original appropriation. See Attachment #2.

\$622,000 TOTAL

I urge you to consider supplemental funding for the court system. As you can see, these funds are necessary to the continued efficiency of the judiciary, and represent the minimally required funding to allow this branch to function effectively.

Thank you for your consideration. Please let me know if I can provide you with any further information.

Very truly yours,



Arthur H. Snowden, II  
Administrative Director

Attachments

**Alaska Court System****FY 92 Operating Budget Supplemental Funding Request****New Positions for Trial Courts Vetoed by Governor Hickel**

*Summary reflects the 6-month cost of temporary employees to provide services of the vetoed positions.*

<b><u>Personal Services</u></b>	<b><u>Cost</u></b>
Secretary I, 10B, Anchorage, full-time <i>Work in custody investigator's office. Currently, one secretary serves 5 custody investigators. Workload too large for one secretary.</i>	\$13,700
Court Clerk I, 8B, Homer, full-time <i>Process traffic and criminal filings and work front counter. 111% increase in traffic filings since 1987. This court has one of the highest workloads per clerical position in the state.</i>	13,000
Rural Court Trainer, 18A, Ketchikan, full-time <i>Assist area court administrator with management and train clerical staff in First District courts.</i>	22,600
Rural Court Trainer, 16A, Nome, full-time <i>Train clerical staff in Second District courts.</i>	26,800
Court Clerk I, 8B, Kotzebue, part-time <i>Process traffic filings and vital statistics requests. 27% increase in traffic filings since 1987.</i>	8,000
Court Clerk I, 8B, Craig, part-time <i>Process case documents and work front counter. 19% increase in filings since 1989. This court has one of the highest workloads per clerical position in state.</i>	6,100
Court Clerk II, 10B, Cordova, upgrade to full-time <i>The authorized half-time position is working extensive overtime. 64% increase in filings since 1987.</i>	7,700
Court Clerk I, 8E, Barrow, part-time <i>Process traffic filings and vital statistics requests. 23% increase in traffic filings since 1987.</i>	8,800
Equipment for new positions	9,300
Total	<u>\$116,000</u>

Alaska Court SystemFY 92 Operating Budget Supplemental Funding RequestArctic North Slope Oil Producers CasePersonal Services

Special Staff Attorney	\$63,400
In-Court Clerk	10,400
File Clerk	6,800
Bailiff	5,300
	<u>85,900</u>

Travel

Pro tem judge - preceding and during trial	9,500
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Contractual

Extraordinary jury fees	<u>27,000</u>
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Leasehold Improvements

Courtroom remodeling	35,000
Courtroom furniture	6,800
	<u>41,800</u>

**Estimated Total Cost****\$164,200**History

The Juneau Trial Courts are requesting four non-permanent positions for the Arctic North Slope Royalty case, formerly called the Amerada Hess case. The 1990 and 1991 Legislatures authorized these positions for fiscal years 1990, 1991 and 1992. However, funding for FY 92 was vetoed. The trial date has been postponed several times, but is expected to start in April, 1992 and to last five months. This is a request for funding for the portion of the case that will fall into FY 92. The case was filed in 1977 and involved a dispute over royalties between the State of Alaska and 12 North Slope oil producers. The State sought approximately \$900 million from the oil companies. During the past several years, some of the oil producers have settled with the State. Four companies are still involved in the litigation - Exxon, Mobil, Chevron and Getty/Texaco.

FROM: AK OMBUDSMAN JUNEAU

TO: 2278

Sec. 25

JAN 23, 1992 12:36PM #556 P.01



State of Alaska  
**ombudsman**

Duncan C. Fowler

January 22, 1992

To	From
Co.	Co.
Dept.	Phone #
Fax #	Fax #

(800) 478-2824

P.O. Box WO  
Juneau, AK 99811-3000  
(907) 485-4970  
(800) 478-4970

P.O. Box 74358  
Fairbanks, AK 99707-4358  
(907) 452-4001  
(800) 478-3257

Senator Richard Eliason, President  
Alaska State Legislature  
Capital Building  
Juneau, Alaska 99801-1182

RE: Ombudsman FY'92 Supplemental

Dear Senator Eliason:

Thanks for your interest in the ombudsman budget woes. As you know, the Governor vetoed 21 percent of the legislatively approved Ombudsman FY'92 budget. The dollar amount of the veto was \$372,600 and would have been devastating for the office. It would have required laying off 8.5 permanent full and half-time investigators and support staff from a budget that was authorized by the legislature on July 1.

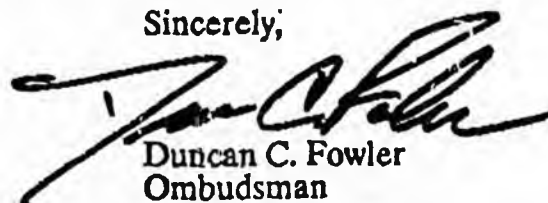
Frankly, I was relieved when the acting chair of the Legislative Council asked me to withdraw the layoff notices I had issued in response to the vetoes. Alaskans have been asking the Office of the Ombudsman for help in record numbers (13,332 per year). Laying off that many staff members would have increased investigator workloads more than 62 percent. It would have made it virtually impossible to be responsive or timely in helping citizens resolve their troubles with government. It would have seriously hampered this office's ability to be effective in our role of assisting in the legislative oversight process.

I chose to not fill a newly authorized investigator position in my Anchorage office in an attempt to comply with the Legislative Council's desire for a 5 percent voluntary reduction of budgets. This action plus other savings have allowed me to make a total 6.5 percent reduction. *I will need a supplemental in the amount of \$258.3 by April 1.* If the supplemental does not pass I will layoff 13 permanent staff members. (This is equal to 10.5 FTE's.) This would leave me with 11 staff statewide. *We would be unable to respond to the 50 new requests for help we receive each business day.*

You should know that it is my policy to give employees 30 days notice prior to layoff. This means layoff notices will be issued March 1, unless I have some assurance a supplemental will pass. I am fortunate in having talented employees who are sought after by other employers. *The effect of this is, just the issuance of layoff notices will most assuredly create turnover on my staff.* It normally takes a new staff member a full year to become effective. Losing staff will cause a corresponding loss of efficiency during that time.

I would be happy to meet with you or other council members if there are any questions about the importance of this supplemental to the operation of the Office of the Ombudsman.

Sincerely,



Duncan C. Fowler  
Ombudsman

DCF:pjc

**M E M O R A N D U M**  
**DEPARTMENT OF NATURAL RESOURCES**

**STATE OF ALASKA**  
**DIVISION OF MANAGEMENT**

Cheryl Frasca, Director  
OMB - Budget Review  
Office of the Governor

January 27, 1992

(arlfsup.2)

465-2406

Sharon L. Barton  
Director

FY 1992 ARLF Supplemental

The Department of Natural Resources requests a \$400.0 ARLF FY 1992 Supplemental.

In December 1991, we requested a RP for \$918.0 of additional ARLF funds, of which the LB&A Committee approved \$306.0, or one-third of our request. The LB&A Committee intended for this amount to be used as an interim funding, for both the Division of Agriculture and the Department of Law (DOL), until such time Supplemental FY 1992 funding could be secured. This amount, when allocated between ARLF and DOL, would have provided temporary funding for the ARLF program through late February, or early March 1992. Our problem was that a Supplemental would not to be timely enough to avoid deficit spending. To avoid this situation the DOL agreed to only take \$50.0 of the \$146.0 approved in the December 2, 1991, LB&A meeting and wait for the balance to be funded in a Supplemental.

The projected need for the Supplemental are:

Department of Law - \$325.0

The DOL Supplemental is estimated at \$325.0. The DOL is providing legal services to ARLF for litigation assistance arising from loan servicing, drafting of special documents and agreements, foreclosures for charge-off and non-performing loans, bankruptcy filings, defense of lawsuits against ARLF, legal review of policy change proposals, compliance with new legislation, representation at board meetings, and advise the board relative to matters under consideration.

The RSA will provide funding for two full-time and one half-time attorneys, secretarial and administrative support. The current caseload includes claims against 80 borrowers and several cases against the State by borrowers.

Cheryl Frasca  
Page 2  
January 27, 1992

Asset Management - Contractual Services - \$ 75.0

Budgeted and unbudgeted funds from the ARLF have been used in the past several years to pay expenses necessary to protect State assets, which include both collateral of loan receivables and repossessed property. The expenses have been paid for taxes, insurance, litigation expenses, collateral movement, industry studies, price supports, livestock, and equipment.

In previous years the unbudgeted funds for protection of collateral were taken directly from the Agricultural Revolving Loan Fund. Based on advice from the Attorney General's Office, we are requesting authorization for collateral protection expenses.

The Division of Agriculture is projecting reduced staffing needs in the FY 1993 Budget, and some staffing reductions will take place as a result of reduced workload in FY 1992. These reductions are considered in our computations for the Supplemental.

Please contact me for any further questions.

Attachments

cc: Harold Heinze, Commissioner  
John Cramer, Deputy Director, Division of Agriculture  
Laura Baker, Budget Analyst, OMB  
Gary Kostenko, Budget Analyst, DNR  
Dick Peques, Director Admin. Services, DOL

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/19/92

FURTHER:

DATE TURNED INTO OFFICE: 3-3-92

Finance Committee considered CS HB 50 (FINANCE) AM

Making appropriations for operation of state government for fiscal year 1992 and to capitalize a fund; efd.

and recommends:

replace with 3 CS CSHB 50 (FINANCE)

or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_

attaches amendment(s)

same title  
 new title  
 technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

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

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES:** Dept/Date

zero fiscal notes \_\_\_\_\_

fiscal notes \_\_\_\_\_

appropriation--no fiscal note

**PREVIOUS FISCAL NOTES:** Dept/Date

zero fiscal notes \_\_\_\_\_

fiscal notes \_\_\_\_\_

**DO PASS:**

*Jim Duncan*

*Tom Hoff*

*Dick Stutz*

*Al Adams*

*Pat Hensel*

1. *Pat Hensel do pass*

Co-Chair: Signature/Recommendation

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. *Kevin ... Do pass*

Co-Chair: Signature/Recommendation

Final

SENATE CS FOR CS FOR HOUSE BILL NO. 50 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Funding Information:	General Fund	\$47,760,100
	Other Funds	<u>11,280,500</u>
		\$59,040,600

Sponsor(s): REPRESENTATIVES ULMER, Koponen, B.Davis, Ellis, Brown, Bruckman

A. BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for operation of state government for fiscal year 1992; and  
 2 providing for an effective date."

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

4 \* Section 1. The sum of \$2,111,100 is appropriated from the general fund to the Department of  
 5 Corrections, major medical program, for increased program costs.

6 \* Sec. 2. The sum of \$15,500,000 is appropriated to the Department of Law to pay continuing costs  
 7 for legal proceedings involving oil and gas revenue due or paid to the state or state title to oil and gas  
 8 land from the following sources:

9	General fund	\$13,000,000
10	Permanent Fund Corporation receipts	2,500,000

11 \* Sec. 3. The sum of \$3,600,000 is appropriated from the general fund to the Department of  
 12 Administration, leasing program, for additional lease costs.

13 \* Sec. 4. The sum of \$19,087,800 is appropriated from the general fund to the Department of  
 14 Education, public school foundation program (AS 14.17) for increased student enrollment.

L

1 \* Sec. 5. The sum of \$16,366,200 is appropriated to the Department of Health and Social Services,  
2 aid to families with dependent children program, to cover increased case load and costs from the  
3 following fund sources in the amounts listed:

4	FUND SOURCE	AMOUNT
5	General fund match	\$7,585,700
6	Federal funds	8,780,500

7 \* Sec. 6. The sum of \$216,200 is appropriated from the general fund to the Department of Fish and  
8 Game for advisory committee and regional council activities.

9 \* Sec. 7. The sum of \$200,000 is appropriated from the general fund to the Alaska State Legislature,  
10 legislative audit division, for additional operating expenses.

11 \* Sec. 8. The sum of \$500,000 is appropriated from the general fund to the Alaska State Legislature,  
12 legislative finance division, for additional operating expenses.

13 \* Sec. 9. The sum of \$485,500 is appropriated from the general fund to the Alaska State Legislature,  
14 legislative council for additional operating expenses to be allocated as follows:

15	Salaries and allowances	\$182,800
16	Session expenses	302,700

17 \* Sec. 10. The sum of \$508,100 is appropriated from the general fund to the Alaska State Legislature,  
18 legislative operating budget, for additional operating expenses.

19 \* Sec. 11. The sum of \$258,300 is appropriated from the general fund to the Alaska State Legislature,  
20 office of the ombudsman, for additional operating expenses.

21 \* Sec. 12. The sum of \$207,400 is appropriated from the general fund to the Alaska State Legislature,  
22 legislative council, for operating expenses of the health resources and access task force.

23 \* Sec. 13. The unexpended and unobligated balances of the appropriations made by this Act lapse  
24 into the funds from which they were appropriated June 30, 1992.

25 \* Sec. 14. This Act takes effect immediately under AS 01.10.070(c).

*Final*

7-LS2154A

**SENATE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Introduced:**  
**Referred:**

**A RESOLUTION**

**1 Suspending Uniform Rules 41(b), 24(c), and 35 of the Alaska State Legislature concerning**  
**2 House Bill No. 50, relating to supplemental appropriations for fiscal year 1992.**

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

**4** That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the provisions of Rule  
**5 41(b), Rule 24(c), and Rule 35 of the Uniform Rules, regarding changes to the title of a bill, are**  
**6 suspended in consideration of House Bill No. 50, making appropriations for operation of state**  
**7 government for fiscal year 1992.**

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

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

3RC-92 3-3-92  
Carl  
WALTER J. HICKEL, GOVERNOR

LH 3  
Adopted  
POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

February 28, 1992

The Honorable Jalmar Kerttula  
Co-Chairman, Senate Finance Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

FEB 28 1992

Dear Senator Kerttula:

As the Senate Finance Committee considers Committee Substitute for House Bill 50(Fin) am, the "fast track" supplemental bill, I would appreciate its consideration of the following proposal from the Department of Fish and Game.

\* Sec. \_\_\_\_. The sum of \$216,200 is appropriated from the general fund to the Department of Fish and Game for Advisory Committee and Regional Council activities for the fiscal year ending June 30, 1992.

The department had anticipated receiving federal funds to support the state regional council and advisory committee system. Those federal funds are not forthcoming. Approximately 900 public members are preparing to attend scheduled meetings of the committee and council during the months of March and April. Due to the time frame of these activities it is requested this supplemental be included in the "fast track" supplemental. I have attached department back-up for your information.

Thank you in advance for your consideration. If you need any further information please let me know.

Sincerely,

*Cheryl Frasca*

Cheryl Frasca  
Director

#### Attachments

cc: Senate Finance Committee Members  
Representative Mike Navarre  
Representative Eileen MacLean  
Commissioner Carl Rosier

**DEPARTMENT OF FISH AND GAME  
DIVISION OF BOARDS  
FY92 SUPPLEMENTAL REQUEST**

	<b>BOARD SERVICE COMPONENT</b>	<b>ADVISORY COMMITTEE COMPONENT</b>
<b><u>ACCOUNTING INFORMATION</u></b>		
1. FY92 Current Authorization:	819.5	782.7
2. Expenditures through 1/31/92:	481.0	319.9
3. Encumbrances through 1/31/92:	13.1	1.4
<u>Board Services</u>		
Juneau phone system	.1	
State telephone network	2.3	
Public Communications Section	10.3	
Alaska Statutes supplement	.4	
<u>Advisory Committee</u>		
Juneau phone system		.1
Bethel phone system		.2
Janitorial - Anchorage		.1
State telephone network		1.0
4. Projected Expenditures to 6/30/92:		
Board Services	325.4	
Advisory Committees		368.4
<p>Personal services expenditures are calculated by extending salaries of current staff, including three of the ten full time staff going on seasonal leave during May and June and a fourth working part-time for the remainder of FY92. Other line items based on extrapolating costs for board meetings and advisory committee meetings during the same time period in FY91. Some one time expenditures from last spring as well as all expenditures related to the Joint Board were excluded in the calculations.</p>		
5. Expected deficit or surplus:	0	93.0
Unrealized federal funds:	0	(309.2)
<p>[This amount does not address the Federal T-Quarter (July 1 to September 30) nor does it address a 7.5 equipment need.]</p>		
Supplemental Request:	0	216.2
1197.9 = General Funds		
95.1 = Federal Funds		
1293.0 = Total Available		
1509.2 = Anticipated Expenditures		

ANALYSIS INFORMATION

1. The supplemental request is due to anticipated shortfall in federal funding. The federal government has recently determined that it will not support the state regional council and advisory committee system (Draft Cooperative Agreement attached received February 19, 1992). Anticipated federal funding that will offset the FY92 authorization is 11.0. The Division of Boards FY92 budget was based on receiving 404.3 in federal funds. We were able to carry forward 84.1 from our FY91 contract which ran from January 1 to September 30, 1991. Note: Our FY93 budget request is also based on receiving 404.3. We anticipate no FY93 federal funding.
2. Alternatives if a supplemental is not approved:
  - a. As of March 1, allow no further advisory committee meetings.
  - b. Postpone the March Board of Fish and Board of Game meetings.
  - c. Lay off staff. Eliminate regional coordinators after March 15. This would hamper advisory committee meetings for the remainder of the year. Alternatively, we could lay off headquarters staff which would hamper board meetings.
3. The division will run out of money sometime in April.
4. Projected expenditures for the remainder of the year at 693.8 is 54% personal services and 46% other line items. If no supplemental is allowed, personal services will be affected based on which alternative under item 2 is selected.
5. We have no additional information, but would be happy to respond to any questions.

cc: RRP's  
Laura Baker

465 2090

U.S. FISH AND WILDLIFE SERVICE  
1011 EAST TUDOR ROAD  
ANCHORAGE, ALASKA 99503

# OFFICE OF SUBSISTENCE MANAGEMENT

FAX NUMBER: (907) 271-2335  
PHONE NUMBER: (907) 271-2327  
FTS: (907) 868-2327

DATE: 2-19-92

TO: Laird Jones

FROM: Dick J. Marshall

SUBJECT: Draft Cooperative Agreement

ADDITIONAL COMMENTS:

BLM's contracting people have not  
finished their review of this so it should  
still be considered a draft.

