

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 729

**OPEN COMPONENTS CONTINUED**

**The Legislature**

AMENDMENT #6

Legislative Budget and Audit

Committee Expenses

Page 6

**Delete lines 1022 Corp Rcpts, 1029 P/E Retire, 1034 Teach Ret, 1048 Univ Rcpt, & 1066 Pub School, funding sources.**

**Add to line 1004 GF**

**\$176.4**

**Legislative Council**

Legal Services

Page 20

Amendment #7

Add Intent Language

**Department of Natural Resources**

Commissioners Office (pg.2)

Question of special assistant

The motion is to close this component, NO CHANGE.

Commissions (pg.16)

AMENDMENT #4

Citizens Advisory Commission on Federal Areas

The motion is to add \$168.7 to this component to fund the CACFA.

**Department of Public Safety**

Violent Crimes Compensation Board (pg.66-67)

AMENDMENT #5

The motion is:

Delete line 1050 PFD funds, \$746.2

Add to line 1004 GF, \$746.2

Intent of Permanent Fund Dividend (pg.67)

The **motion is to remove the intent language** concerning the PFD being utilized as victims compensation.

Division of Administration of Justice Alaska State Troopers

Detachments (pg.36)

Hillside issue.

The motion is to close, NO CHANGE.

**Department of Revenue**

Commissioner's Office (pg.36)

The motion is to close this component, NO CHANGES.

**The University**

University of Alaska Fairbanks

Organized Research (pg. 28)

The motion is to close this component, NO CHANGES.

**SENATE FINANCE  
OPERATING BUDGET  
CLOSED BUDGETS**

Department of Administration

Closed

Department of Community and Regional Affairs

Closed

The Court System

Closed

Department of Education

Closed

Department of Environmental Conservation

Closed

Department of Fish and Game

Closed

Governor's Office

Closed

Health and Social Services

Closed

Department of Labor

Closed

Legislature

Closed

Department of Military and Veteran's Affairs

Closed

Department of Transportation and Public Facilities

Closed

**AMENDMENT #1**

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF DEVELOPMENT  
FISHERIES ENHANCEMENT TAX RECEIPT  
PAGE 52

**DELETE LINE 7**  
**\$6,953.2**

THIS FUNDING IS ALREADY INCLUDED IN THE FRONT SECTION

**AMENDMENT #2**

DEPARTMENT OF CORRECTIONS  
PROGRAM ADMINISTRATION AND SUPPORT  
SUB-PROGRAM ADMINISTRATIVE SERVICES  
PAGE 8

**DELETE LINE 1050 PFD FUND**  
**\$135.0**

**ADD TO LINE 1004 GF**  
**\$135.0**

THIS IS A CHANGE IN FUNDING SOURCE TO THE GATE MONEY PROGRAM  
FOR PRISONERS.

INTENT LANGUAGE  
PAGE 9-9A  
**DELETE INTENT LANGUAGE CONSISTENT WITH FUNDING**  
**SOURCE CHANGE**

PROGRAM STATEWIDE OPERATIONS  
SUB-PROGRAM STATEWIDE PROGRAMS  
PAGE 14

**DELETE LINE 1050 PFD FUND**  
**\$628.4**

**ADD TO LINE 1004 GF**  
**\$628.4**

THIS IS A CHANGE IN FUNDING SOURCE FOR THE SEX OFFENDERS  
PROGRAM.

INTENT LANGUAGE  
PAGE 15A  
**DELETE INTENT LANGUAGE CONSISTENT WITH FUNDING**  
**SOURCE CHANGE.**

**AMENDMENT #3**

DEPARTMENT OF LAW  
PROGRAM LEGAL SERVICES  
SUB PROGRAM OPERATIONS  
PAGE 22-23F

ADD THE FOLLOWING POSITIONS AND GF FUNDING

ANCHORAGE DISTRICT  
**NATURAL RESOURCE ATTORNEY III \$93.3**  
**LEGAL SECRETARY I \$52.1**

JUNEAU DISTRICT  
**NATURAL RESOURCE ATTORNEY IV \$102.5**  
**LEGAL SECRETARY I \$52.1**

**PAGE 22**  
**ADD TO LINE 1004 GF**  
**\$300.0**

THESE POSITIONS ARE TO COVER THE INCREASE IN CASE WORK IN THE  
DEPARTMENT OF LAW IN THE AREA OF RESOURCE LAW.

**AMENDMENT #4**

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MANAGEMENT AND ADMINISTRATION  
COMMISSIONS  
PAGE 16

**ADD TO LINE 1004 GF  
\$168.7**

THIS REINSTATES THE CITIZENS ADVISORY COMMISSION ON FEDERAL  
AREAS.

**AMENDMENT #5**

DEPARTMENT OF PUBLIC SAFETY  
VIOLENT CRIMES COMPENSATION BOARD  
PAGE 66-67

**DELETE LINE 1050 PFD FUND  
\$756.2**

**ADD TO LINE 1004 GF  
\$746.2**

THIS IS A FUNDING SOURCE CHANGE FROM PFD IN VICTIMS'  
COMPENSATION

INTENT LANGUAGE

PAGE 67

**DELETE INTENT LANGUAGE CONSISTENT WITH FUNDING  
SOURCE CHANGE.**

**AMENDMENT #6**

LEGISLATURE  
BUDGET AND AUDIT COMMITTEE  
COMMITTEE EXPENSES  
PAGE 6

DELETE LINES 1002 CORP RCPTS, 1029 P/E RETIRE, 1034 TEACH RET,  
1048 UNIV RCPT, & 1066 PUB SCHOOL, FUNDING SOURCES

ADD TO LINE 1004 GF  
\$176.4

#7

SENATOR POURCHOT  
4/23/91

LEGISLATURE'S BUDGET

p. 20 -- Legal Services

- Add intent language: Funding in this component includes travel to the annual meeting of the National Conference of Commissioners on Uniform State Laws for Alaska's public members of the NCCUSL.