# DRAFT

2-19-92.

Agreement No. \_\_\_\_\_

COOPERATIVE AGREEMENT  
between  
U.S. FISH AND WILDLIFE SERVICE  
and  
BUREAU OF LAND MANAGEMENT  
and  
ALASKA DEPARTMENT OF FISH AND GAME

## I. Title

Cooperative agreement between the Alaska Department of Fish and Game, the Bureau of Land Management, and the U.S. Fish and Wildlife Service providing information and technical support to the Federal subsistence program on Federal lands required by the Alaska National Interest Lands Conservation Act (ANILCA).

## II. Authority and Purpose

This cooperative agreement between the U.S. Fish and Wildlife Service, hereinafter referred to as the "Service"; the Bureau of Land Management, hereinafter referred to as the "Bureau"; and the Alaska Department of Fish and Game, hereinafter referred to as the "Department", is entered into under the authority of the Fish and Wildlife Coordination Act [16 USC 661-667(e) (1970)] and ANILCA.

The Secretary of the Interior has been mandated by Title VIII of ANILCA, 16 USC 3101, to provide for a preference for rural subsistence uses on public lands in the absence of State laws of general applicability providing such a preference. As a result of the Alaska Supreme Court ruling in McDowell v. State of Alaska, the State is no longer able to provide for that preference under the Alaska Constitution. Consequently, on July 1, 1990, the Secretary assumed management for subsistence uses on all Federal public lands in Alaska.

## III. Background

Prior to July 1, 1990, the State of Alaska's subsistence program was certified by the Department of the Interior as complying with the requirements of Title VIII of ANILCA. The State was expected to provide the technical and logistical support necessary for successful operation of the State regional advisory councils and committees system. Program approval meant that the State could be reimbursed under the provisions of ANILCA, Section 805 (e) for up to 50 percent of the costs of operating the advisory committees and

# DRAFT

regional councils. Since 1982, the State has received reimbursement for a portion of those costs.

The Division of Boards spends approximately \$1.6 million each year in support of the public participation process, which is an essential element of the State's regulation of its fish and game resources and also provides services to the Secretary under the provisions of Section 805(a) of ANILCA. About half of those funds have been used to provide logistical support for the 80 advisory committees and six regional councils which meet regularly to review, develop, and recommend regulatory changes. The remaining dollars have funded the statewide coordination functions provided by the headquarters staff. Pending a decision by the Secretary with respect to Federal regional advisory councils, the Federal agencies will use the information provided by the Division of Boards and the administrative record of the State advisory system to assist in the review of proposals, actions and associated public comments.

The Division of Subsistence spends about \$2.0 million each year to collect and compile subsistence data Statewide. Over the last ten years, the division has developed significant expertise, as well as a comprehensive database on subsistence in Alaska. These data are used extensively by managing agencies, the advisory committees and regional councils, and the Boards of Fisheries and Game in regulating use of Alaska's fish and wildlife resources. The Federal government has provided partial reimbursement to the State for the costs of providing technical support and subsistence data to the regional council and advisory committee system, as required by ANILCA, Section 805, and, more recently, to the Federal Subsistence Board.

The Division of Wildlife Conservation spends nearly \$10.5 million each year to protect and manage Alaska's wildlife resources and to provide for public use of these resources consistent with sound biological principles. A substantial portion of these funds is spent collecting and analyzing current biological information on the status and trends of big game populations statewide, regardless of land ownership. This information forms the biological basis for the State's regulatory process and is made available to the Federal Subsistence Board, regional councils, advisory committees, Alaska Board of Game, Federal agencies, and the general public. As a result of the dual Federal/State management, coordinating consistent and timely reporting of harvest information from hunters who are hunting under different sets of regulations will be much more difficult and will require greater coordination and increased efforts to obtain accurate harvest data and minimize public confusion.

Receipt of Federal funding this year will enable the State to continue to provide many of the services and data which have been provided in the past.

# DRAFT

IV. Scope of Work  
See Attachment A.

V. Period of Performance  
The period of performance for this agreement is from October 1, 1991 through September 30, 1992.

VI. Responsible Officials

A. The Service and Bureau project officers, identified below, are responsible for maintaining coordination of all parties to this agreement, reviewing and recommending approval of invoices submitted by the Department, and forwarding them to the paying offices for processing. The project officers are also responsible for reviewing and recommending acceptance of any and all reports and products required by this agreement.

Richard S. Pospahala  
U.S. Fish and Wildlife Service  
1011 East Tudor Road  
Anchorage, Alaska 99503  
(907) 786-3447

Tom Boyd  
Bureau of Land Management  
222 W. 7th Ave., #13  
Anchorage, AK 99513  
(907) 271-3346

B. The Department representative, identified below, is responsible for meeting the technical requirements of the scope of work and submitting invoices for payment.

Carl L. Rosier, Commissioner  
Alaska Department of Fish and Game  
P.O. Box 3-2000  
Juneau, AK 99802-2000  
(907) 465-4100

VII. Financial Administration

A. Award Amount. The total not-to-exceed amount of funding to be provided by the Service and the Bureau under this agreement is \$359,500 and \$29,800, respectively. Subject to the availability of funds, the amount obligated may be increased at any time by the Service and/or the Bureau without the concurrence of the Department. The Department shall not incur costs nor shall the Service or the Bureau be liable to reimburse the Department in excess of the funds actually obligated under this agreement. The Department's budget for these services is included in Attachment A of this document.

B. Payment. The Department will provide quarterly billings to the U.S. Fish and Wildlife Service, Attn: Contracting and General Services, 1011 E. Tudor Road, Anchorage, Alaska 99503 and to the Bureau of Land Management, Attn: , 222 W. 7th Ave., Anchorage, Alaska 99513.

VIII. Liability

# DRAFT

All parties agree that they will be responsible for their own acts and omissions and the results thereof, and shall not be responsible for the acts or omissions of the other parties or the result thereof. Each party therefore agrees that it will assume all risk and liability to itself, its agents or employees, for any injury to persons or property resulting in any manner from the conduct of its own operations, and the operations of its agents or employees, under this agreement, and for any loss, cost, damage, or expense resulting at any time from any and all causes due to any act or acts, negligence, or the failure to exercise proper precautions, of or by itself or its own agents or employees, while occupying or visiting the premises under and pursuant to this agreement. The Federal government's liability shall be governed by the provisions of the Federal Tort Claims Act (28 USC 2671-80 (1976)).

## IX. Special Provisions

It is mutually agreed that:

1. This agreement may be modified in writing by mutual consent of all parties.
2. Nothing in this agreement shall obligate any party in the expenditure of funds, or for future payments of money, in excess of appropriations authorized by law.
3. No member of Congress, or the Commissioner, shall be admitted to any share or part of the agreement or to any benefit that may arise therefrom.
4. Each party will comply with all applicable laws, regulations, and executive orders relative to Equal Employment Opportunity.
5. Nothing herein is intended to conflict with Federal, State, or local laws or regulations. If there are conflicts, this agreement will be amended at the first opportunity to bring it into conformance with conflicting laws or regulations.
6. Policy and position announcements relating specifically to this cooperative program may be made only by mutual consent of the agencies.
7. All signatory agencies/organizations shall meet jointly on at least an annual basis to discuss matters relating to this agreement.
8. This agreement may be terminated by any party upon written notification to the other party 60 days in advance of the proposed effective date of the termination.

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9. Upon termination of this agreement any equipment purchased for studies initiated in furtherance of this agreement will be returned to the agency of initial purchase.
10. The effective date of this agreement shall be from the date of final signature.
11. The U.S. Fish and Wildlife Service's General Provisions for Grant and Cooperative Agreements, dated August 1, 1985, are hereby incorporated by reference and shall be applicable to this agreement.

The parties have executed this agreement as of the date(s) indicated below:

For the Alaska Department of  
Fish and Game

---

Carl L. Rosier  
Commissioner

---

Date

---

Earnest Greek  
Procurement Officer  
Division Of Administration

---

Date

For the U.S. Fish and Wildlife  
Service

---

Walter O. Stieglitz  
Regional Director

---

Date

# DRAFT

---

Winston Jacobson  
Contracting Officer

---

Date

For the Bureau of Land Management

---

Ed Spang  
State Director

---

Date

---

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Date

**DRAFT**

## ATTACHMENT A

SERVICES TO BE PROVIDED BY THE ALASKA DEPARTMENT OF FISH AND GAME  
SUPPORTING FEDERAL SUBSISTENCE MANAGEMENT ON PUBLIC LANDS (\$000)-----  
Services and Projects to be funded October 1, 1991 to September 30,  
1992.

	<u>USFWS</u>	<u>BLM</u>
Division of Boards	50.2	0
Division of Subsistence	161.0	19.0
Division of Wildlife Conservation	148.3	10.8
ADF&G TOTAL October 1, 1991 to September 30, 1992	359.5	29.8

---

Division of Boards

	<u>USFWS</u>	<u>BLM</u>
Total ANILCA Related Services	50.2	0
1. Administrative Support.	11.0	0

The Service will reimburse the State for reasonable levels of administrative support associated with preparation for and staff representation at Federal Subsistence Board meetings. This administrative support should include personnel costs for Division staff, mailing expenses, and other costs that are directly related to the regional advisory council and Federal Subsistence Board meetings.

In addition to minutes of regional advisory council meetings, a progress report should be submitted by the Division no later than July 31, 1992, which outlines the Division's accomplishments, recommendations and use of funds provided under this agreement.

2. Regional Council Meetings.	39.2	0
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The Service will provide funds in direct support of one (1) regional council meeting in each region to synthesize information on Federal subsistence seasons and bag limits and to provide comments on the proposed Subsistence Management Regulations (Subparts A, B and C) that result from advisory

# DRAFT

committee meetings. The Service will reimburse the State for costs to schedule and conduct council meetings. These meetings should occur within an adequate time frame to facilitate consideration of Federal subsistence season and bag limit issues, give full consideration to the proposed Federal Subsistence Management Regulations (Subparts A, B, and C), and be conducted in sufficient time to ensure regional council representation of concerns/issues at the Federal Subsistence Board meetings.

A copy of the transcripts and/or minutes for each regional council meeting should be provided within two weeks of each meeting.

Costs and arrangements for regional council representation at the Federal Subsistence Board in April will be handled by the Service separately.

Service-committed funds will be provided to the Division on a cost-reimbursable basis. In addition to the requirements for distribution of funds outlined above, bills to the Service for reimbursement should summarize expenses, by regional council, broken down into transportation, administrative, and miscellaneous clerical costs.

# DRAFT

Division of Subsistence

	<u>USFWS</u>	<u>BLM</u>
Total ANILCA Related Services	161.0	19.0

1. State-Federal Liaison	41.0	0
--------------------------	------	---

Federal subsistence program coordination responsibilities currently are performed on a half-time basis by the Division of Subsistence Statewide Coordinator. The coordinator will continue to attend all Federal Subsistence Board meetings, serve as an initial contact for Federal agency staff seeking information about subsistence uses or needing referral to other division or department staff. The liaison also would be involved in designing cooperative research projects, providing technical assistance to Federal subsistence coordinators, reviewing Section 809 cooperative agreements, and responding to specific data requests. No specific written products for submission to the FWS are anticipated unless they are required to satisfy liaison activities.

2. Federal Staff Training and Consultation	20.0	10.0
--	------	------

This project will provide training workshops for Federal agency staff with subsistence data collection and management responsibilities, and technical assistance for Federal staff preparing information for use in the regulatory process. Training workshops will be scheduled and structured to meet the needs of Federal staff, but may include an orientation to the Division's Community Profile Database and other subsistence data sources; developing researchable topics; designing survey questionnaires; research ethics; the legal framework of subsistence; data analysis; and related topics. Consultation and technical assistance would take the form of working with Federal staff in compiling existing materials on customary and traditional determinations and assembling other data to the Federal subsistence program.

3. Statewide Subsistence Database Development	50.0	9.0
---	------	-----

This purpose of this project is to update and distribute the Division's computerized Community Profile Database, which is the central repository for subsistence use information for communities utilizing wild resources on Federal and State lands. Communities with new survey information dealing with demographic and economic characteristics of subsistence communities will be reanalyzed and updated for all communities where the Division has surveys. The database will be printed in hard copy form for distribution to Federal agencies.

**DRAFT**

4. Lower Alaska Peninsula Subsistence Uses 50.0 0

The purpose of this project is to collect baseline data on subsistence uses in King Cove and Sand Point through interviewing random samples of households in each community (about 200 interviews). Mapping sessions would also occur in Sand Point. Products would include a technical paper and contributions to the community profile data base and map catalog. Contingent upon availability of funds, \$30,000 will be provided in Fiscal Year 92-93 to complete the scheduled activities.

**Schedule:**

Research design	July - August 1992
Field work	September - December 1992
Data analysis	January - June 1993
Draft report	July 31, 1993
Final report	September 30, 1993

5. Identification of Subsistence Use Data Needs. No Federal funding

This project would make use of existing extensive information and resident expertise within the Division of Subsistence to identify and analyze data gaps in the subsistence use database for those communities that utilize Federal public lands for subsistence purposes. The product of this effort would be a prioritized list of information needs that would form the basis for a cooperative interagency program to address those needs, identify the potential for joint studies, and avoid duplication.

# DRAFT

## Division of Wildlife Conservation

	<u>USFWS</u>	<u>BLM</u>
Total ANILCA Related Services	148.3	10.8

1. Cooperative Staff Support to and Liaison with Federal Subsistence Board Staff. 84.0 0

The division has established a position as Staff Assistant to the Director to function as the Division's primary liaison with the staff of the Federal Subsistence Board and as the internal coordinator of Federal/State regulatory actions affecting subsistence use of wildlife on Federal public lands. In addition, other Division staff are assigned to work on Federal subsistence issues in cooperation with Federal subsistence staff. Funding would cover staff salaries associated with ensuring timely two-way information flow of biological data, harvest information, proposed regulatory changes, etc. between the Department and the Federal agencies; providing coordinated and consistent interagency harvest data collection and distribution, particularly harvest reporting; providing assistance and participating in Federal Subsistence Board staff meetings; and working with Federal agencies to keep the public better informed on subsistence issues, applicable regulations and whom to contact for more information.

2. Preparation of Historical Harvest Data Files. 20.0 6.3

This project will complete the preparation of rectified historical computer files of both the harvest data and the associated regulatory background data for moose, caribou, sheep, goat, bear, and furbearers for the years 1983 (the year that the uniform geographic coding system was initiated) through 1991. Costs include six months of analyst programmer time and data processing clerk time to investigate, correct and key enter the historical data, and to prepare file documentation. The resulting historical data files would enable the Federal agencies to independently analyze historical harvest trends by species, community, transportation method, and geographic location. Such information is vital to management of subsistence uses on Federal public lands.

3. Processing Federal Subsistence Permits and Permit Reports. 35.3 0

Under this project, standard generic Federal subsistence permit forms will be printed. Hunt-specific information will be printed on the generic permit forms from a Federal hunt criteria data base to be developed. Names and addresses of

**DRAFT**

all Federal subsistence permit holders will be received through a special mail box and postage paid account. All Federal permit hunt reports will be geographically coded and key entered. In-season daily cumulative harvest tallies for Federal permit hunts will be maintained for Federal managers. Harvest reports will be generated and completed data files and harvest reports will be transferred to a Federal data management system. Funds are for the current fiscal year and for reimbursement for Fiscal Year 90-91. Costs include two and a half months of analyst programmer time, three months of data processing clerk time, printing costs, postage and supplies. Specific procedures, commitments, and activity schedules for the Fiscal Year 1992-93 field season will be agreed upon jointly prior to May 1, 1993.

4. Kanuti NWR/Haul Road Moose Census. 4.0 0

This project reimburses the Department for its increased expenditure to complete a moose census along the Haul Road conducted in cooperation with the FWS and BLM. The increased expenditure was necessitated by the inability of the FWS to provide the aircraft it had committed to the census.

5. Caribou Hunt Monitoring (GMUs 12 and 20E) 5.0 4.5

This project includes the costs of periodic aerial radio relocation of caribou from the Mentasta and Nelchina caribou herds, aerial spring survival surveys of Fortymile caribou, issuance of registration permits for the fall and winter hunts for these herds in Units 12 and 20E, and field hunt monitoring. Both the Federal and State hunts for these herds in these units utilize State registration permits and depend on timely population status and in-season distribution and harvest information by which management decisions regarding season dates and harvest quotas are made.

MEMORANDUM

TO: Legal Services  
FROM: The Senate Finance Committee  
DATE: March 26, 1992  
RE: Amendments to SCS CSHB 50 (Finance)

Please prepare four separate amendments for SCS CSHB 50 (Finance) based on the attached list. The amendments include an increase to existing Sec. 4 (public school foundation program) and three new sections relating to appropriations to the court system, Dept. of Community and Regional Affairs (City of Pilot Point), and Dept. of Education (Professional Teaching Practices Commission). The amendments are to be offered on behalf of the Senate Finance Committee. Please draft as soon as possible and return to Kathy (4935) in the office with the blue door--next to the American Flag--within the committee room.

Thank you. *pk*

HB 50 Supplemental

# ①

Section 4 --Increase the amount of supplemental to the Department of Education, Foundation program by \$856,900 to \$19,944,700.

This supplemental increase is based on final foundation counts performed by school districts.

# ②

Section\_\_\_\_ Appropriate \$470,000 from the general fund to the Court System for positions and operating costs for fiscal year 1992.

This supplemental would fund costs of temporary positions which were hired in FY 92. These include custody investigators, clerks, rural court clerical and legal reserachers. Some of these positions work on cases that involve the welfare of children. These positions have been approved by the legislature under two governor's and vetoed. Would also fund 4 positions related to the Amerada Hess case and jury fees.

# ③

Section\_\_\_\_ appropriate \$50,000 in general funds as an organizational grant to the City of Pilot Point.

*Community & Reg. and AS Laws*

Pilot Point incorporated in January 1992 and by statute receives a first year organizational grant of \$50,000.

# ④

Section\_\_\_\_ Appropriate general fund program receipts in the amount of \$87,300 for 6 months of personal services and four months of operating costs for the Professional Teaching Practices Commission.

*DOE*

The Governor vetoed all except travel and wind down funds for this Commission in FY 92. The Commission continued to perform its statutory duties. The Governor now supports funding of the PTPC. This appropriation would ensure the executive director and all obligations are paid. The program receipts are derived from teaching certificate fees. Bills are past due and cannot be paid

SFC-92 3-3-92

# STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

## OFFICE OF THE GOVERNOR

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

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

February 25, 1992

*2-26-92  
To Be Handled  
Out at next  
HB 50 Meeting -  
Copies are on  
Shelf in SFC  
Secretary's Office*

The Honorable Jalmar Kerttula  
Co-Chairman  
Senate Finance Committee  
P.O. Box V  
Juneau, Alaska 99811

Dear Senator Kerttula:

During the Senate Finance Committee meeting of February 20, you requested information regarding several of the appropriations in House Bill 50 which were requested by the Governor. The following addresses these requests:

**Section 17: Contract Jails - \$815,000**

The committee requested information as to what would happen if these additional funds were not provided.

This funding will enable the department to make the fourth quarter payments on contracts it has negotiated with communities around the state which operate these facilities. If this supplemental is not approved the department expects some facilities would close. This would result in increased transportation costs to move prisoners from the point of arrest to correctional facilities and then back to the community for arraignment. The department indicates it would also talk with the Court System and Attorney General's office to determine if more prisoners could be released on their own recognizance after arraignment thereby reducing the number of prisoners which would need to be housed and transported. It would also examine reassignment of existing Troopers in order to transport prisoners thereby taking these Troopers away from their other law enforcement activities.

**Section 19: Corrections Major Medical - \$2,111,100**

As I mentioned to the committee, inmate health care has historically been underfunded and since Fiscal Year 1986 has required supplemental funding. Part of this is due to increased prison populations but as with other health care programs, it is also the result of overall increases in health care costs in general.

To try to limit future cost increases, this year the department has taken several steps to contain costs. Under an Administrative

Order, the department was permitted to employ physicians in the exempt service (Senate Bill 348 will statutorily enable the department to continue to offer a competitive salary; this flexibility was not available through classified service.) The Order enabled the department to hire Dr. William Townsend to oversee the inmate health care program. Dr. Townsend has initiated several programmatic changes which include:

- closer review of hospital stays to insure that inmates are not staying longer than is medically necessary;
- insuring existing contracts cover all services so there are not other charges in addition to the contracts; and
- establishing "preferred provider" contracts with hospitals and physicians; and
- examining the possibility of contracting for lab services.

The Department believes these changes will help reduce costs. Should the committee have further questions, your staff is welcome to contact Dr. Townsend at 561-4426. He will be pleased to provide the committee with additional information.

**Section 29: Department of Law Oil and Gas Litigation - \$15,500,000**

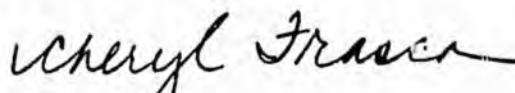
The committee requested information on why this funding is needed early. Deputy Attorney General Botelho indicated he would respond directly to the committee on this point. In the meantime, I have enclosed a copy of the memorandum which the Department of Law submitted to OMB in support of its inclusion in a "fast track" supplemental.

**Section 33: Department of Health and Social Services AFDC - \$16,366,200**

The committee requested information as to the reasons for the increased funding. It is twofold -- an 11% increase in its basic program caseload and an increased number of participants in the Unemployed Parents Program which was a new program resulting from the Federal welfare reform initiatives. I have also attached the department's documentation which further outlines the reasons for the increases.

Should the committee have any further questions or if there is additional information I can provide, please just let me know.

Sincerely,



Cheryl Frasca  
Director

attachments

cc: Senate Finance Committee Members  
J. Shelby Stastny

# MEMORANDUM

State of Alaska

Department of Law

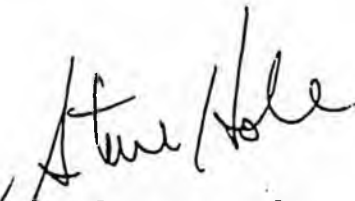
TO: Shelby Stastny  
Director  
Office of Management and Budget

DATE: November 12, 1991

FILE NO.:

TEL. NO: 465-3600

SUBJECT: FY 92 Oil and Gas  
litigation supplemental

  
FROM: Charles E. Cole  
Attorney General

The Department of Law urgently requests approval of a supplemental appropriation for oil and gas litigation in FY 92 in the amount of \$16.2 million.

As is noted in more detail below, the largest case ever undertaken in the Alaska State Court System is scheduled to commence in April. The legislature only partially funded the annual anticipated activities at \$11 million (ch. 73, SLA 1991, p. 16), in keeping with its practice of the past two years to fund activities for the first 6-8 months of the year. 1/ Because of the intensity of trial preparation in that case and an intensive trial that has lasted two months longer than scheduled in a \$150 million tax proceeding, the original appropriation will be expended by mid-December. It is imperative that a special supplemental be urged upon the legislature immediately. There is ample precedent for this expedited treatment (see, e.g., ch. 2, SLA 1983, ch. 1, SLA 1981). Absent an early supplemental, our outside counsel will be forced to shut down at the most crucial pretrial period.

The supplemental will complete funding in FY 92 for three major activities:

1. The North Slope Royalty case (formerly know as State v. Amerada Hess). This case is scheduled for trial beginning April 13, 1992. Our most extensive efforts will begin in the months preceding trial and funding is crucial during that period. Efforts continue toward settlement with remaining defendants but the likelihood of trial is high. Other intensive efforts would be directed towards Phase II trial preparation (issues not included in the April 13 trial) and negotiations with royalty-in-kind (RIK) purchasers whose obligations to the state are tied to the outcome of the April trial.

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1/ Total funding for oil and gas special litigation in FY 91 was \$26,000,000; in FY 90, \$22,274,334.

**RECEIVED**  
NOV 13 1991

2. Oil and gas taxation. Tax proceedings conducted before the Department of Revenue are confidential. Accordingly, the department is unable to disclose the specific taxpayers, issues, or amounts at issue. Hearings have been substantially longer and more intense in this fiscal year than anticipated. Development of additional cases is contingent upon additional funding since monies specifically set aside for tax cases will have been exhausted by November 1.

3. TAPS Corrosion case. If the TAPS corrosion case between the state and the TAPS owners is not settled, the costs for preparing for hearing before the Federal Energy Regulatory Commissioner ("FERC") will be considerable. The state will proceed on two fronts. First, the state will continue the appeal of the ruling by the FERC judge preventing the state from alleging imprudent construction, repair, and maintenance by the TAPS owner prior to 1985. The appeal is currently stayed before the federal Court of Appeals. Unless the FERC judge agrees to stay the FERC hearing while we appeal his ruling, it will be necessary to prepare also for the FERC hearing. Preparation will require large amounts of discovery (including document requests and depositions of TAPS owners' and state employees). Various experts will also be needed to testify on behalf of the state. Our present technical expert has indicated that, due to the complexity of the case, the bill for expert research, reports, and testimony may go as high as \$10 million. A more realistic figure might be \$2-3 million. This does not include the cost of contract counsel, which, again due to the complexity of the case, is expected to be considerable.

CEC:BMB:tg

cc: Cheryl Frasca, Director  
Division of Budget Review

DIVISION OF PUBLIC ASSISTANCE  
ASSISTANCE PAYMENTS BRU

FY92 SUPPLEMENTAL REQUEST

AID TO FAMILIES WITH DEPENDENT CHILDREN AS 47.05.310

	<u>FY92 Current</u>	<u>Actual Expend 12/31/91</u>	<u>Jan- June Projected</u>	<u>FY92 Total Projected</u>	<u>FY92 AFDC Supp Need</u>
TOTAL	84862.0	46496.6	54731.6	101228.2	16366.2
Federal	38860.3	19348.5	27097.5	46446.0	7585.7
GFM	35760.3	18371.0	24975.0	43346.0	7585.7
GF/PR	3100.0	977.5	2122.5	3100.0	0.0
I/A	7141.4	7799.6	536.6	8336.2	1194.8
TOTAL	84862.0	46496.6	54731.6	101228.2	16366.2

AFDC Program

In order to meet FY92 AFDC projected need a supplemental appropriation totalling 16366.2 (7585.7 general fund) is needed.

Formula cost for this program is dependent on future caseload levels and state legislated benefit maximums. The Division has no discretionary control over service demand, the number of eligible or cash assistance amounts. Federal rules govern the criteria for program eligibility, and state legislation governs the level of maximum payment.

Each percentage point of increase in AFDC caseload or COLA now increases the annual entitlement cost by approximately \$1 million dollars. In FY89 and FY90 caseloads decreased compared to prior periods nearly off-setting the payment increases caused by the annual COLA. Total AFDC expenditures grew only \$4.3 million in the two year period ending FY90. However, in FY91 AFDC program cost increased by \$16.2 million, a result of sustained caseload growth in the AFDC-Basic program, implementation of the new AFDC-Unemployed parent (UP) program and a January 1, 1991 COLA of 5.4 percent. FY91 supplemental appropriations eventually funded the unplanned AFDC caseload increase in FY91. However, the FY92 budget was not adjusted to reflect all of the actual FY91 increase and it did not forecast the continued high rate of caseload growth in FY92.

### AFDC-Basic Program

The AFDC basic program is a nationwide state/federal financial aid program that helps needy children who are deprived because at least one parent is absent, disabled, or deceased.

As with the other entitlements within the Assistance Payments BRU, AFDC program expenditures are dependent on the number of eligible cases and the benefit amount issued monthly. The FY92 AFDC initial authorization budgeted an average monthly caseload of 8020 families. However, for all of FY91 and FY92, actual monthly caseload has been well above initially budgeted service levels. We now expect an FY92 average AFDC-Basic caseload of 9225 or roughly 15% above the initial FY92 C.C. budget authorization.

### AFDC-Basic Caseload Trends

In the past 10 years AFDC program participation has exhibited various rates of change; our analysis finds that the occurrence of sustained caseload increases correlates very closely with periods of economic downturn in Alaska. Population and AFDC qualifying standard increases can contribute to AFDC caseload change, but to a lesser degree than the impact of the State's overall economy.

Following the pipeline construction and in the period where AFDC qualifying standards were constant (1977 to 1980), the AFDC caseload increased dramatically in response to the falling economy. Beginning in 1981, despite a rapidly increasing population and significant increases in the qualifying standard, the AFDC caseload decreased through most of FY84. As this boom period subsided in 1985, the AFDC participation level again increased sharply through FY88 only to level off and decrease in FY89 and FY90 reflecting a more stable and growing Alaska economy.

The AFDC-Basic caseload rise began in July 1990 with caseloads increasing 9.9 percent last year. The Alaska population increase experienced in the past three years was undoubtedly a factor in last years AF-Basic caseload adjustment. The current sustained increases may reflect the flattening of Alaska's economy as well as continued population growth in Alaska.

For the second consecutive year, the AFDC caseload failed to exhibit its usual summer seasonal decrease. Typically there is a net drop in AFDC caseloads in the period May through October followed by sharp caseload increases in the winter. The seasonal net decrease usually begins in May and off-sets the impact of the previous winter's increase resulting in little annual caseload growth.

This fiscal year the October 1991 AFDC-Basic caseload was 9085 families or 262 cases above the winter peak caseload of 8823. The net change in AFDC-Basic caseloads from May to October was an extremely uncharacteristic increase of 373 cases.

We are experiencing an AFDC-Basic caseload growth of 11.0%. We expect this rate of increase to continue for the balance of this fiscal year. We expect this pattern of increasing AFDC-Basic caseloads and corresponding formula program cost will exist in FY93.

#### AFDC - Unemployed Parents (UP)

Beginning October 1, 1990, Alaska was required to provide AFDC cash benefits to families with both parents in the home. This welfare reform mandate, known as the AFDC Unemployed Parent (UP) provides for the needs of children in these families. It was determined that providing AFDC benefits only to single parent families caused families to break up in order to support their children.

The FY92 AFDC-UP caseload originally budgeted was 1074 families monthly and total budget of 11846.6. After a year of AFDC-UP program operation it is apparent we underestimated the rate of caseload growth. The FY92 projected AFDC-UP caseload is now 1598 monthly with a revised total expenditure of 16952.5.

#### AFDC Payment Level Obligations

AS 47.25.320(d) requires the AFDC program to increase its maximum payment levels each year by the same percentage cost of living increase as used nationwide by the Social Security Administration in adjusting its payment levels. The actual COLA effective, January 1, 1992 was 3.7%.

The Federal AFDC statutory provisions creating these financial commitments permit the State to implement a ratable reduction on the State's AFDC maximum payment schedule. Alaska statutes are unclear about the Department's authority to reduce each recipient's monthly payment. In order to achieve AFDC program savings, implementing a ratable reduction would be necessary.

Assuming authorizing legislation by the State allowed for a ratable reduction, a provision of the Medicare Catastrophic Illness Act of 1988 requires, as a condition of continued Medicaid federal matching funds, maintenance of AFDC payment levels at or above those in effect for April 1988. If the maximum ratable reduction were implemented effective April 1, 1992 then the average payment reduction per family would be \$135 each month. This reduction is roughly a 17 percent decrease from current payment levels. The maximum total savings that could be achieved in the final three months of this fiscal year is approximately 4746.0 (2373.0 general fund).