Adopted  
4/24/91  
PP

p.25 -- Notes on Councils and Subcommittees

Delete: ("470 Funds" to be RSA'd from Dept. Environmental Conservation)"

RATIONALE: 470 FUNDS ARE APPROPRIATED DIRECTLY TO LEGISLATIVE COUNCIL IN THE FRONT SECTION OF THE BUDGET

Revenue  
4-22-91

# Alaska State Legislature

Al Adams  
District L

WHILE IN SESSION  
P.O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-3707

OUT OF SESSION  
P.O. Box 333  
Kotzebue, Alaska 99752  
(907) 442-3245

3111 C Street  
Anchorage, Alaska 99503  
(907) 561-7622



Official Business

April 16, 1991

TO: Senate Finance Members  
FROM: Senator Al Adams *AAA*  
RE: Proposed budget for the Alaska Permanent Fund

I believe we should approve a funding level for the Alaska Permanent Fund Corporation at either the Governor's request or at a maximum at the House level.

The Revenue subcommittee chose to increase this budget to the gold-plated level requested by the Trustees. The reason given for the huge increase is that we will need to spend much more money because of international investments. I am attaching, for your information, the fiscal note for the bill which allowed the Permanent Fund to do international investments. They testified at the time that this would not require new positions.

Both the Governor's and House level would fund these new positions, but would not gold-plate their operations.

It is our duty as members of the Finance Committee to scrutinize all requests for funding, regardless of funding source. After reviewing the request from the Trustess, I am not convinced that expending an additional \$268,000 to 368,000 on the operations of the Corporation will increase the value of the Permanent Fund, it will only cause a slight reduction in dividends.

**ALASKA PERMANENT FUND CORPORATION  
FY 92 OPERATING BUDGET**

3/19/91

(in thousands)

**SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 91 LEGISL AUTHZD</b>	<b>FY 91 LB&amp;A RP</b>	<b>FY 91 REVISED AUTHZD</b>	<b>FY 92 BOARD REQUEST</b>	<b>FY 92 GOV'S RECOMM</b>	<b>ANALYSIS OF GOVERNOR'S RECOMMENDATION vs BOARD REQUEST</b>
Pers. Svcs.	1,352.9	75.5	1,428.4	1,773.2	1,600.5	GEN'L 2% REDUCTION <\$32.7>; REDUCE INT'L INVESTMENT INCREMENT <\$140.0>
Travel	351.2		351.2	378.8	336.0	GEN'L 10% REDUCTION <\$37.3>; REDUCE INT'L INVESTMENT INCREMENT <\$5.5>
Contractual	12,701.8	13.0	12,714.8	15,103.2	15,058.4	REDUCE INT'L INVESTMENT INCREMENT <\$44.8>
Supplies	39.8		39.8	39.8	39.8	
Equipment	9.0	28.8	37.8	86.2	62.0	REDUCE INT'L INVESTMENT INCREMENT <\$24.2>
<b>TOTAL</b>	<b>14,454.7</b>	<b>117.3</b>	<b>14,572.0</b>	<b>17,381.2</b>	<b>17,096.7</b>	<b>TOTAL REDUCTION &lt;\$284.5&gt;</b>
<b>POSITIONS</b>						
Pem Full-Time	18	3	21	26	26	
Pem Part-Time						
Staff Months	216	36	252	312	312	

# FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_  
 Title: An Act relating to purchase of international investments by PFC  
 Sponsor: Rules  
 Requestor: Governor

Agency Affected: Revenue  
 BRU: Permanent Fund Corporation  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	35.0	500.0	500.0	500.0	500.0	500.0
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	<b>35.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>
<b>CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**FUNDING:** (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	35.0	500.0	500.0	500.0	500.0	500.0
<b>TOTAL</b>	<b>35.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>

**POSITIONS:**

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

**ANALYSIS :** (Attach a separate page if necessary)

FY 89: Contractual services for manager search.

FY 90 - FY 94: Management fees.

Prepared by: Alaska Permanent Fund Corporation

Phone: 465-2047

Division: \_\_\_\_\_

Date: December 14, 1988

Approved by Commissioner: David A. Rose, Executive Director

Date: December 14, 1988

Agency: Alaska Permanent Fund Corporation

Distribution (by preparer):

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

**received**  
1-27-89



**Alaska Permanent Fund Corporation**

P.O. Box 4-1000 Juneau, Alaska 99802-4100  
(907) 465-2047 Telecopy (907) 586-2057

M E M O R A N D U M

DATE: February 9, 1989

TO: Representative Ron Larson  
Co-Chairman  
House Finance Committee

FROM: David A. Rose  
Executive Director

SUBJECT: Addendum to the Fiscal Note for House Bill No. 69.

Regarding the \$35,000 expense in FY 89:

Before any of the Fund is invested in international investments, the Corporation intends to purchase a certain amount of technical assistance from a firm (or firms) with demonstrated expertise in the field. Once they are under contract, the consultants, along with the trustees and investment staff of the Corporation will undertake a very deliberative study of a number of preliminary questions specific to the Alaska Permanent Fund. For example:

- \* What is the optimal mix of domestic and non-domestic investments in terms of risk and return?
- \* What is the proper level of initial investment in non-domestic securities, and how should the new investments be phased in?
- \* Should the Fund invest in international equities or international fixed-income securities?
- \* Should the investments be managed actively or passively?
- \* Should the investments be managed by managers emphasizing a regional, international or global scope?
- \* What is the best method of measuring the performance of managers investing overseas?