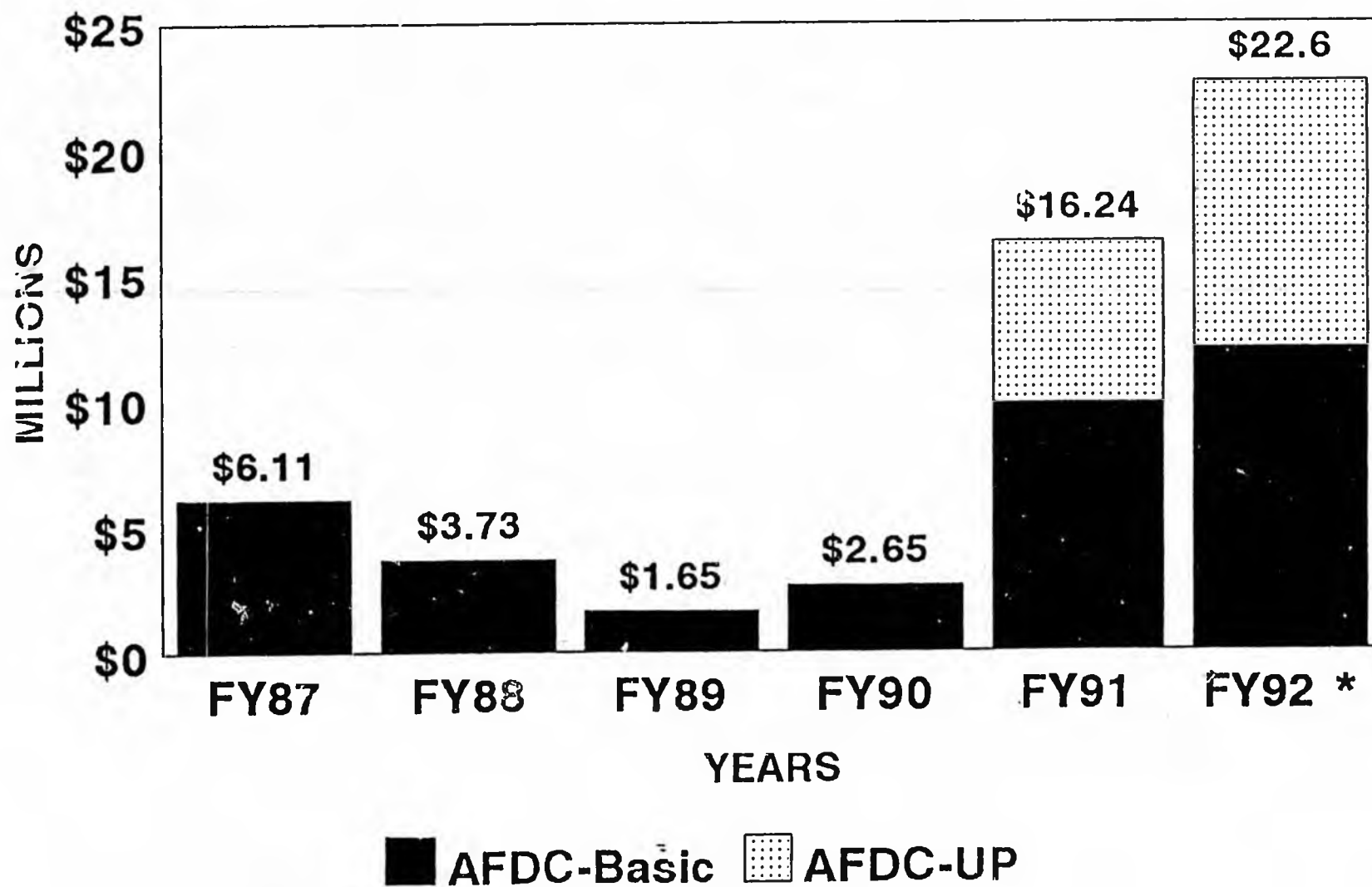
#### Date Supplemental is Needed

Based on the projected expenditure pattern and assuming a ratable reduction is not implemented, the AFDC component general fund authorization will be exhausted on or

about May 1, 1992. In order to process and mail all monthly AFDC issuances without delay, this supplemental request would have to be approved no later than April 20, 1992.

# AFDC Program Expenditure

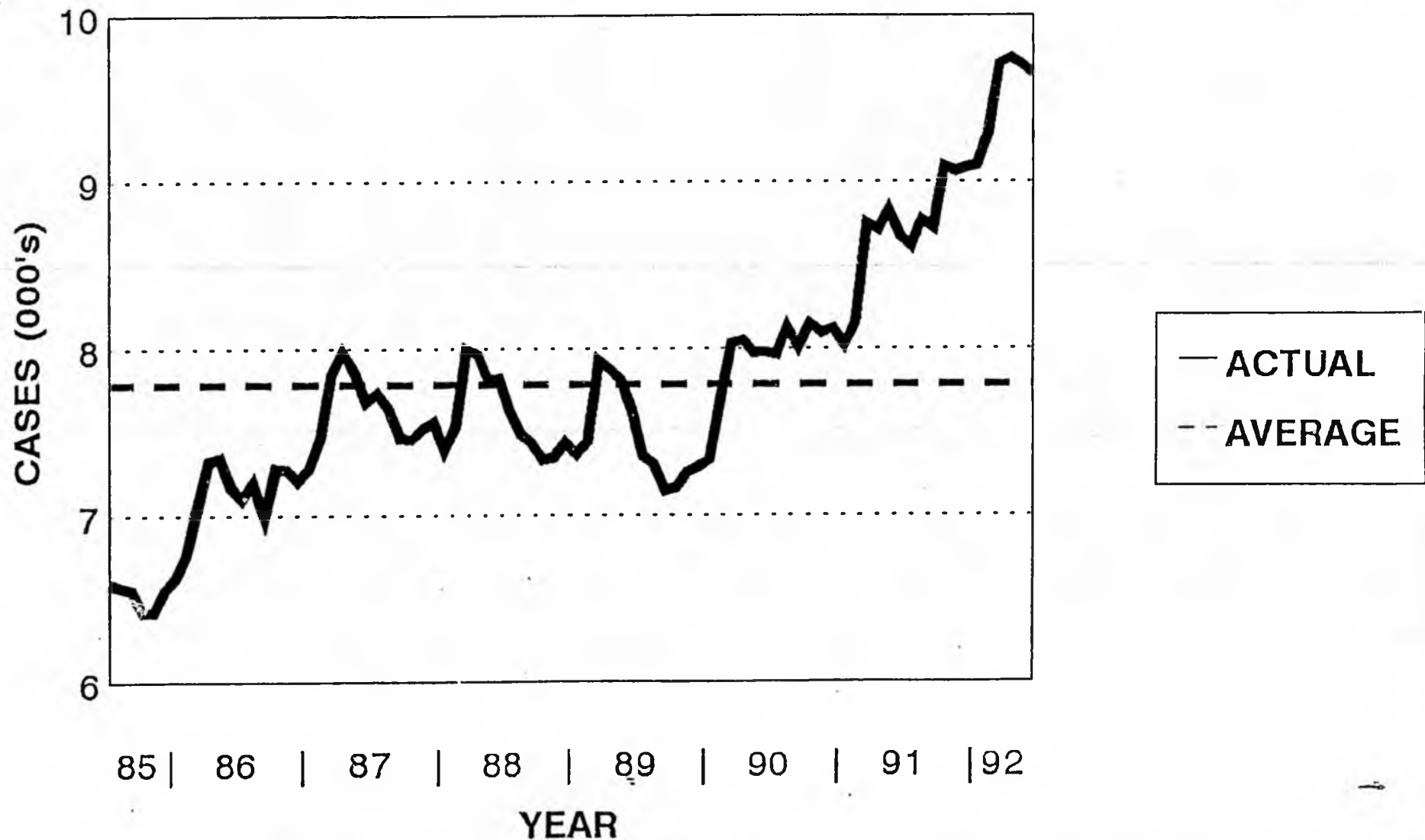
Incremental Change by Fiscal Year  
Fiscal Years 1987 to 1992



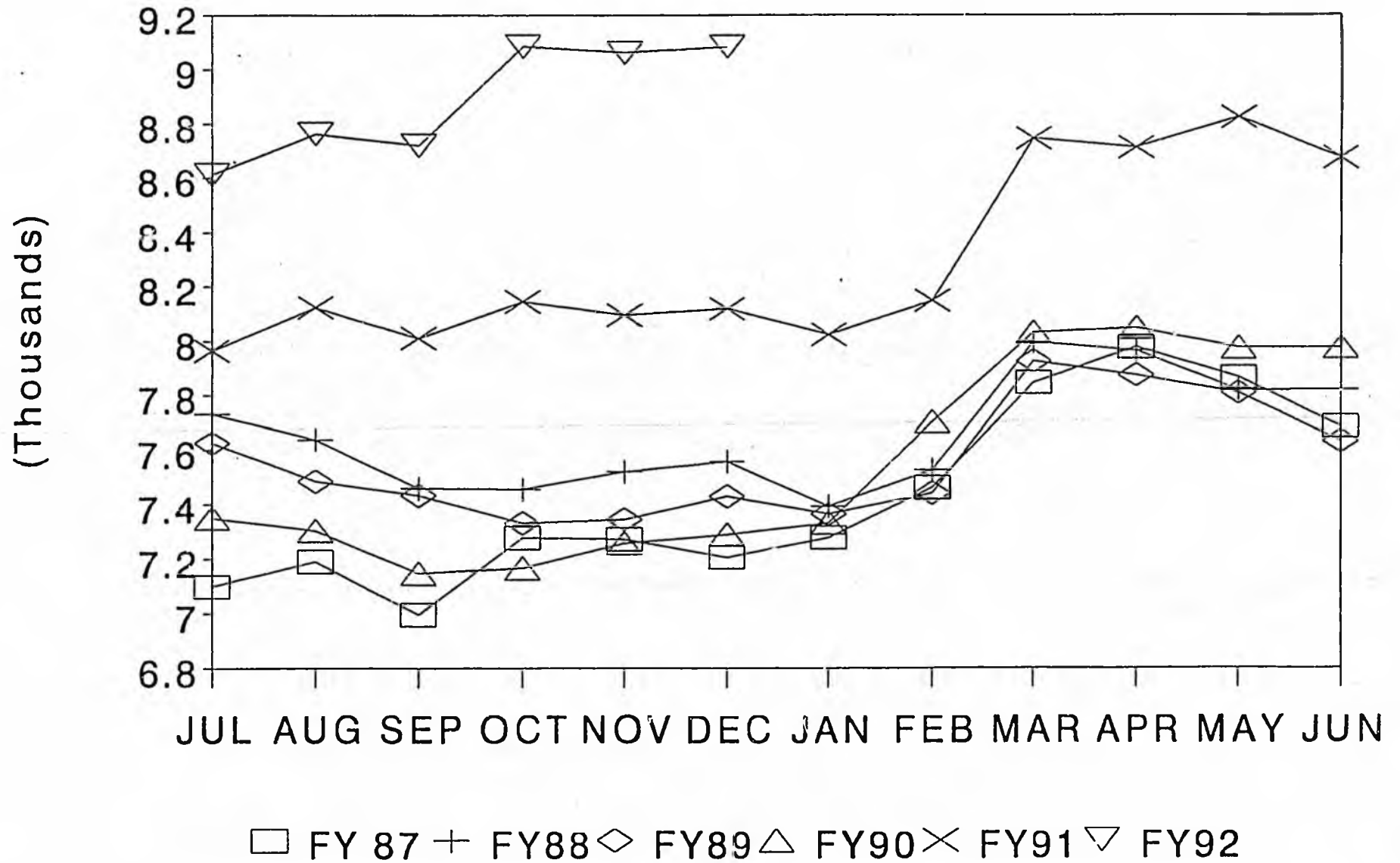
\* FY92 is projected

# AFDC-Basic Program Cases

By Month  
FY86 to FY92

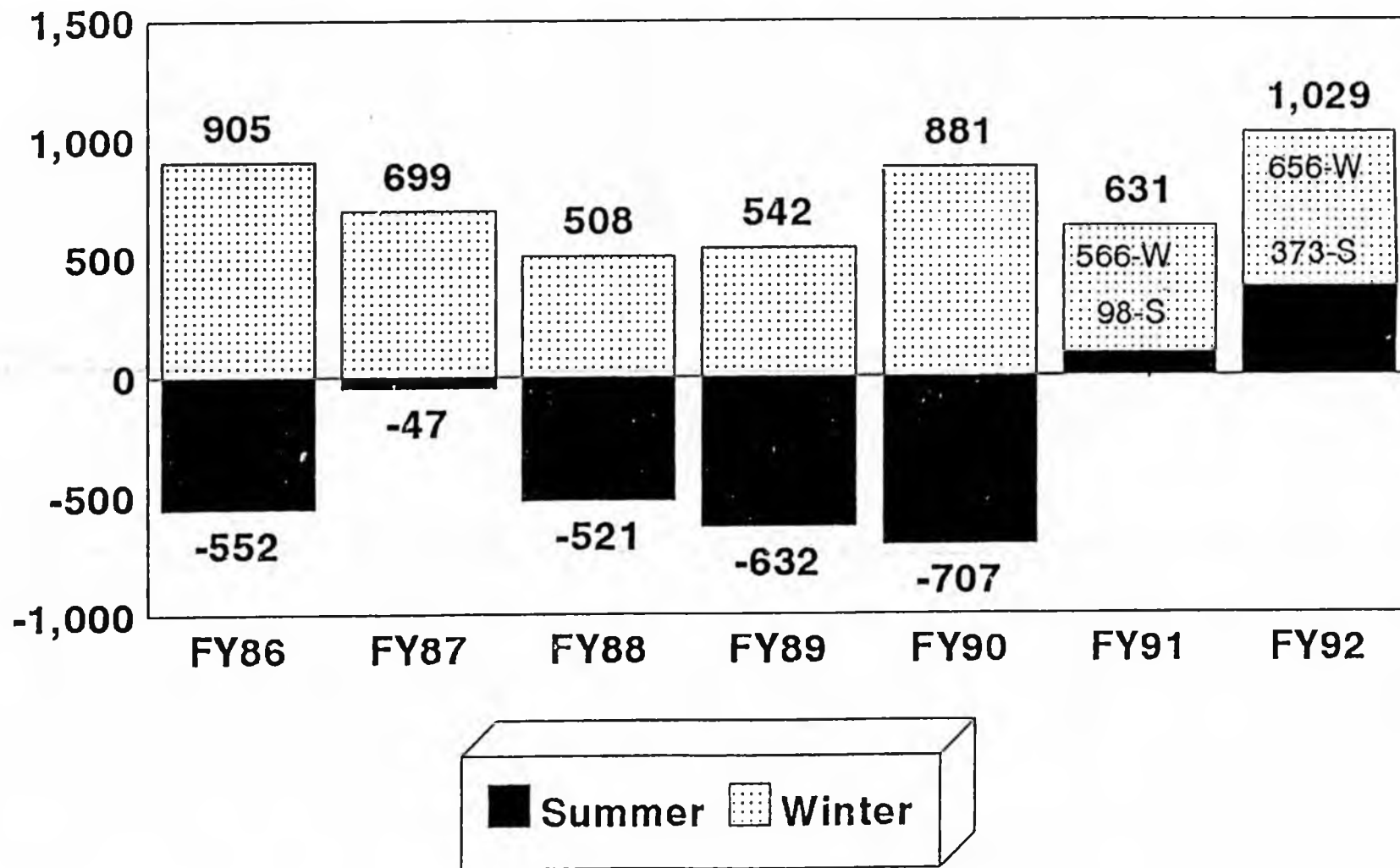


### AFDC Basic Program Caseloads



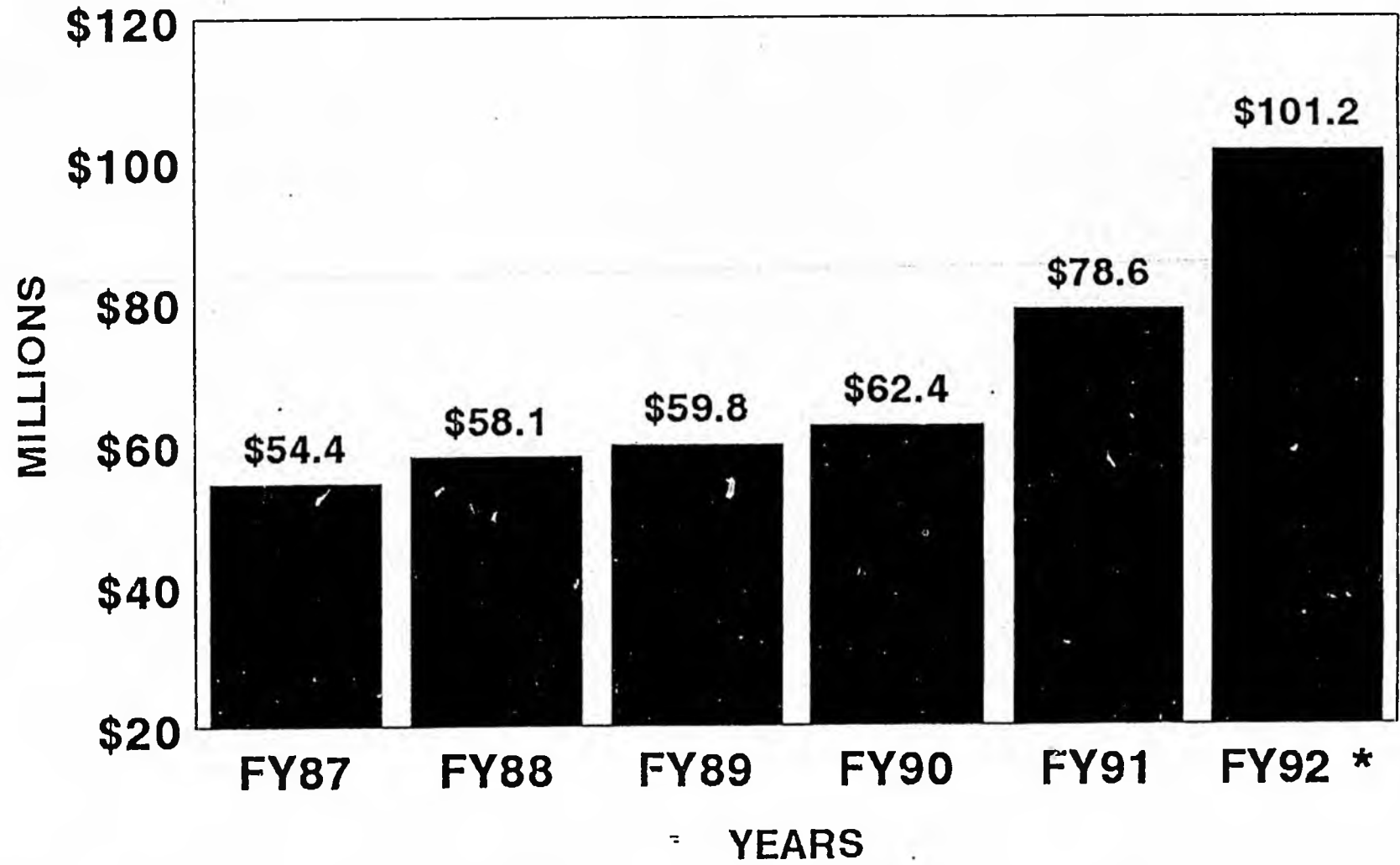
# AFDC-Basic Seasonal\* Caseload Trend

Net Change in Caseload  
FY86 to FY92



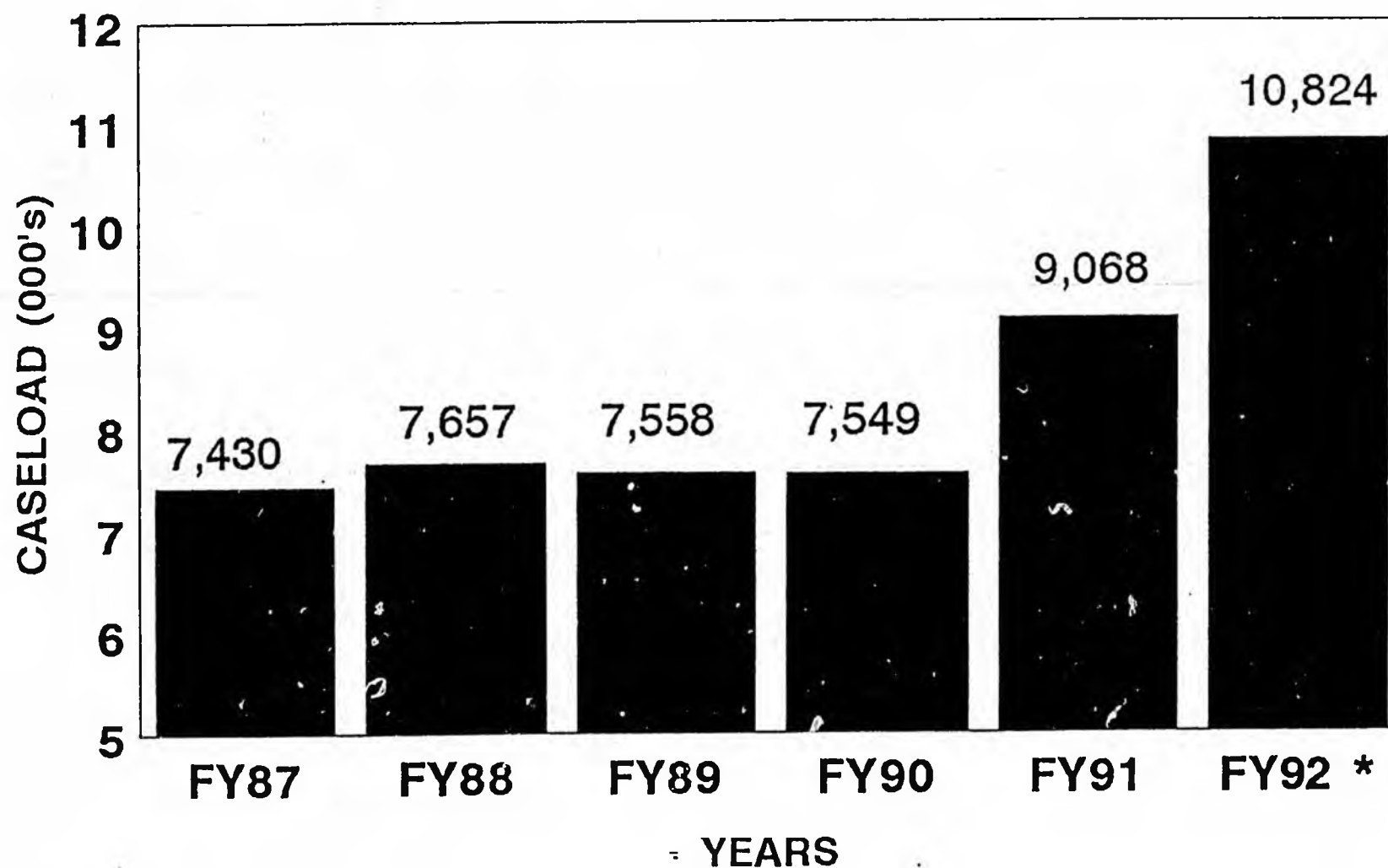
\* Summer = May to Oct  
Winter = Nov to Apr

# Total AFDC Program Expenditures by Fiscal Year Fiscal Years 1987 to 1992



\* FY92 is projected

# AFDC Program Average Caseload by Fiscal Year Fiscal Years 1987 to 1992



\* FY92 is projected

AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) FORMULA ANALYSIS

AFDC PROGRAM	FY87 ACTUAL	FY88 ACTUAL	FY89 ACTUAL	FY90 ACTUAL	FY91 ACTUAL	FY92 Projected
AFDC-Basic caseload	7430	7657	7558	7549	8299	9225
AFDC-UP caseload					769	1598
TOTAL AFDC	7430	7657	7558	7549	9068	10823
Caseload rate change vs. respective prior year	9.6%	3.1%	-1.3%	-0.1%	20.1%	19.4%
TOTAL EXPENDITURE	54399.9	58131.4	59790.9	62445.9	78674.8	101228.2
Increment increase from respective prior year	6109.8	3731.5	1659.5	2655.0	16228.9	22553.4
COLA Factor	1.3%	4.2%	4.0%	4.7%	5.4%	3.7%

as of 1/1/92

**FY92 AFDC-BASIC and AF-UNEMPLOYED PARENT(UP) PROGRAM**

**AFDC CASELOAD PROJECTION**

**AFDC EXPENDITUE PLAN VS. ACTUAL**

	FY92 AF-up	FY92 AF-B	FY92 TOTAL	AF-UP EXP.	AF-B EXP.	FY92 AF PLAN	FY92 Y-T-D	FY92 DIFF PLAN VS. ACT.	FY92 CASES	%% DIFF
Jul 91	1129	8613	9742	976,585	6,433,911	7,410,496	7,390,425	20,071	9742	0.0%
Aug	1144	8763	9907	989,560	6,545,961	7,535,521	7,474,938	60,583	9907	0.0%
Sep	1168	8720	9888	1,010,320	6,513,840	7,524,160	7,545,698	(21,538)	9888	0.0%
Oct	1348	9085	10433	1,166,020	6,786,495	7,952,515	7,874,731	77,784	10433	0.0%
Nov	1525	9062	10587	1,319,125	6,769,314	8,088,439	8,031,532	56,907	10587	0.0%
Dec	1589	9084	10673	1,374,485	6,785,748	8,160,233	8,182,249	(22,016)	10673	0.0%
Jan 91	1654	9140	10794	1,483,638	7,079,250	8,562,888				
Feb	1790	9289	11079	1,605,630	7,194,656	8,800,286				
Mar	1920	9748	11668	1,722,240	7,550,167	9,272,407				
Apr	1950	9741	11691	1,749,150	7,544,745	9,293,895				
May	2006	9,300	11766	1,799,382	7,559,462	9,358,844				
Jun	1958	9699	11657	1,756,326	7,512,215	9,268,541				
Avg Case	1598	9225	10824	16,952,461	84,275,764	101,228,225	46,499,573	171,791		
Avg\$ 1991	\$865.00	\$747.00					52926	Pass'thru		
Avg\$ 1992	\$897.00	\$774.54					55820	Misc adjustments		
Avg\$ FY92			\$779.37			\$8,435,685	46,496,679	Aksas as os 12/31		
TOTAL EXP	16,952,461	84,275,764	101,228,225	16,952,461	84,275,764	101,228,225	46,499,573			
Federal	7,780,181	38,665,819	46,446,000	7,780,181	38,665,819	46,446,000				
Gen Fund	7,780,181	35,565,819	43,346,000	7,780,181	35,565,819	43,346,000				
Prog Rec	0	3,100,000	3,100,000	0	3,100,000	3,100,000				
IA PFD	1,392,100	6,944,125	8,336,225	1,392,100	6,944,125	8,336,225				
TOTAL FUND	16,952,461	84,275,764	101,228,225	16,952,461	84,275,764	101,228,225				

**FY92 AUTHORIZATION SUMMARY**

	FY92 UP	FY92 AF-B	FY92 AUTH	FY92 RP & SUPP	Current AUTH	FY92 Projected	FY92 DIFF	FY92 SUPP
TOTAL	11,846.6	73,015.4	84,862.0	0.0	84,862.0	101,228.2	(16,366.2)	16366.2
FEDERAL	5,398.6	33,461.7	38,860.3	0.0	38,860.3	46,446.0	(7,585.7)	7585.7
GFM	5,398.7	30,361.6	35,760.3	0.0	35,760.3	43,346.0	(7,585.7)	7585.7
PROG R	0.0	3,100.0	3,100.0		3,100.0	3,100.0	0.0	0.0
I/A PFD	1,049.3	6,092.1	7,141.4	0.0	7,141.4	8,336.2	(1,194.8)	1194.8
TOTAL FUND	11,846.6	73,015.4	84,862.0	0.0	84,862.0	101,228.2	(16,366.2)	16366.2

**AFDC-BASIC PROGRAM HISTORY**  
(Does not include AFDC-UP cases)

AFDC PROGRAM	FY81 ACTUAL	FY82 ACTUAL	FY83 ACTUAL	FY84 ACTUAL	FY85 ACTUAL	FY86 ACTUAL	FY87 ACTUAL	FY88 ACTUAL	FY89 ACTUAL	FY90 ACTUAL	FY91 ACTUAL	FY92 Projected
AVERAGE CASELOAD	6617	5803	5274	5585	6373	6782	7430	7657	7558	7549	8299	9225
% CHANGE VS. PY	8.1%	(12.3%)	(11.6%)	5.9%	14.1%	6.5%	9.6%	3.0%	(1.3%)	(.1%)	9.9%	11.2%
AVERAGE PAYMENT	\$399.58	\$488.34	\$532.38	\$555.26	\$571.93	\$593.36	\$610.14	\$632.66	\$659.24	\$689.34	\$725.68	\$761.30
% CHANGE VS. PY	32.4%	22.2%	9.0%	4.3%	3.0%	3.7%	2.8%	3.7%	4.2%	4.6%	5.9%	4.9%
COLA INCREASE	13.3%	11.2%	7.4%	3.5%	3.5%	3.1%	1.3%	4.2%	4.0%	4.7%	5.4%	3.7%
OTHER	HB 968		HB 174									
PROGRAM EXPEND.	31728.8	34006.0	33648.4	37213.6	43738.6	48290.1	54399.9	58131.4	59790.9	62445.9	72269.4	84275.8
% CHANGE VS. PY	43.2%	7.1%	(1.4%)	10.6%	17.5%	10.4%	12.7%	6.8%	2.9%	4.4%	15.7%	16.6%
INCREMENT CHG. \$\$\$	9576.4	2277.2	(357.6)	3444.5	6525.0	4551.5	6109.8	3731.5	1659.5	2655.0	9823.5	12006.4
Home visit rsa			258.9	411.0	348.7	365.6						

AFDC

	FY86 CASES Actual	FY87 CASES Actual	87 to 88 %% CHG.	FY88 CASES Actual	88 to 89 %% CHG.	FY89 CASES Actual	89 to 90 %% CHG.	FY90 CASES Actual	90 to 91 %% CHG.	FY91 CASES Actual	91 to 92 %% CHG.	*FY92 CASES Actual
JUL	6594	7100	8.9%	7733	-1.4%	7626	-3.6%	7352	8.3%	7965	8.1%	8613
AUG	6568	7192	6.2%	7639	-2.7%	7486	-2.4%	7305	11.2%	8124	7.9%	8763
SEP	6550	6997	6.6%	7460	-0.3%	7434	-3.8%	7149	12.1%	8011	8.9%	8720
OCT	6420	7278	2.4%	7456	-1.7%	7332	-2.3%	7167	13.7%	8146	11.5%	9085
NOV	6420	7273	3.4%	7521	-2.3%	7346	-1.2%	7259	11.5%	8095	11.9%	9062
DEC	6554	7207	4.9%	7558	-1.7%	7431	-1.9%	7290	11.4%	8119	11.9%	9084
JAN	6624	7279	1.6%	7394	-0.4%	7365	-0.4%	7333	9.4%	8024	13.9%	9140
FEB	6763	7462	0.9%	7528	-1.1%	7442	3.5%	7704	5.8%	8148	14.0%	9289
MAR	7057	7846	1.9%	7995	-0.9%	7925	1.3%	8031	8.9%	8745	11.5%	9748
APR	7325	7977	-0.2%	7964	-1.1%	7874	2.2%	8048	8.3%	8712	11.8%	9741
MAY	7343	7865	-0.6%	7818	-0.1%	7809	2.1%	7975	10.6%	8823	10.6%	9760
JUN	7170	7687	1.8%	7820	-2.4%	7630	4.5%	7976	8.8%	8674	11.8%	9699
FY MONTHLY AVG.	6782	7430	3.1%	7657	-1.3%	7558	-0.1%	7549	9.9%	8299	11.2%	9225

NOTE: AF caseloads from FR008

AFINFO

FY92 actual caseload JULY - DECEMBER 1991 \*\*\*\*\*

AFDC-UNEMPLOYED PARENT (UP) PROGRAM CASELOAD AND EXPENDITURE SUMMARY  
FY91 to CURRENT

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>FY91 AFDC-UP</b>													
AF CASES				62	234	450	654	830	1059	1183	1240	1206	769
AF MO. \$\$\$				44.6	256.7	487.3	695.3	795.1	1054.6	1080.6	1001.1	990.8	6406.1
AVG. PYMT				\$719.35	\$1,097.01	\$1,082.89	\$1,063.15	\$957.95	\$995.85	\$913.44	\$807.34	\$821.56	\$926.00
Y-T-D \$\$\$				44.6	301.3	788.6	1,483.9	2,279.0	3,333.6	4,414.2	5,415.3	6,406.1	
<b>FY91 vs. FY92 CASES</b>													
	1129	1144	1168	1286	1291	1139							1193
% CHG. CASES				2074.2%	551.7%	253.1%							959.7%
CHG. \$\$\$ MO.	982.2	972.7	968.3	1084.9	1046.8	894.9							5949.8
% CHG. \$\$\$ YTD				8986.8%	1677.7%	754.5%							
<b>FY92 AFDC-UP</b>													
AF CASES	1129	1144	1168	1348	1525	1589							1317
AF MO. \$\$\$	982.2	972.7	968.3	1129.5	1303.5	1382.2							6738.4
AVG. PYMT	\$869.87	\$850.26	\$829.02	\$837.91	\$854.75	\$869.86							\$852.64
Y-T-J \$\$\$	982.2	1954.9	2,923.2	4,052.7	5,356.2	6,738.4							

SUMAFDC-UP

DIVISION OF PUBLIC HEALTH  
FY 92 SUPPLEMENTAL REQUEST

January 27, 1992

FAST TRACK SUPPLEMENTALS

Component - Women, Infants and Children

Total FY92 Auth.	Total Exp. 12/31/91	Total Encum 12/31/91	Total Proj Exp	Deficit
\$8049.3	4151.0	1273.4	8369.3	(320.0)

The division is asking that a general fund program receipts supplemental in the amount of \$320.0 be approved for commodities. These receipts are the result of formula rebates the state receives from the infant formula company for the sale of formula in the state. Originally, the rebate was supposed to be for the sale of formula through the WIC program, but when the last bid was awarded it was all formula sold in the state.