Once these questions have been researched and analyzed, the Corporation expects to undertake a manager search.

Regarding the \$500,000 annual costs in future years, that number represents expected management and custodial fees in excess of funds which would be budgeted to cover a "domestic only" portfolio. These funds would cover investment of \$500 million in equities and \$250 million in fixed-income; a total of 7.5% of a \$10 billion Fund.

Revenue  
4-22-91



SENATOR FRED F. ZHAROFF  
ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259  
DURING SESSION:  
P. O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465-3474

DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

MEMORANDUM

TO: Senator Rick Uehling, Chairman  
Finance Subcommittee on Revenue Budget

FROM: Senator Fred F. Zharoff

DATE: April 1, 1991

SUBJ: Dept. of Revenue Budget

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As you prepare to close out the subcommittee on the Department of Revenue's budget, I would like to ask your consideration of the following budgetary items of concern to me.

INCOME & EXCISE AUDIT

I am very concerned with the proposed reductions to the Income & Excise Audit Division. Currently, there are no filled positions in Senate District N. The Bristol Bay, Kodiak and Aleutian regions are serviced out of the Anchorage office. I continue to receive complaints regarding the state's lack of fish tax collection from the off shore processors operating in state waters in District N. With the reductions this division's budget, I believe this region will receive less service. It is in the best interest of the state that we enforce compliance of our tax laws. The state will continue to lose revenue until we properly address this problem. The communities and boroughs which share these fish tax revenues equally with the state are also severely impacted.

Senator Uehling  
April 1, 1991  
Page Two

With your assistance, we added a Fish Tax Compliance Officer position in Kodiak to assist in enforcing that processors are filing correct fishery business taxes. With the reductions now proposed in the governor's budget, this position will be eliminated. The port of Kodiak is one of the most active fishing ports in Alaska and this position would be most helpful in ensuring that the state and communities receive the fish tax revenues they are entitled to.

The cost of this position in Kodiak is approximately \$100.0. I believe that this investment will be returned to the state many times over if this position is funded.

Thank you for your consideration of these requests. I would be happy to discuss them with you at your convenience.

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

REVENUE  
4-22-91  
WALTER J. HICKEL, GOVERNOR

P.O. BOX 5  
JUNEAU, ALASKA 99811-0400  
PHONE: (907) 465-2300  
TELEFAX: (907) 465-2389

April 10, 1991

The Honorable Rick Uehling  
Senate Finance Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Senator Uehling:

It is the goal of the Administration to reduce the fiscal cost of government services to the people of Alaska without reducing productivity and services. One of the tools this department is utilizing to achieve this goal is internal reorganization to gain efficiency at a lower cost to the state. The Department of Revenue has made great strides in achieving this goal.

This department is fiscally responsible for the collection of taxes due to the state. The department is determined to expedite the collection of these taxes. A gradual reduction of funding levels in the Income and Excise Audit Division and the Oil and Gas Audit Division is prudent management and will provide a long range fiscal return to the state.

Currently, the Income and Excise Audit Division is under going an internal reorganization. It is my intent that this division establish a field office in Kodiak. Until proper, state approved facilities can be obtained and the field office officially established, the Anchorage field office will actively cover this area.

The Oil and Gas Audit Division has already made great strides in efficiency. This division is charged with the collection of billions of dollars of oil taxes.

It is my intent that the cost of operating these divisions will gradually reduce as more efficient methods of operation are applied.


The Commissioner's Office and the Administrative Services Division are partially funded through inter-agency receipts from the Permanent Fund Dividend Division (PFD). PFD is currently showing a contractual

The Honorable Rick Uehling  
April 10, 1991  
Page 2

funding level for these transfers at \$36.8 lower than is authorized in the receiving components. Increasing the contractual authorization of this division will provide the total amount of funding in the (PFD) source component that is authorized in the servicing components (ASD & CO).

The enclosed analysis reflects the Department of Revenue's proposed adjustments to the Senate's funding level.

Sincerely,



Lee E. Fisher  
Commissioner

LEF:SJM:m11  
Enclosure

91-59

The Honorable Rick Uehling  
April 10, 1991  
Page 3

Income & Excise Audit - personal services line:

Total need without 4 PFT positions:	\$2955.1
Add Back funding for 4 positions:	\$ 235.3
assess 3.5% vacancy factor:	(\$ 111.7)

Need after vacancy:	\$3078.7
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Senate personal services funding:	\$2951.3
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Add on needed:	\$ 127.4
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The additional allocation will re-instate funding for four permanent full time positions currently zeroed out in the PACS file; three Revenue Auditors located in Kodiak and Anchorage and one Tax Collection Specialist located in Anchorage, and re-align the vacancy factor from 6.99% to a more realistic 3.5%.

Oil and Gas Audit - personal services line:

Total need without 3 PFT positions:	\$3135.1
Add Back funding for 3 PFT positions:	\$ 200.7
assess 3.5% vacancy factor:	(\$ 116.8)

Need after vacancy:	\$3219.0
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Senate personal services funding:	\$3144.8
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Add on needed:	\$ 74.2
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The additional allocation will re-instate funding for three permanent full time positions currently zeroed out in the PACS file; one Revenue Auditor, one Petroleum Property Appraiser and one Analyst Programmer, located in Anchorage, and re-align the vacancy factor from 6.38% to a more realistic 3.5%.