The federal government allows the state to receive this money as GF program receipts, but restricts its use to food purchases for the WIC program. It cannot be lapsed into the General Fund at the end of the fiscal year. Failure to approve this supplemental will mean that there will be funds available which cannot be spent because the component lacks the authorization to expend the money, and the funds cannot be used for any other purpose. Originally, an RPL was requested in August, 1991 for this purpose. An increment has been included in the FY93 Governor's Request.

This authorization needs to pass by March 1, 1992.

SCS CSHB 50 (FIN) - Sectional Analysis

**CORRECTIONS**

**HB50, Sec. 1 Major Medical \$2,111.1**  
The governor vetoed an increment of \$1,419.7 included by the legislature in Major Medical's FY92 contractual line, an amount slightly less than the FY91 supplemental. This FY92 supplemental request includes \$1,364.8 for contractual costs, and \$746.3 for commodities. The department ran out of funding in this component in September. Three revised programs have transferred a total of \$1,675.0 from other components to cover day-to-day vendor payments since then. The supplemental request of \$2,111.1 is in addition to the \$1.6 million already transferred. A review of funding levels follows:

FY91 CC	FY91 Final	FY92 Authorized
4,182.4	6,813.7	4,218.7

The total supplemental request for Corrections in both HB 50 and HB 470 is \$10.8 million, about one month's worth of the departments' FY92 budget. Absorbing the Major Medical costs would transfer the deficit to other components since the department must provide a certain level of medical care to inmates. The governor's FY93 request for Major Medical, renamed Inmate Health Care, includes funding to avoid a supplemental request next year. The total FY93 request is \$7,761.6, an 84 percent increase over FY92 Authorized.

**LAW**

**HB50, Sec. 2 Oil and Gas Litigation \$15,500.0**  
In both FY91 and FY92, appropriations for Oil and Gas Litigation were targeted for six to eight months, with the remainder to be funded through supplemental appropriation. The following is a review of funding levels for this grant:

FY91 CC	FY91 Final	FY92 Authorized
10,500.0	22,500.0	11,000.0

The funds are used for resolving oil and gas tax claims, royalty litigation, and other oil and gas related issues. The supplemental request has been included in the fast track because as of January 1, the FY92 authorization has been spent. A supplemental of this size could not be absorbed by the department as it amounts to about 30 percent of the department's total budget. The FY93 governor's request for this component is \$14,000.0

**ADMINISTRATION**

**HB50, Sec. 3 Leasing Program: Additional Lease Costs \$3,600.0**  
This supplemental was requested to cover underfunding. The underfunding was combined with legislative intent that the department take all necessary steps to reduce lease expenses. The intent also instructed the department to return for a supplemental rather than cancelling or failing to renew leases or assessing a proportional reduction to the agencies.

FY91 Authorized	FY92 CC	FY92 Authorized
27,268.0	25,768.3	25,768.3

The backup indicates that failure to approve the supplemental would cause default on most leases with funds running out in mid-April.

## SCS CSHB 50 (FIN) - Sectional Analysis

### EDUCATION

**HB50, Sec. 4 Foundation Program \$19,087.8**

This supplemental was requested to cover increased student enrollment in grades K-12. This is a duplication of HB470, Sec. 55. The foundation program funding level is based on projections of student enrollments at the time the budget is prepared. Following actual student count periods in October and February, the actual amount required for that school year is calculated.

Payments to school districts for the first nine months of each fiscal year are based on actual instructional units for the prior year. Adjustments, either underpayments or overpayments, are made in the last three months of the fiscal year. The impact on school districts by including the supplemental funding in the early bill is that they know what their funding level will be for the rest of the fiscal year.

The amount of the FY93 supplemental request, \$19,087,800, is based on the October student count period. The February student count period just ended and the department will be revising their request following receipt of that information from the school districts.

FY91 Authorized  
505,425.1

FY91 Final  
526,467.1

FY92 Authorized  
541,746.2

### HEALTH & SOCIAL SERVICES

**HB50, Sec. 5 AFDC \$16,366.2**

This increase is for \$7,585.7 federal receipts, \$7,585.7 general fund, and \$1,194.8 interagency receipts (related to the increased need in the PFD Hold Harmless program requested in HB470). The increased need appears to be a result of higher than budgeted caseload in the basic program and a higher number of participants in the Unemployed Parents Program (Welfare Reform). Reductions to this program could not occur without statutory changes. It is expected that the current funding will be exhausted on April 20, requiring this to be included in the "fast track" bill. The department states that they will submit a budget amendment to the Governor's Office requesting a similar amount for FY93.

### FISH & GAME

**HB50, Sec. 6 Advisory Committee and Regional Councils \$216.6**

Prior to July 1, 1990, the State of Alaska's subsistence program was certified by the Department of Interior as complying with the requirements of Title VIII of ANILCA. Program approval meant that the State could be reimbursed for up to 50% of the costs of operating the advisory committees and regional councils under Section 805(e) of ANILCA. The State was to provide technical and logistical support necessary for successful operation of the State's regional advisory councils and committee systems.

On February 19, 1992 the Department of Fish & Game learned that the U.S. Fish and Wildlife Service will provide only \$11.0 of the budgeted \$404.3 for the State's advisory committee system. The shortfall caused by the lack of federal funds will essentially cut off technical and financial support for members' of the public advisory committee to provide local input into board decisions. FY92 costs for committee meetings have already been incurred.

SCS CSHB 50 (FIN) - Sectional Analysis

**LEGISLATURE**

**HB50, Sec. 7 Legislative Audit Division \$200.0**

This supplemental is requested to partially restore the Governor's veto of \$421.7. If not funded, the division would not have sufficient funds to operate for the month of June.

**HB50, Sec. 8 Legislative Finance Division \$500.0**

The supplemental is requested to maintain the normal operations of the House and Senate Finance Committees. The vetoed amount for the component was \$531.3. A supplemental appropriation for the Division portion is not requested because of the availability one-time savings and prior year carryforward.

**HB50, Sec. 9 Legislative Council/Salaries & Allowances \$182.8**

The supplemental request restores \$182.8 of the \$564.7 vetoed. Transfer of \$200.0 within the authorized budget addressed part of the shortfall. The office allowance will remain at \$4,000.

**HB50, Sec. 9 Legislative Council/Session Expenses \$302.7**

The request fully restores the \$636.0 veto--including an internal transfer of \$333.3.

**HB50, Sec. 10 Legislative Operating Budget \$508.1**

The request fully restores the amount vetoed-- split evenly between the House and Senate according to the intent of the original appropriation.

**HB50, Sec. 11 Office of the Ombudsman \$258.3**

The request restores \$258.3 of the \$372.6 vetoed. Savings and not filling a new position partially offset the veto. If not funded, the Ombudsman would layoff 13 staff members as of April 1, leaving a staff of eleven.

**HB50, Sec. 12 Legislative Council/Health Task Force \$207.4**

The vetoed \$282.7 fiscal note accompanying SCR10 would have funded the Health Resources and Access Task Force. The task force has been operating with House Finance Committee funds.

CS HB50 (FIN) am - SECTIONAL ANALYSIS

**HB50, Sec. 1 Alaska Children's Trust Fund \$2,000.0**  
 The earnings of the Fund maybe used for the administration of the Alaska Children's Commission and to make grants to eligible recipients. The House budget had included \$4,000.0, the Senate's did not , and the Conference Committee adopted a compromise position of \$2,000.0--which was vetoed. Originally, the source of the funds was to be the Alaska Housing Finance Corporation "dividend" (transfer) to the General Fund. Since the funds have already been transferred to General Fund, that source is specified in the supplemental appropriation.

**ADMINISTRATION**

**HB50, Sec. 2 Alaska Public Broadcasting Commission Grants \$600.0**  
 This supplemental was requested to cover a portion of the Governor's veto. The Legislature had restored \$2,161.7 in grant funds to the FY92 budget of which roughly half or \$1,035.6 was subsequently vetoed. The available backup on this supplemental indicates that public radio stations have eliminated positions, cut back local news and weather coverage and some have dropped NPR programming. The ultimate allocation of any supplemental grant funds will be determined by the Alaska Public Broadcasting Commission.

FY91 Authorized	FY91 CC	FY92 Authorized
7,533.0	7,544.7	6,509.1

**COMMERCE & ECONOMIC DEVELOPMENT**

**HB50, Sec. 3 AK Energy Authority: Power Cost Equalization \$1,700.0**  
 This supplemental was requested to cover a portion of the Governor's veto. The legislature increased the governor's FY92 request to the esimated full funding level for this program by the addition of \$3,540.4. That amount was subsequently vetoed. In order to remain within available funding, payments from August through December were reduced to 80% of the full funding level. That process reduced program requirements to \$17,939.4 and resulted in an FY92 shortage of \$2,909.7. The supplemental need was reduced to the requested level by funds available from an FY91 carryover (subject to a lapse date extension).

FY91 Final	FY92 CC	FY92 Authorized
21,594.6	18,570.1	15,029.7

The FY91 Final Figure is composed of these elements:

FY91 Conference Committee	\$18,432.5
Less: Amount Vetoed	3,500.0
Plus: FY91 Supplemental	1,979.6
Plus: SLA 90, Ch 208, S.97 *	4,682.5
Equals: FY91 Final	21,594.6

\*Extended lapse date to June 30, 1991 for monies appropriated by SLA 89, Ch 116.



**EDUCATION**

**HB50, Sec. 4 Professional Teaching Practices Commission \$108.4**

This supplemental was requested to cover a portion of the Governor's veto of \$138,800 in program receipts. The supplemental amount of \$108,400 anticipates reinstatement of the Professional Teaching Practices Commission for 4 months and reinstatement of the Executive Director for the full year. These program receipts are generated from fees charged for teacher certification in Alaska.

FY91 CC	FY91 Authorized	FY92 CC	FY92 Authorized
178.1	181.2	173.8	35.0

**HEALTH & SOCIAL SERVICES**

**HB50, Sec. 5 Anchorage Social Services Block Grant \$274.4**

This supplemental was requested to cover a portion of the Governor's veto. This will allow 4 months worth of program services at full funding for the rest of this fiscal year. Last session the legislature attempted to add funds to bring the FY92 request to the level included in the FY91 Conference Committee. But, the Governor vetoed the funding back to his amended request. The following is a review of funding levels for this grant:

FY91 CC	FY91 Final	FY92 Authorized
2,510.6	2,149.8	1,687.4

This supplemental will allow the grantees to resume serving their previous level of clients during the remaining portion of the year. The Governor's FY93 request is at the same level as the FY92 authorized.

**HB50, Sec. 6 Fairbanks Social Services Block Grant \$77.1**

This supplemental was requested to cover a portion of the Governor's veto. This will allow 4 months worth of program services at full funding for the rest of this fiscal year. Last session the legislature attempted to add funds to bring the FY92 request to the level included in the FY91 Conference Committee. But, the Governor vetoed the funding back to his amended request. The following is a review of funding levels for this grant:

FY91 CC	FY91 Final	FY92 Authorized
537.5	481.9	306.3

In order to deal with the reduction in funds, Fairbanks has distributed to their grantees 57% of their original allocation based on the FY91 CC level. This supplemental will allow the grantees to resume serving their previous level of clients during the remaining portion of the year. The Governor's FY93 request is at the same level as the FY92 authorized.

**HB50, Sec. 7 Maniilaq Senior Center \$197.2**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. Also, an increment of \$150.0 was vetoed for the Maniilaq Senior Center. The center has had problems with funding for several years as it has had to deal with rising commodity and fuel prices, reclassification of nursing assistants, and extremely high occupancy rates. Maniilaq has had to request the transfer of funds from the other program areas of the BRU to cover these shortfalls. This has jeopardized the ability to provide services in the areas of public health and alcohol and drug abuse. The supplemental restores the 5.3% reduction for approximately 4 months and also most of the funds needed for the senior center. The FY93 governor's request does not include any increases for the senior center or for any other area of this BRU.

**HEALTH & SOCIAL SERVICES cont.**

**HB50, Sec. 8 Norton Sound Health Corporation \$78.6**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. Also, he vetoed funding to change a child abuse prevention position from part-time to full-time and funding needed to make the prematernal home Medicaid eligible. The intent of the supplemental is to restore the Norton Sound BRU to full funding for the last 4 months of the fiscal year. The veto to the alcohol and drug abuse services component has actually been restored by a payment from Alcohol and Drug Abuse Grants. A recalculation of the 4 month need for this BRU indicates a potential reduction in funds required of \$10.0. The governor's FY93 request also restores the alcohol and drug abuse services component with a transfer from Alcohol and Drug Abuse Grants.

**HB50, Sec. 9 Southeast Alaska Regional Health Corp. \$5.9**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. The intent of the supplemental is to restore the SEARHC BRU to full funding for the last 4 months of the fiscal year. The veto to the alcohol and drug abuse services component has actually been restored by a payment from Alcohol and Drug Abuse Grants. A recalculation of the 4 month need for this BRU indicates a potential reduction in funds required of \$3.5. The governor's FY93 request also restores the alcohol and drug abuse services component with a transfer from Alcohol and Drug Abuse Grants.

**HB50, Sec. 10 Kawerak Social Services \$7.2**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. The supplemental restores the Kawerak BRU to full funding for the last 4 months of the fiscal year. There are no changes in the governor's FY93 request for Kawerak.

**HB50, Sec. 11 Tanana Chiefs Conference \$10.9**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. The intent of the supplemental is to restore the Tanana Chiefs BRU to full funding for the last 4 months of the fiscal year. The veto to the alcohol and drug abuse services component has actually been restored by a payment from Alcohol and Drug Abuse Grants. A recalculation of the 4 month need for this BRU indicates a potential reduction in funds required of \$6.0. The governor's FY93 request also restores the alcohol and drug abuse services component with a transfer from Alcohol and Drug Abuse Grants.

**HB50, Sec. 12 Tlingit-Haida Central Council \$3.6**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. The supplemental restores the Tlingit-Haida Social Services component to full funding for the last 4 months of the fiscal year. There are no changes in the governor's FY93 request for Tlingit-Haida.

**HB50, Sec. 13 Yukon-Kuskokwim Health Corp. \$23.0**

The governor vetoed 5.3% out of all the designated BRU's except those components that dealt with mental health funds. The intent of the supplemental is to restore the Yukon-Kuskokwim BRU to full funding for the last 4 months of the fiscal year. The veto to the alcohol and drug abuse services component has actually been restored by a payment from Alcohol and Drug Abuse Grants. A recalculation of the 4 month need for this BRU indicates a potential reduction in required funds of \$5.2. The governor's FY93 request also restores the alcohol and drug abuse services component with a transfer from Alcohol and Drug Abuse Grants.

**HEALTH & SOCIAL SERVICES cont.**

**HB50, Sec. 14 Preventive Services \$525.3**

The governor vetoed \$1,314.6 that reduced grants available for the prevention of the occurrence of child abuse, neglect, or delinquency. This supplemental restores full funding for the rest of the fiscal year. Those grants that were eliminated with the veto were for primary and secondary preventive services. Tertiary services, provided to help avoid the reoccurrence of abuse of individuals already identified as having problems, are the only services now being provided. The only way to get the supplemental money out to providers is to increase existing grants. This would be distributed on a pro-rata basis and would not be based on need. Those grantees that were eliminated will not be able to apply since there is not adequate time to go through another RFP process. Because of the lack of time, the department does not feel that a comprehensive prevention effort could be realized with these funds unless a lapse date extension is provided. The department has suggested an alternative of using the funds for the early start up of Family Preservation contracts. Contracts for family centered services could be placed earlier than the prevention grants and they will probably overlap with the grants that were eliminated.

**MILITARY & VETERAN AFFAIRS**

**HB50, Sec. 15 Disaster Relief Fund \$1,700.0**

This general fund supplemental was requested to cover additional disaster expenditures from Kodiak, Seward and Diomed. The Kodiak rainfall disaster requires \$650.0, the Seward sewer lagoon disaster requires \$500.0 and the Diomed fire disaster requires \$550.0. The disaster estimates are based on Damage of Survey Reports (DSR) prepared at the site of the disaster. AS 26.23.025 defines the disaster parameters, allowing the Governor to commit up to \$1 million per disaster. Legislative approval is required for commitments over \$1 million. With the supplemental request, the total commitment for Seward would be \$755.6, Kodiak would be \$1,650.0 and Diomed would be \$1,071.8. The Seward commitment does not require a legislative appropriation. The following is a review of funding levels for this fund:

FY91 Authorized	FY91 Final	FY92 Authorized
3,400.0	8,665.4	3,000.0

The Governor's FY93 request is at the same level as the FY92 authorized.