Permanent Fund Dividend Division - contractual line:

(Administrative Services Division and Commissioners Office IA-receipts)  
Add on needed contractual services (For IA Transfer) \$ 36.8

The Permanent Fund Dividend Division has been authorized a total of \$202.7 for transfer to the Administrative Services Division and \$125.0 for transfer to the Commissioner's Office. An additional \$36.8 is needed in PFD to match the inter-agency receipts authorizations within the Administrative Services Division (\$ 35.4) and the Commissioner's Office (\$ 1.4)

# Alaska State Legislature

Sen. Curt Menard, *Chair*  
Sen. Lloyd Jones, *Vice-Chair*  
Sen. Bettye Fahrenkamp, *Member*  
Sen. Drue Pearce, *Member*  
Sen. Dick Shultz, *Member*



P.O. Box V  
Juneau, AK 99811  
907 465-4921

## Senate Transportation Committee

TO: Senator Pat Pourchot, Co-Chair  
Senator Jalmar Kerttula, Co-Chair  
Senate Finance Committee

FROM: Senator Curt Menard, Chair  
Senate Transportation Committee

Senator Sam Cotten, Chair  
Senate Oil and Gas Committee

DATE: April 23, 1991

RE: Alyeska Terminal Ballast Water Testing & Monitoring

The purpose of this memorandum is to ask for your support in making an amendment to the front section of the operating budget regarding use of the Oil and Hazardous Substances Release Response Fund (the 470 Fund) to provide for an appropriation of \$175,000 to the Department of Environmental Conservation, in consultation with the Citizens' Oversight Council on Oil and Hazardous Substances, to fund an independent testing and monitoring program for the ballast water treatment facility. A proposed amendment with appropriate language is attached for your consideration.

### DISCUSSION

Recent events and revelations have led the Senate Transportation and Oil & Gas Committees to hold extensive hearings on the ballast water treatment plant at the Valdez Marine Terminal. Those hearings have raised substantial questions regarding the adequacy of the monitoring at the plant by both the terminal operator and the

agencies with regulatory responsibility. In order to ascertain the quality of terminal monitoring and to restore public confidence in the state's regulatory oversight of the facility, we would like to propose funding for alternative independent studies examining the situation at the plant.

### Background

In 1974, the state entered into a "Right-of-Way Lease for the Trans-Alaska Pipeline" with seven oil companies. In the lease, the owner companies covenant that :

"Lessees shall manage, supervise and implement the construction, operation, [and] maintenance [of the TAPS] in accordance with the best practicable engineering technology available. . . to the extent allowed by the state of the art and the development of technology."

The lessees also promised to minimize pollution from TAPS.

This lease required the owner companies to appoint a common agent to operate and maintain the TAPS. The owners appointed Alyeska Pipeline Service Company as their common agent and Alyeska serves in that capacity today.

Alyeska is owned by Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, Exxon Pipeline Company, Mobil Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, BP Pipelines (Alaska), Inc., and Unocal Pipeline Company. Alyeska's three main shareholders are ARCO Pipe Line Company, Exxon Pipeline Company, and BP pipelines (Alaska), Inc., (formerly Sohio Alaska Pipe Line Company), which together own over ninety percent of the shares of stock in Alyeska.

### Ballast Water Treatment System

Some of the most challenging environmental issues associated with the Trans-Alaska Pipeline are posed by the operation of Alyeska's Valdez Marine Terminal.

Tankers arrive at the terminal carrying ballast water in their cargo holds to keep the tankers stable during the voyage north. More ballast water is used in the winter because seas are worse.

Unsegregated ballast water mixes with residual oil in the holds of the tankers and therefore becomes contaminated. The ballast is off-loaded and treated in Alyeska's ballast water treatment (BWT) system.

The BWT is intended to reduce the contamination from the ballast water, particularly of BETX (benzene, ethylbenzene, toluene, and xylene), which are among the most actively toxic components of crude oil. The ballast water is then discharged into Valdez Bay. The BWT is regulated under a National Pollution Discharge Elimination System (NPDES) permit. The NPDES permit sets pollutant effluent limits and other conditions for operating the BWT. The state role in NPDES permitting is to impose any conditions necessary to certify "reasonable assurance" that Alaska's water quality standards are being met.

In 1986, Alyeska modified the system to add a biological (bug) treatment component. These organisms are supposed to eat most of the last remaining vestiges of the toxics and other polyaromatic hydrocarbon compounds in the effluent water before discharge. Alyeska chose to add the bugs as the least expensive method of improving the BWT performance during permit review, not because these bugs were necessarily the most effective technology.

Although it is regulated, the BWT facility is still discharging approximately 18 million gallons of wastewater — containing 152 pounds of BETX — on a daily basis. That is a discharge of 27.7 tons of BETX per year. Accordingly, permit inspection and monitoring is an ongoing intensive task.

### The Problem

Recent allegations about what is being brought to Alaska as ballast water have raised concerns about the adequacy of the monitoring being done at the BWT. Currently, Alyeska performs routine self-monitoring on the effluent and the results are cross-checked and monitored by the Alaska Department of Environmental

Conservation (DEC). Each tanker calling at the terminal fills out a report, called a Ballast Water Survey Report, that details what is contained in the ballast water. However, this report does not indicate the origin of the ballast load.

On the basis of the testimony and materials developed during the Senate Transportation and Oil & Gas Committee hearings, it is apparent that the state and federal agencies charged with oversight do not have an independent and adequate grasp of the origins or the constituents of the ballast water being treated at the plant. There have been allegations that hazardous wastes (especially, tanker washings) are being run through the system and that the system is not capable of treating these wastes. Thus, these hazardous wastes are being discharged into Valdez Bay. Current effluent sampling will not necessarily detect these substances because they are not listed among the pollutants identified for testing.

The expectation of the people of the State of Alaska, especially since the 1989 Exxon Valdez oil spill, is that we must no longer rely on industry self-monitoring and self-regulating because it too often leads to the complacency that allowed this accident to happen.

### MONITORING PROPOSAL

We would like to propose a multi-faceted approach to address this problem. The central proposal would entail a legislative appropriation from the Oil and Hazardous Substance Release Response Fund (470 Fund) of \$175,000 to the Department of Environmental Conservation to contract for independent testing and monitoring of the BWT facility.

1. The first step would be to establish an independent technically-proficient group that is capable of understanding the complexities of the BWT and overseeing additional monitoring and studies.

This group would consist of toxicologists, as well as scientists with expertise in RCRA hazardous wastes and wastewater treatment. This group would oversee, review, and advise the Department of Environmental Conservation on the monitoring

methods, sampling protocols, and results analysis. Costs associated with this group would include travel and per diem, reimbursement of telephone costs, and a retainer fee for the days spent working on this contract. It is estimated that this work could be done for about \$100,000.

2. An additional step that should be taken is to determine what substances are actually entering the BWT from tankers.

In order to accomplish this, an investigator would be hired to track down where the ballast water is being taken on by the tankers that load at Valdez. Until the ballast water is tracked to the source, it will be impossible to adequately monitor to determine if hazardous wastes are being sent through the BWT or to impose regulatory limits on what the terminal may accept from tankers. The tanker ballast water survey reports should be verified; tanker ballast loads should be traced back to their source. A contract for a full-time, six-month investigation would probably cost about \$50,000.

3. An informal advisory body could then be established to oversee a long-term regulatory approach based upon the results of the monitoring data.

The purpose of this group would be to help the legislature and regulatory agencies determine what level of monitoring and oversight is necessary given the information provided by the technical group and the investigator. (Is the state confident that the BWT is effectively treating wastes? Is it working as designed? Can it handle the priority pollutants? Can it handle other toxics?) This body would consist of the following:

- A Citizens' Oversight Council representative
- An EPA representative
- A DEC representative
- An Alyeska representative
- A PWS Regional Citizens Advisory Council member

The costs associated with this stage would be \$25,000 for travel, per diem, telephone, and miscellaneous office expenses.

In summary, total expenses for the entire effort described above would be \$175,000.

\* \* \* \* \*

Thank you for your consideration of this proposal. Your assistance with this request would be greatly appreciated. If you need further information, please let us know or contact Johanna Munson, staff to the Senate Transportation Committee (465-2679) or Ginny Fay, staff to the Senate Oil & Gas Committee.

The sum of \$175,000 is appropriated from the Oil and Hazardous Substance Release Response Fund to the Department of Environmental Conservation for the development and implementation, in consultation with the Citizen's Oversight Council on Oil and Hazardous Substances, of an independent monitoring, testing and investigation of the Alyeska Terminal Ballast Water Treatment facility.

WALTER J. HICKEL, GOVERNOR

**DEPARTMENT OF PUBLIC SAFETY**

*OFFICE OF THE COMMISSIONER*

P.O. BOX N  
JUNEAU, ALASKA 99811-1200  
PHONE: 465-4322

April 20, 1991

The Honorable Arliss Sturgulewski  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Senator Sturgulewski:

This letter is in compliance with your request for an updated estimate of the cost of services this agency provides in trooper services to the Anchorage Hillside. It is our understanding you desire us to estimate indirect costs related to our level of effort in Hillside and include these as part of the total cost. We will do so with the understanding that indirect costs are not proratable in actual practice. Even if we withdraw from the Anchorage Hillside, Anchorage Detachment would still need 24 hour dispatching, clerical and other support that could not be efficiently or effectively reduced.

Additionally, we are reiterating that the level of effort we are currently providing is not necessarily the level of service that should be performed. As we have stated before, based upon the total Hillside population and types of activity involved, more enforcement effort is needed than is currently provided. Our updated estimate of costs is limited to that current level of effort only.

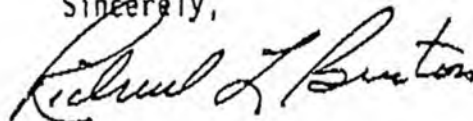
The formula we are following in estimating the total costs of our level of effort in Anchorage Hillside is as follows:

Anchorage Detachment Direct Hillside Costs	\$ 773.5
Anchorage Detachment Indirect Costs	74.9
Prorated Share of Ast Director's Office	61.0
Prorated Share of Commissioner's Office	22.4
Prorated Share of Administration	79.0
Estimate of Total Cost of Present Level of Hillside Trooper Enforcement	\$1,010.8

NOTE: Estimates are based using FY 91 Authorized

Thank you for this opportunity to respond. If you have any further questions regarding this matter please call me or Ken Bischoff at 465-4336.

Sincerely,



Richard L. Burton  
Commissioner

ANCHORAGE POLICE DEPARTMENT

MEMORANDUM

DATE: August 1, 1988  
 TO: Jerry Anderson, Budget Officer  
 FROM: Kevin M. O'Leary, Chief of Police *KMO*  
 SUBJECT: Extending Police Service to Lower Hillside

In response to a request from Assemblymen Barnett and Evans, my office has prepared estimates for needed positions, new costs and the resultant mill levy impact to extend police service to Lower Hillside.

The general boundaries are New Seward Highway on the west, Dowling Road on the north, Abbott Loop/Bragaw on the east and DeArmoun on the south, and extend to Zodiac Manor subdivision and Hillside Park to include Service High School. The population of the area is 18,562.