**PUBLIC SAFETY**

**HB50, Sec. 16 Village Public Safety Officer Contracts \$225.0**

This was originally a Public Safety request for supplemental funding, but was not included by the governor. The House added the funds to HB50. The request includes \$125.0 for VPSO personal services and \$100.0 to cover increased insurance costs the contractors have had to pay. VPSO contracts include a vacancy factor to represent normal turnover. Some contractors have been able to fill more positions than their vacancy assessment predicted, and their personal services line allowed. Without this supplemental funding, VPSO lay-offs may need to occur to stay within these budgets. The following is a review of funding levels for this program:

FY91 CC	FY91 Final	FY92 Authorized
4,806.8	\$4,830.1	4,806.8

The funding is needed by May 1, 1992.

**CS HB50 (FIN) am - SECTIONAL ANALYSIS**

**PUBLIC SAFETY cont.**

**HB50, Sec. 17 Contract Jails \$815.0**

Public Safety requests \$815.0 to cover a shortfall in payments to cities for state prisoner care and special service contracts, e.g., dispatch services, and prisoner transportation costs through contract with private carriers and reimbursement to the Department of Corrections. In the FY92 budget, the legislature included \$670.0 to bring Contract Jails funding closer the FY91 level. The increase was vetoed, and an internal audit performed to review management and efficiency, cost standards and reporting, and insurance. The governor's FY93 budget request includes a \$715.0 increment to try and avoid the need for a supplemental next year. A brief funding history of the contractual line for this component follows:

FY91 CC	FY91 Final	FY92 Authorized
3,307.0	4,027.0	3,307.0

Budgeting for contract jails is a prospective effort since contracts are not negotiated until after the budget process is complete. All the FY92 contracts were not signed until January 1991. The contracts total \$3,819.3, plus \$266.7 for prisoner transportation costs, and \$40.9 for contract close-out allowances. The department estimates it will have insufficient funds to meet the last quarterly payment due April 1, 1992.

**HB50, Sec. 18 Domestic Violence and Sexual Assault \$133.3**

\$133.3 is one-third of \$400.0 in grants vetoed by the governor and was included by the House. The funding would provide grants for the final four months of FY92. The Council on Domestic Violence and Sexual Assault provides grants to community-based programs for domestic violence, sexual assault crisis intervention and prevention programs. A \$400.0 increase was included in FY91, vetoed, included again in FY92, and again vetoed. A brief funding history of the grants line:

FY91 CC	FY91 Final	FY92 Authorized
5,879.5	5,479.5	5,509.2

The Council would likely use these funds to provide a small salary adjustment to existing grants. Turnover is a problem due to salary and work-stress levels.

**CORRECTIONS**

**HB50, Sec. 19 Major Medical \$2,111.1**

The governor vetoed an increment of \$1,419.7 included by the legislature in Major Medical's FY92 contractual line, an amount slightly less than the FY91 supplemental. This FY92 supplemental request includes \$1,364.8 for contractual costs, and \$746.3 for commodities. The department ran out of funding in this component in September. Three revised programs have transferred a total of \$1,675.0 from other components to cover day-to-day vendor payments since then. The supplemental request of \$2,111.1 is in addition to the \$1.6 million already transferred. A review of funding levels follows:

FY91 CC	FY91 Final	FY92 Authorized
4,182.4	6,813.7	4,218.7

The total supplemental request for Corrections in both HB 50 and HB 470 is \$10.8 million, about one month's worth of the departments' FY92 budget. Absorbing the Major Medical costs would transfer the deficit to other components since the department must provide a certain level of medical care to inmates. The governor's FY93 request for Major Medical, renamed Inmate Health Care, includes funding to avoid a supplemental request

CS HB50 (FIN) am - SECTIONAL ANALYSIS

next year. The total FY93 request is \$7,761.6, an 84 percent increase over FY92 Authorized.

**COURTS**

**HB50, Sec. 20 Alaska Court System \$622.0**  
The Court System requests a supplemental to restore half the funding vetoed in FY92 to restore maintenance level operations and prevent further case delays. The following is a short funding history for the three components of the Court System.

FY91 CC	FY91 Final	FY92 Authorized
39,500.8	42,060.5	43,571.3

The supplemental request would fund for six months eight clerical positions in rural courts and the Anchorage custody investigator's office authorized by the legislature in FY92, but vetoed by the governor, \$116.0. In addition, six months funding for ten additional positions funded twice by the legislature, and vetoed twice, is included, \$341.8. Four non-permanent positions for the upcoming Alaska North Slope Royalty litigation are also restored, \$85.9. Other costs related to this case include pro tem judge travel, \$9.5; jury fees, \$27.0; and courtroom improvements, \$41.8. Without the supplemental, the more critical positions would be retained by lengthening the 45 day hiring freeze already in place to further increase vacancy. Temporary positions hired to perform some of the functions the vetoed positions would have performed would be laid off. Delays in processing cases would increase.

**LEGISLATURE**

**HB50, Sec. 21 Legislative Audit Division \$200.0**  
This supplemental is requested to partially restore the Governor's veto of \$421.7. If not funded, the division would not have sufficient funds to operate for the month of June.

**HB50, Sec. 22 Legislative Finance Division \$500.0**  
The supplemental is requested to maintain the normal operations of the House and Senate Finance Committees. The vetoed amount for the component was \$531.3. A supplemental appropriation for the Division portion is not requested because of the availability one-time savings and prior year carryforward.

**HB50, Sec. 23 Legislative Council/Salaries & Allowances \$182.8**  
The supplemental request restores \$182.8 of the \$564.7 vetoed. Transfer of \$200.0 within the authorized budget addressed part of the shortfall. The office allowance will remain at \$4,000.

**HB50, Sec. 23 Legislative Council/Session Expenses \$302.7**  
The request fully restores the \$636.0 veto--including an internal transfer of \$333.3.

**HB50, Sec. 24 Legislative Operating Budget \$508.1**  
The request fully restores the amount vetoed-- split evenly between the House and Senate according to the intent of the original appropriation.

**CS HB50 (FIN) am - SECTIONAL ANALYSIS**

**LEGISLATURE cont.**

**HB50, Sec. 25 Office of the Ombudsman \$258.3**  
 The request restores \$258.3 of the \$372.6 vetoed. Savings and not filling a new position partially offset the veto. If not funded, the Ombudsman would layoff 13 staff members as of April 1, leaving a staff of eleven.

**HB50, Sec. 26 Legislative Council/Health Task Force \$207.4**  
 The vetoed \$282.7 fiscal note accompanying SCR10 would have funded the Health Resources and Access Task Force. The task force has been operating with House Finance Committee funds.

**NATURAL RESOURCES**

**HB50, Sec. 27 Agriculture Management \$400.0**  
 This general fund supplemental was requested to cover the Governor's veto of a funding source change (Agriculture Revolving Loan Fund (ARLF) to General Funds) for the Division of Agriculture. In December 1991, the agency requested a RP for \$918.0 additional ARLF funds, of which the Legislative Budget and Audit Committee approved \$306.6, or one-third of the request. The LB&A Committee intended this amount to be interim funding until supplemental funding could be secured. In addition, an Attorney General's opinion stated that ARLF could only be spent on agricultural administrative expenditures if appropriated by the legislature. In FY92, the legislature supported using General Funds, not ARLF, for the Division of Agriculture's administrative expenditures. This request will provide the Department of Law \$325.0 for legal services to the ARLF for litigation assistance arising from loan servicing. In addition, the request will provide contractual services for the protection of collateral of the ARLF.

It should be noted that HB470, Sec. 32, contains the same \$400.0 request using ARLF instead of General Funds. A total request of \$400.0 is needed. The following is a review of funding levels for this component:

	FY91 CC	FY92 CC	FY92 Authorized
ARLF	1,073.6	515.7	515.7
GF:	1,450.3	1,993.2	1,399.1

**HEALTH & SOCIAL SERVICES**

**HB50, Sec. 28 Emergency Medical Services Grants \$100.0**  
 The governor vetoed \$250.0 in grants that the legislature had added for FY92. \$100.0 of this increase was to restore the grant program to its FY91 level and the other \$150.0 was to increase the ability to provide EMS services to rural areas. As a result of the veto, grantees cut back rural training courses for EMT's, which will be reinstated with the supplemental. The sooner these funds are available for use, the more training courses will be provided. The Public Health Division will accomplish this through amendments to existing grants.

**LAW**

**HB50, Sec. 29 Oil and Gas Litigation \$15,500.0**  
 In both FY91 and FY92, appropriations for Oil and Gas Litigation were targeted for six to eight months, with the remainder to be funded through supplemental appropriation. The following is a review of funding levels for this grant:

FY91 CC	FY91 Final	FY92 Authorized
10,500.0	22,500.0	11,000.0

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The funds are used for resolving oil and gas tax claims, royalty litigation, and other oil and gas related issues. The supplemental request has been included in the fast track because as of January 1, the FY92 authorization has been spent. A supplemental of this size could not be absorbed by the department as it amounts to about 30 percent of the department's total budget. The FY93 governor's request for this component is \$14,000.0

**PUBLIC SAFETY**

**HB50, Sec. 30 Search and Rescue \$125.0**  
Additional funding has been required for Search and Rescue in FY90, FY91 and is requested again in FY92. This governor's request will provide funds for the final quarter of FY92, and will be needed before April 1, 1992.

FY91 CC	FY91 Final	FY92 Authorized
169.7	261.7	167.9

FY92 funding for search and rescue has run out. With this supplemental, the department estimates the Alaska State Troopers BRU will still experience a \$580.0 shortfall in FY92, even after trooper overtime was reduced from ten hours per month to eight. Without the supplemental, the shortfall would increase. Steps to decrease the shortfall include eliminating overtime for criminal investigations, deferring supply purchases and trooper relocations until FY93, and reducing trooper contributions to VPSO oversight.

This supplemental request is duplicated in HB 470, Sec. 36.

**COMMUNITY & REGIONAL AFFAIRS**

**HB50, Sec. 31 Organizational Grant for City of Pilot Point \$50.0**  
AS 29.05.180 entitles each city incorporated after December 31, 1985 to an organizational grant of \$50,000 for the first full or partial fiscal year after incorporation to defray the cost of transition to city government, and to provide for interim government operations. This supplemental was requested to cover the entitlement resulting from the January 7, 1992 vote to incorporate the city of Pilot Point as a second class city. Election results were certified by the Division of Elections on January 22, 1992.

It should be noted that an identical request is included in HB 470 (section 49) and would be funded through a proposed reduction to the FSA JOBS Child Care Program (section 48).

**ADMINISTRATION**

**HB50, Sec. 32 Leasing Program: Additional Lease Costs \$3600.0**  
This supplemental was requested to cover underfunding. The underfunding was combined with legislative intent that the department take all necessary steps to reduce lease expenses. The intent also instructed the department to return for a supplemental rather than cancelling or failing to renew leases or assessing a proportional reduction to the agencies.

FY91 Authorized	FY92 CC	FY92 Authorized
27,268.0	25,768.3	25,768.3

The backup indicates that failure to approve the supplemental would cause default on most leases with funds running out in mid-April.

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**EDUCATION**

**HB50, Sec. 33 Foundation Program \$19,087.8**

This supplemental was requested to cover increased student enrollment in grades K-12. This is a duplication of HB470, Sec. 55. The foundation program funding level is based on projections of student enrollments at the time the budget is prepared. Following actual student count periods in October and February, the actual amount required for that school year is calculated.

Payments to school districts for the first nine months of each fiscal year are based on actual instructional units for the prior year. Adjustments, either underpayments or overpayments, are made in the last three months of the fiscal year. The impact on school districts by including the supplemental funding in the early bill is that they know what their funding level will be for the rest of the fiscal year.

The amount of the FY93 supplemental request, \$19,087,800, is based on the October student count period. The February student count period just ended and the department will be revising their request following receipt of that information from the school districts.

FY91 Authorized  
505,425.1

FY91 Final  
526,467.1

FY92 Authorized  
541,746.2

**HEALTH & SOCIAL SERVICES**

**HB50, Sec. 34 AFDC \$16,366.2**

This increase is for \$7,585.7 federal receipts, \$7,585.7 general fund, and \$1,194.8 interagency receipts (related to the increased need in the PFD Hold Harmless program requested in HB470). The increased need appears to be a result of higher than budgeted caseload in the basic program and a higher number of participants in the Unemployed Parents Program (Welfare Reform). Reductions to this program could not occur without statutory changes. It is expected that the current funding will be exhausted on April 20, requiring this to be included in the "fast track" bill. The department states that they will submit a budget amendment to the Governor's Office requesting a similar amount for FY93.

**HB50, Sec. 35 Svcs to Chronically Mentally Ill \$154.9**

This supplemental is requested to assist the Transitional Living Center that provides a residential facility along with treatment services for the chronically mentally ill attempting to transition back into their communities. This facility is unable to bill Medicaid for its services and has found itself unable to continue functioning without state assistance. If this supplemental is not funded, the facility will be required to close and the 16 residents will need to be moved to other group homes. No space would be available for new residents. The department has found \$111.0 within the Mental Health and DD Division that was destined to lapse to help with some of this agency's needs. The situation could be alleviated in FY93 by transporting the residents to a separate clinic facility which would take care of the problem with Medicaid reimbursement, or the state could request a rehabilitation option. This would require a change in statute, a change in the state plan and general funds to cover the operation of the program until the option goes into effect, probably half a year's worth.

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SEC. #	AGENCY	PROGRAM/PURPOSE	GENERAL FUND	OTHER FUNDS	TOTAL FUNDS
1	Alaska Children's Trust Fund	Capitalize Fund	2,000.0		2,000.0
2	Administration	Alaska Public Broadcasting Commission Grants	600.0		600.0
3	Commerce/Econ Dev	Alaska Energy Authority: Power Cost Equalization	1,700.0		1,700.0
4	Education	Professional Teaching Practices Commission	108.4		108.4
5	Health/Social Services	Anchorage Social Services Block Grant	274.4		274.4
6	Health/Social Services	Fairbanks Social Services Block Grant	77.1		77.1
7	Health/Social Services	Maniilaq Senior Center by Maniilaq	197.2		197.2
8	Health/Social Services	Norton Sound Health Corporation	78.6		78.6
9	Health/Social Services	Southeast Alaska Regional Health Corporation	5.9		5.9
10	Health/Social Services	Kawerak	7.2		7.2
11	Health/Social Services	Tanana Chiefs Conference	10.9		10.9
12	Health/Social Services	Tlingit-Haida Central Council	3.6		3.6
13	Health/Social Services	Yukon-Kuskokwim Health Corporation	23.0		23.0
14	Health/Social Services	Child Abuse Preventative Services Grants	525.3		525.3
15	Military/Veterans' Affairs	Disaster Relief Fund: Kodiak Rainfall Disaster	650.0		650.0
15	Military/Veterans' Affairs	Disaster Relief Fund: Seward Sewer Lagoon Disaster	500.0		500.0
15	Military/Veterans' Affairs	Disaster Relief Fund: Diomedea Fire Disaster	550.0		550.0
16	Public Safety	Village Public Safety Officer Program	225.0		225.0
17	Public Safety	Contract Jails	815.0		815.0
18	Public Safety	Domestic Violence/Sexual Assault Grants	133.3		133.3
19	Corrections	Major Medical	2,111.1		2,111.1
20	Alaska Court System	Operating Expenses	622.0		622.0
21	Legislature	Legislative Audit Division	200.0		200.0
22	Legislature	Legislative Finance Division	500.0		500.0
23	Legislature	Legislative Council: Salaries/Allowances	182.8		182.8
23	Legislature	Legislative Council: Session Expenses	302.7		302.7
24	Legislature	Legislative Operating Budget	508.1		508.1
25	Legislature	Office of the Ombudsman	258.3		258.3
26	Legislature	Legislative Council: Health Resources/Access Task Force	207.4		207.4
27	Natural Resources	Agricultural Management Program: Litigation/Asset Protection	400.0		400.0
28	Health/Social Services	Emergency Medical Services Grant Program	100.0		100.0
29	Law	Oil and Gas Litigation	13,000.0	2,500.0	15,500.0
30	Public Safety	Search and Rescue	125.0		125.0

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SEC. #	AGENCY	PROGRAM/PURPOSE	GENERAL FUND	OTHER FUNDS	TOTAL FUNDS
31	Community/Regional Affairs	Organization Grant for City of Pilot Point	50.0		50.0
32	Administration	Leasing Program: Additional Lease Costs	3,600.0		3,600.0
33	Education	Public School Foundation Program	19,087.8		19,087.8
34	Health/Social Services	Aid to Families with Dependent Children	7,585.7	8,780.5	16,366.2
35	Health/Social Services	Svcs to Chronically Mentally Ill/Transitional Living	154.9		154.9
<b>TOTAL: FY92 SUPPLEMENTAL APPROPRIATIONS</b>			<b>57,480.7</b>	<b>11,280.5</b>	<b>68,761.2</b>

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
<b>House Bill 470</b>									
1	Governor	Human Rights Commission: Process increase of cases scheduled for hearing as a result of Americans with Disabilities Act	31.5				May	Delay hearings to FY93 and future fiscal years	Experience shows that delayed hearings result in increased travel and associated hearing costs to assemble all parties and information related to cases.
2	Governor	OMB - Audit and Management: Offset Human Rights & Elections increases	-39.0				May		Funds available due to vacancy in Director's position.
3	Governor	Elections - Unanticipated litigation settlement	7.5				May	Settlement already paid, causing operating budget shortfall. May inhibit contractual spending necessary to prepare for 1992 elections.	Restores operating funds earmarked for 1992 elections start-up costs that were used to pay this unanticipated settlement.
4	Admin	Longevity Bonus Increased Recipients	1,602.7				May	Insufficient funds to cover 1/3 of June payments; no statutory provision to pro-rate payments.	Fully funds program requirements
5	Admin	Public Defender Extraordinary Felony Cases & Underfunded Personal Services	396.9				May	Layoffs and office closures.	Covers costs for extraordinary felony cases and historically underfunded personal services costs in order to meet ever increasing caseload.
6	Admin	RATNET Earth Station Replacement Project Unanticipated Cost Overruns	307.8				March	Discontinue RATNET for May and June and inability to meet some contractual obligations in RATNET & Telecomm. Services components	Project cost overruns due to start-up delay, extraordinary freight costs and delays due to changing satellites. Operating budget was decreased in FY92 anticipating project completion; however, delays have resulted in full savings not being realized.