The estimates below describe new costs for major direct and overhead items to provide the service.

We would appreciate your review and comments.

New Costs for Extending Police Service to Lower Hillside

<u>Item</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Personnel		
16 Police Officers (13 Patrol, 1 School Liaison and 2 Investigation Officers)	\$45,890	\$ 734,240
2 Communications Clerks	31,730	63,460
2 Police Clerk I's	28,260	56,520
1 Evidence Technician	38,310	38,310
1 Community Service Officer	38,310	38,310
Total Salary Costs		<u>930,840</u>
Prosecutor		100,000
Indigent Defense		100,000
Jail Costs		74,500
Vehicles, Uniforms, and Other Equipment		153,400
6 Hawk Radars at \$2,250 each		13,500
Misc. benefits and other support		446,320
Subtotal Costs		<u>890,420</u> 887,720
DEPARTMENT OVERHEAD		229,560
TOTAL COSTS		<u>1,121,260</u>
Traffic Enforcement Revenues		# 2,048,120
Net Cost		( 90,500)
		<u>1,030,760</u>
Assessed Valuation Lower Hillside Area		1,957,620
		792.24 million
Police Service Area Mill Levy		3.17 3.04 mills

4-24-91  
JD Adopted  
Adopted

DEPARTMENT OF PUBLIC SAFETY

COMMISSIONER'S OFFICE

THE APPROPRIATIONS MADE IN THIS ACT TO THE DEPARTMENT OF PUBLIC SAFETY ARE CONDITIONED ON NO PORTION OF THESE APPROPRIATIONS BEING EXPENDED FOR COSTS ASSOCIATED WITH THE OPENING OF THE DALTON HIGHWAY TO THE GENERAL PUBLIC NORTH OF DIETRICH CAMP AT ANY TIME OF THE YEAR OR THAT PORTION OF THE DALTON HIGHWAY BETWEEN THE YUKON RIVER AND DIETRICH CAMP BETWEEN SEPTEMBER 2 AND MAY 31.

PP-3-  
Adopted  
4-24-91  
SFC

Amendment  
by Pourchot

**Department of Commerce and Economic Development  
Intent Language Change**

Division of Tourism  
Tourism Development

page 57  
Legislative Intent

It is the intent of the Legislature that the Division of Tourism use incremental funding to initiate a grant program and establish award limits for Winter Recreation or Commemorative Programs and events, including up to 220.0 for The Great Alaska Highway Society, that promote Alaska as a tourism destination.

AMENDMENT TO THE OPERATING BUDGET  
THE UNIVERSITY

UNIVERSITY OF ALASKA FAIRBANKS  
ORGANIZED RESEARCH (pg 28)  
AGRICULTURAL AND FORESTRY EXPERIMENT STATION

IT IS THE INTENT OF THE LEGISLATURE THAT THE MATANUSKA  
SUSITNA DAIRY PROGRAM UNDER THE AGRICULTURAL AND FORESTRY  
EXPERIMENT STATION BE CONTINUED WITH THE PRESENT OBJECTIVES  
AND AT THE PRESENT FUNDING LEVEL.

**LEGISLATIVE INTENT:**

Department of Health & Social Services  
Public Health Administration  
Alcohol & Drug Abuse Administration  
Mental Health Administration

Add the following legislative intent in the three above referenced components:

No additional Mental Health Trust Income Account funding for program expansion or enhancements has been provided for designated BRU grantees. If the department issues an RFP for new or enhanced services based on the increased appropriations included in the FY 92 budget, the designated BRU grantees shall be given equal consideration in the award of these funds. Likewise, if the department amends existing grant agreements to provide for maintenance or enhancement of services, the designated BRU grantees shall be given equal consideration in the award of these funds. The department shall provide the Chairs of the Senate and House Finance Committees a full report on the distribution of FY 92 mental health program increments by October 15, 1991.

**SENATE FINANCE COMMITTEE**  
**FY 92 MENTAL HEALTH FUNDING SUMMARY**  
**BASE FUNDING ADJUSTMENTS**  
**AND**  
**INCREMENTS**

H-23-91  
SFC-91  
Sen. Adams  
Sen. Pourchet  
Adopted

**OVERVIEW:**

The Senate Finance Committee, Department of Health & Social Services Budget Subcommittee, has reviewed funding requests submitted by the Alaska Mental Health Board and recommends a FY 92 General Fund/Mental Health Trust Income Account increment package in the amount of \$12,822,100. Although lower than the total requested by the board and less than the amount included in the House budget, the Senate increment package is significantly larger than the increment package approved by the Legislature in FY 91.

This package was developed based on the priorities established by the Alaska Mental Health Board and addresses the most pressing needs of the various beneficiary groups of the mental health trust. The subcommittee wishes to thank the Alaska Mental Health Board, the Governor's Council on the Handicapped and Gifted, Older Alaskans' Commission, Advisory Board on Alcohol and Drug Abuse and others for the information provided to the subcommittee.

The subcommittee has made every effort to insure that all beneficiary groups are treated equitably. All of the increments included in the Senate package have been previously reviewed by the Alaska Mental Health Board.

In addition, the subcommittee has reviewed budget base funding for mental health programs as recommended by the Office of the Governor, Office of Management & Budget and reflected in the Governor's amended FY 92 budget request. Although the subcommittee appreciates the work done by OMB in this area, the subcommittee's recommendation takes a narrower view of the appropriate use of mental health funds particularly in regard to the Pioneers Homes, Division of Family & Youth Services and Special Education programs. The Senate subcommittee recommendations for base level funding are identical to those included in the House version of the FY 92 budget.