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
7	Admin	Personnel Board One-Time Unanticipated Hearing Costs	90.0				May	Existing Division of Personnel budget would have to absorb this one-time cost, resulting in layoffs.	Currently in midst of hearing process, so over half of requested funds already spent. Balance is for Board travel, attorney, hearing officer and recording fees should an additional hearing be required. If no hearing, supplemental will be decreased.
8	Law	Judgements and Claims: Court judgements against the state	455.0					Failing to fund payment of court ordered awards would likely result in further court action against the state.	This request will be updated throughout the session as other judgements are received.
9	Law	Exxon Litigation: Reduction due to settlement	-500.0			-500.0			This reduction offsets cost of the Independent Special Counsel request
10	Law	Independent Special Counsel: "Breeze" & Copper River Highway investigations	300.0					Special counsel activity would cease.	Since special counsel is infrequently used, this type of activity is not covered in Prosecution's budget
11	Education	Commission on Postsecondary Education: Unanticipated costs associated with the data-processing conversion.				165.5	May	Denial of the supplemental will result in lay-offs.	The increased authorization will be funded from corporation receipts; relates to correcting the delays student loan recipients experienced last Fall.
12	DHSS	PFD Hold Harmless: Increase to reflect higher caseload in AFDC and subsequent higher need for hold harmless payments.				1,494.7	May	Formula-driven entitlement which cannot be pro-rated under current statutes.	The Department does not have statutory authority to make adjustments to entitlement payments under public assistance programs in the event that formula need outstrips budget appropriation. The only remedy at present is to seek supplemental funding.

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
13	DHSS	Medical Assistance: Increase in medical fees, eligible clients and utilization of covered services.	917.0			304.5	June	Promulgate emergency regulations to eliminate funding for two lowest-level optional services: chiropractic and Adult Dental	AS 47.07.035 lists optional services in order of priority. If funding is not sufficient to meet formula need, optional services can be dropped after adoption of emergency regulations. Statute specifies order in which services are deleted.
14	DHSS	Family Services - Western Region: Savings from higher-than-anticipated vacancy factor in personal services.	-100.3				June	Excess funding will lapse to general fund.	Western Region has experienced unanticipated vacancies in staffing, resulting in savings in personal services line item. Savings are to be applied to McLaughlin Youth Center.
15	DHSS	Community Mental Health Grants: Reduction to reflect actual FY92 grant expenditures.			-150.0		June	Funds will lapse to general fund. Request is to apply savings in grants to fund shortage in Harborview Development Center.	Supplemental request is based on information as to amount of funds which will remain unused by grantees at end of fiscal year.
15	DHSS	Services to Chronically Mentally Ill: excess funding due to late start of newly-funded programs.			-100.0		June	Funds will lapse to general fund. Request is to apply savings in grants to fund shortage in Harborview Development Center.	The Department received increased Mental Health grant authority for various new initiatives in FY92 budget. New program standards and grant requirements needed to be developed in some cases, delaying implementation of new programs.
16	DHSS	Community DD Grants: excess funding due to late start of newly-funded programs.			-250.0		June	see Section 15	see Section 15

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
17	DHSS	Eligibility Determination Program: Implement upgrade of EIS technician series resulting from DOA classification study; increased lease costs for welfare reform field offices, Fee Agents, Food Stamp delivery contracts and postage.	288.0			216.9	June	Responsibilities of each level in position series could be decreased to bring in line with earlier pay ranges, leaving higher-level duties unaccomplished. Probable result would be increased federal audit exceptions and loss of federal funds.	Department has signed off on results of DOA classification study. Employees are being paid at new ranges.
18	DHSS	McLaughlin Youth Center: Increase in client load and in medical expenses and fixed costs.	205.5				March	Center has already down-sized one girls' cottage. Lack of supplemental would result in additional contraction and staff loss even in face of increased client load.	Supplemental request partially covered by savings in Family Services, Western Region component.
19	DHSS	API: Increased program receipt authority to cover shortfall in contractual line item.		300.0			March	API could not pay utility bills and other fixed costs for remainder of year. Contractual psychiatric services would be eliminated, jeopardizing hospital accreditation.	Request is to increase authority for expenditure of additional program receipts from third-party payments.
20	DHSS	Harborview Developmental Center: Increase for steam heat obligations and staff overtime costs.			677.0		May	Center could not pay utility and other vendor bills; accreditation could be jeopardized, bringing loss of federal funds (\$3.5 million).	Supplemental costs partially covered by reduction in mental health grants. Funding shortfall caused primarily by loss of program receipts (Medicaid) as clients are transferred to least restrictive environment.
21	DHSS	Adult Public Assistance: Increase in client load.	1,662.3				May	Department does not have authority to pro-rate benefits in the event of underfunding. Payments must be made.	

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount	Amount	Amount	Amount	Date Dept	Impact if	Comments
			GF	GF/PR	GF/MH	OF	Req By	Not Funded	
22	DMVA	National Guard Retirement Benefits: Surplus shifted to meet increase in Veterans' Death Gratuity program.	-26.4				March		Based on DOA's recalculation of this formula program's FY 92 funding requirements, reallocates excess authorization to the Death Gratuity program.
23	DMVA	Veterans' Death Gratuity	26.4				March	Processing of claims for death gratuities received in FY92 will be delayed and paid out of the FY93 appropriation; statute does not provide for prorating.	The Death Gratuity program is a formula funded program with the amount specified in statute. The current year shortfall is primarily the result of 68 claims received in FY91 but not processed until the FY92 budget due to lack of FY91 funds.
24	DMVA	Northwest Arctic Borough Cold Wave Disaster	974.4			2,923.1	June	Impaired water and sewer systems in Noatak due to a cold wave disaster.	This is a 1989 federally declared disaster. Additional federally approved Damage Survey Reports require a 25% state match of 974.4 for federal funds of 2,923.1.
25	DMVA	Disaster Relief Fund: additional funding for future disasters.	1,000.0				May	If there is a disaster declared and no fund balance is available, the Governor, with legislative concurrence, has the authority to take funds from other appropriations.	The unobligated Disaster Relief Fund balance is 992.3.
26	DMVA	Disaster Relief Fund - Lapse date extension							Any available disaster relief fund balance at the end of FY 92 will carry forward into FY 93.
27	Commerce	PCE - FY 91 lapse date extension to FY92.					March	PCE program subsidy would be less than 80%.	The estimated FY 91 carry forward is 1,270,880. This funding will enable the current subsidy level of 80% full funding to be paid throughout FY 92.

Governor's Supplemental Requests												
Sec.	Department	Purpose	Amount	Amount	Amount	Amount	Date Dept	Impact if	Comments			
			GF	GF/PR	GF/MH	OF	Reg By	Not Funded				
28	Commerce	APUC - Funds are to investigate Alascom Inc.'s \$330 million proposal to sell its interstate long-distance service to American Telephone & Telegraph (AT&T).	150.0				March	APUC staff would have to do the analysis in-house without the benefit of experts.	Without funds to contract for expert staff, APUC will be unable to analyze the anti-competitive effects, financial impacts, and public policy considerations of the merger. Ratepayer will reimburse APUC (and the GF) for these costs in the future.			
29	Commerce	Occupational Licensing Legal Assistance for the continued services of 2.7 attorneys assigned Occupational Licensing cases.	92.0				June	Law will not have the resources to continue to investigate medical practitioner and gaming compliance complaints.	The caseload for the division has doubled in the past few years. Law presently handles between 125-150 active legal matters for Occupational Licensing.			
30	DNR	Fire Suppression - 3,100.0 Fire Costs 7/91-1/92 ; 2,500.0 1992 Fire Season Contractual Costs; 4,600.0 to BLM and USFS for fires on state land; 800.0 Initial Fire Attacks through 6/92; and 2,000.0 Approx Cost of 1 large fire out of control before 6/31/92.	13,000.0				March	No new funds would be available FY 1992 fire suppression activities.	Expenditures - Average 11 years is 7,990.6; average over 8 years (high/low) is 6,489.3. FY 91 highest season at 24,531.2 in general funds.			
31	DNR	Delta I Loans/Delta II Expansion - Repeal available funds to cover expenses of fire fighting emergency radios.	-238.0				March	Funds would not be available to purchase radios. Without adequate communication equipment, crews will not be put in field.	Per BLM/State agreement radios previously used by DNR are no longer available from BLM. DNR's new radios also need to be equipped with frequencies compatible with BLM's radios to ensure safety of fire crews.			
31	DNR	Fire Fighting Radio Equipment - Reappropriate available funds to cover expenses for firefighting emergency radios.	238.0				March	See above.				

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount	Amount	Amount	Amount	Date Dept Req By	Impact if Not Funded	Comments
			GF	GF/PR	GF/MH	OF			
32	DNR	Ag Loans Collateral Protection/Legal Services - Department of Law				400.0	March	Payment to Department of Law for legal expenses and asset management vendors would not be made.	
33	DF&G	FY 91 - Admin and Support - Add/Delete reducing FY 91 program receipts and increasing Fish and Game funds for that year to cover shortfall in program receipts.	-25.6			25.6	End of fiscal year.	Audit exception would continue for FY 91.	
34	DF&G	FRED - FY 92 - reduce FY 92 to cover payroll overexpenditures in FY 90	-40.4				End of fiscal year.	Audit exception would continue for FY 90.	
35	DF&G	FRED - FY 90 -Apply FY 92 monies to FY 90 payroll overexpenditures	40.4				End of fiscal year.	Audit exception would continue for FY 90.	
36	DPS	Search and Rescue: Provide funding for remainder of the fiscal year	125.0				April	Might not be able to respond to incidents that would normally involve search & rescue activity.	Without supplemental, funding would come from other State Trooper areas; these areas are already facing spending curtailments to stay within budget. Total funding for FY92 was 167.9, balance available 12/31/91 was 27.6.
37	DOT/PF	Rural Airports: Authority to receive and expend funds from airport landing and lease fees.		2,138.8			May	Reduced operational hours and/or airport closures.	This represents the revised program for \$2,085.0 submitted to LB&A to receive and expend rural airport landing and lease fees, plus \$53.8 in additional receipts for expanded air service in Nome and Kotzebue.
38	DOT/PF	Southeast Region M&O: Authority to receive and expend additional funding for the Klondike Highway Maintenance Agreement.		94.1			May	Reduction in maintenance activities.	Additional funds from the Yukon Territorial Government for requirements of the Klondike Highway Maintenance Agreement.

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount	Amount	Amount	Amount	Date Dept	Impact if	Comments
			GF	GF/PR	GF/MH	OF	Req By	Not Funded	
39	DOT/PF	Southeast Region: FY 91 Electrical costs at the SOB in Juneau.	43.0				May	Possible litigation.	This would provide funding for FY91 electrical costs previously not billed by AEL&P due to the incorrect routing of a meter switch. Insufficient lapse exists in FY91 to pay the bill from current year funding.
40	DOT/PF	Southeast Region: FY 92 Electrical costs at the SOB in Juneau.	106.8				May	Other maintenance activities will be reduced.	This would provide funding in the current year for unbudgeted electrical costs resulting from the incorrect routing of a meter switch by AEL&P.
41	DOT/PF	Additional funding for snow and ice control.	560.0				May	Other maintenance activities will be reduced.	Due to current winter trends, the department is experiencing funding shortfalls for maintenance activities.
42 (a)	DOT/PF	Central Region Highways and Aviation: Additional funding for snow and ice control.	150.0				May	Other maintenance activities will be reduced.	Due to current winter trends, the department is experiencing funding shortfalls for maintenance activities.
42 (b)	DOT/PF	Northern Region Highways and Aviation: Transfer to Central Region for snow and ice control.	-100.0				May		Identified by the department as available for transfer due to average winter trends.
42 (c)	DOT/PF	Southeast Region Highways and Aviation: Transfer to Central Region for snow and ice control.	-50.0				May		Identified by the department as available for transfer due to average winter trends.
43	DOT/PF	Alaska Marine Highway System: Ratification of the Inland Boatmans Health Insurance Payment for FY 86-91.					May		This transaction has a net zero impact and ratifies prior year expenditures from the general fund.
44	DOT/PF	Alaska Marine Highway System: Employer charges associated with the Inland Boatmans Union health insurance cost.				206.9	May	Other activities will be reduced.	This represents the unbudgeted FY92 health insurance costs.

### Governor's Supplemental Requests

Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
45	DOT/PF	Alaska Marine Highway System: Ratification of the commission agent fees and credit card discount fees that were recorded as net revenue in FY90 & FY91.					May		This transaction has a net zero impact and ratifies prior year expenditures from the general fund.
46	DEC	Administrative Services: Funding for creation of Pipeline Coordinator Regional office	158.5				June	Layoffs	Provides supplemental funding for the Pipeline Coordinator Regional Office among other items.
47	DEC	Environmental Quality: Offsets increased cost of Pipeline Coordinator's office	-158.5						Department is currently evaluating what projects would not be accomplished as a result of this transfer
48	CRA	Day Care Assistance: Decrease GF Match for FSA Jobs Program to reflect actual FY92 need.	-338.0				June	Funds will lapse to general fund at end of this fiscal year.	FSA JOBS day care has not been utilized to the extent anticipated when the FY92 budget was prepared. All eligible clients are being served. Reduction of authority will not impact any other state-funded day care assistance program
49	CRA	Organizational Grants: Increase for first-year payment to new city of Pilot Point.	50.0				Payment is past due.	City of Pilot Point will not receive the organizational grant guaranteed by statute to newly-created cities.	Funds for grant can be covered by savings in FSA JOBS day care. Section is also in HB 50.
50	Corrections	FY 92 Operational Costs: Expected funding requirements for remainder of FY92	8,688.9					Department would severely curtail operations	This represents a 9.1% increase over FY92 Authorized (approximately one month's funding). Both Legislature & Governor underfunded Corrections in FY92. Department needs as much advance notice as possible if this amount is to be significantly reduced.

Governor's Supplemental Requests									
Sec.	Department	Purpose	Amount GF	Amount GF/PR	Amount GF/MH	Amount OF	Date Dept Req By	Impact if Not Funded	Comments
51	Corrections	Correctional Industries Program: Authorization to spend funds on materials if needed				53.7		Might not be able to purchase material to fill orders.	
52	UA	Zuelsdorf and Daley v. UA judgement	202.6				June	Non-compliance with court decision	
53	UA	Remove power plant benzene contamination	750.0				February	Stop operation of cooling systems; delay summer school	
54	All	Payment of miscellaneous claims and stale-dated warrants.	376.8			0.7	May		This represents various claims against the state, that had they been presented in a timely manner, funding would have been sufficient to pay.
55	Education	Foundation Program: To fully fund the program.	19,087.8				May	Formula proration would be \$58.5 per unit.	The request is based upon actual student information provided by the districts for FY92.
		<b>Total</b>	<b>50,488.6</b>	<b>2,532.9</b>	<b>177.0</b>	<b>5,291.6</b>			
<b>CS HB 50 (Finance) amH</b>									
15	DMVA	Disaster Relief	1,700.0				March	DMVA will be unable to continue the recovery efforts for the already declared disasters.	Additional project demands for the already declared disasters in Kodiak, Seward and Diomedea.
17	Public Safety	Contract Jails: Fully fund contracts negotiated in FY92	815.0				April	Department will be unable to pay full amount of contracts with communities, jail services provided would likely be reduced	All contracts have been or will be negotiated during FY92 This amount represents a 24.6% increase over FY92 Authorized
19	Corrections	Major Medical: Fully fund expected medical costs	2,111.1				ASAP	Department would divert funds from other areas to pay medical costs	This amount covers expected shortfalls in the contractual and commodities lines. This represents a 60.6% increase over FY92 Authorized.