Funding Summary--GF/Mental Health Trust Income Account:

	Governor	House	Senate
FY 92 base budget	139,501.1	113,052.9	113,052.9
FY 92 Increments		<u>20,897.4</u>	<u>12,822.1</u>
TOTAL FY 92	139,501.1	133,950.3	125,875.0

Assuming a \$16.50 per barrel price in FY 92, the Mental Health Trust Income Account should realize approximately \$130 million in revenues in FY 92. The estimated FY 91 carry-forward is \$69.4 million.

**SUMMARY OF INCREMENTS BY BENEFICIARY GROUP**

Alzheimers & Related Dementias

Additional funds are recommended to expand in-home respite care and to provide existing grantees with a 5.5% COLA.

Alcohol Programs

A 5.5% COLA is provided all grantees. Annualization funding is provided for FY 91 increments for detoxification services and long term care beds. Sufficient funds are also provided for one new detoxification center. Finally, funds are included for prevention, outreach and aftercare in small communities.

Developmental Disabilities

A 5% COLA is provided to all grantees along with substantial increases in the infant learning program, residential services and expansion of respite services.

Mental Health

A 5% COLA is recommended for all grantees as well as annualization funding for FY 91 increments, an increase in funding for general mental health services and improvements for rural services. A crisis program is established in Anchorage. Services for the

Senate Finance Committee  
FY 92 Mental Health Package  
Page 3

chronically mentally ill are enhanced with additional funding for community support, the institutional discharge project and residential options for the severely emotionally disturbed. Finally, additional mental health funding is provided to the Department of Corrections to comply with the Cleary settlement.

FY 92 MENTAL HEALTH INCREMENT PACKAGE--MENTAL HEALTH BOARD, HOUSE AND SENATE

DEPARTMENT/COMPONENT	DESCRIPTION	AMHB REQUEST*	HOUSE	SENATE	DIFF HOUSE V SEN
<b>ADMINISTRATION</b>					
Office of Public Advocacy	Public Guardians & Support	345.2	205.5		205.5
OAC/Home & Community Based Care	5.5% COLA for Alzheimers Programs Grantees	54.8	54.8	54.8	0.0
OAC/Home & Community Based Care	Expand In-Home Respite Care for Alzheimers Victims	350.0	300.0	350.0	-50.0
OAC/Home & Community Based Care	Case Management for Alzheimers Victims	700.0	700.0		700.0
	<b>TOTAL DEPT. OF ADMINISTRATION</b>	<b>1,450.0</b>	<b>1,260.3</b>	<b>404.8</b>	<b>855.5</b>
<b>EDUCATION</b>					
Vocational Rehabilitation	Increase Attendant Care for DVR Clients	375.0	300.0		300.0
	<b>TOTAL DEPT. OF EDUCATION</b>	<b>375.0</b>	<b>300.0</b>	<b>0.0</b>	<b>300.0</b>
<b>HEALTH &amp; SOCIAL SERVICES</b>					
Manillaq/Mental Health	5.5% COLA	11.4	11.4	11.4	0.0
Manillaq/Alcohol & Drug Abuse	5.5% COLA	5.2	5.2	5.2	0.0
Norton Sound Public Health	5.5% COLA	3.8	3.8	3.8	0.0
Norton Sound/Mental Health	5.5% COLA	15.3	15.3	15.3	0.0
Norton Sound/Alcohol & Drug Abuse	5.5% COLA	5.4	5.4	5.4	0.0
SEARHC/Alcohol & Drug Abuse	5.5% COLA	1.6	1.6	1.6	0.0
Tanana Chiefs/Mental Health	5.5% COLA	10.8	10.8	10.8	0.0
Tanana Chiefs/Alcohol & Drug Abuse	5.5% COLA	2.4	2.4	2.4	0.0
YKHC/Mental Health	5.5% COLA	24.0	24.0	24.0	0.0
YKHC/Alcohol & Drug Abuse	5.5% COLA	2.8	2.8	2.8	0.0
Infant Learning	New Programs, Waiting Lists, Training & COLA	1,086.2	1,600.0	1,086.2	513.8
Alcohol & Drug Abuse/Grants	5.5% COLA	209.9	642.8	642.8	0.0
Alcohol & Drug Abuse/Grants	Expand/Annualize Emergency Services--Detoxification	1,500.0	1,000.0	800.0	200.0
Alcohol & Drug Abuse/Grants	Long Term Care--Existing Programs & Unserved Regions	1,200.0	1,000.0	276.0	724.0
Alcohol & Drug Abuse/Grants	Prevention, Outreach & Aftercare--Small Communities	750.0	500.0	500.0	0.0
Alcohol & Drug Abuse/Grants	Outpatient Adolescent Svcs--Juneau/Bethel (91 Veto)		450.0		450.0
Community Mental Health Grants	Expand Svcs for Severely Disturbed Children/Youth	900.0	800.0	400.0	400.0
Community Mental Health Grants	Crisis Program Expansion--Kotzebue/Barrow	750.0	700.0		700.0
Community Mental Health Grants	Crisis Program Expansion--Anchorage	750.0		700.0	-700.0
Community Mental Health Grants	5.5% COLA	626.2	626.2	626.2	0.0
Community Mental Health Grants	Annualize FY 91 Programs	259.3	259.3	259.3	0.0
Community Mental Health Grants	Expand General Mental Health Services	2,500.0	850.0	400.0	450.0
Community Mental Health Grants	Improve Rural Mental Health Services	750.0	750.0	500.0	250.0
Community Mental Health Grants	Expand Institutional Discharge--Children/Adolescents		600.0		600.0
Services for Chronic Mentally Ill	Increase Protection and Advocacy Services	100.0	100.0		100.0
Services for Chronic Mentally Ill	5.5% COLA	606.2	606.2	606.2	0.0
Services for Chronic Mentally Ill	Programs for Mentally Ill Homeless	400.0	375.0		375.0
Services for Chronic Mentally Ill	Community Support & Institutional Discharge Project	1,800.0	1,800.0	1,300.0	500.0

FY 92 MENTAL HEALTH INCREMENT PACKAGE--MENTAL HEALTH BOARD, HOUSE AND SENATE

DEPARTMENT/COMPONENT	DESCRIPTION	AMHB REQUEST*	HOUSE	SENATE	DIFF HOUSE V SEN
Services for Chronic Mentally Ill	Residential Options for Severely Emotionally Disturbed	750.0	310.0	200.0	110.0
Services for Chronic Mentally Ill	Annualize Forensic Halfway House		133.4	133.4	0.0
Designated Evaluation/Treatment	5.5% COLA	37.9	37.9	37.9	0.0
Community DD Grants	5.5% COLA	732.5	732.5	732.5	0.0
Community DD Grants	5.5% COLA for OBRA '87	67.4	67.4	67.4	0.0
Community DD Grants	Increase Attendant Care Services	200.0	200.0	200.0	0.0
Community DD Grants	Residential Services	4,407.3	2,600.0	1,900.0	700.0
Community DD Grants	Respite Expansion	1,181.2	700.0	300.0	400.0
Community DD Grants	Vocational & Day Services	1,350.0	650.0		650.0
Alaska Psychiatric Institute	Expand Clozapine Treatment at API	496.0	150.0		150.0
Alaska Youth Initiative	COLA & Expand Services for Children at Risk of Out-of-State Placement	546.1	446.1	446.1	0.0
AK Mental Health Board	Study Re: Differentiate between Chronic Alcoholics & Other		47.0		47.0
AK Mental Health Board	Planning Staff Including Travel/Workshops SE Region	74.9	100.0		100.0
	<b>TOTAL DEPT. OF HEALTH &amp; SOCIAL SERVICES</b>	<b>24,113.8</b>	<b>18,916.5</b>	<b>12,196.7</b>	<b>6,719.8</b>
<b>CORRECTIONS</b>					
Statewide Programs	5 Mental Health Clinicians/Various Correctional Ctrs		200.0		200.0
Cook Inlet Pre-Trial	Annualize Cook Inlet Treatment for CMI		220.6	220.6	0.0
	<b>TOTAL DEPT. OF CORRECTIONS</b>	<b>0.0</b>	<b>420.6</b>	<b>220.6</b>	<b>200.0</b>
	<b>TOTAL ALL DEPARTMENTS</b>	<b>25,938.8</b>	<b>20,897.4</b>	<b>12,822.1</b>	<b>8,075.3</b>
<b>SUMMARY OF FUNDING BY BENEFICIARY GROUP:</b>					
	Alzheimers & Related Dementias	1,104.8	1,054.8	404.8	
	Developmentally Disabled	9,399.6	6,849.9	4,286.1	
	Alcohol	3,677.3	3,207.2	2,236.2	
	Mental Health	11,757.1	9,785.5	5,895.0	
	<b>TOTAL ALL BENEFICIARY GROUPS</b>	<b>25,938.8</b>	<b>20,897.4</b>	<b>12,822.1</b>	
*The amount shown in the AMHB column reflects ONLY items funded by the House or Senate. The total AMHB request is substantially larger in total than shown.					

MENTAL HEALTH TRUST INCOME ACCOUNT--BASE LEVEL FUNDING

DEPARTMENT/COMPONENT	FY 92 GOV AMENDED	HOUSE	SENATE	GOV AMD VS SENATE
<b>ADMINISTRATION</b>				
Sitka Pioneers Home	664.6			664.6
Fairbanks Pioneers Home	1,087.6			1,087.6
Palmer Pioneers Home	1,208.4			1,208.4
Anchorage Pioneers Home	1,752.2			1,752.2
Ketchikan Pioneers Home	725.0			725.0
Juneau Pioneers Home	725.0			725.0
OAC/Home & Community Based Care	1,089.7	1,089.7	1,089.7	0.0
Office of Public Advocacy	623.5	623.5	623.5	0.0
<b>TOTAL ADMINISTRATION</b>	<b>7,876.0</b>	<b>1,713.2</b>	<b>1,713.2</b>	<b>6,162.8</b>
<b>LAW</b>				
Legal Services/Operations	69.9	69.9	69.9	0.0
Legal Services/Admin & Support	211.1	211.1	211.1	0.0
<b>TOTAL LAW</b>	<b>281.0</b>	<b>281.0</b>	<b>281.0</b>	<b>0.0</b>
<b>EDUCATION</b>				
Foundation Program	9,336.2	5,425.2	5,425.2	3,911.0
Schools for Handicapped	1,793.2	1,793.2	1,793.2	0.0
Basic Ed & Instructional Improvement	237.6	237.6	237.6	0.0
Voc Rehab/Counseling & Placement	699.2	699.2	699.2	0.0
Voc Rehab/Services to Clients	725.7	725.7	725.7	0.0
Voc Rehab/Administration	174.5	174.5	174.5	0.0
<b>TOTAL EDUCATION</b>	<b>12,966.4</b>	<b>9,055.4</b>	<b>9,055.4</b>	<b>3,911.0</b>
<b>HEALTH &amp; SOCIAL SERVICES</b>				
Medicaid/Non-Facility	3,264.5	3,212.1	3,212.1	52.4
Medicaid/Facilities	11,188.9	10,743.1	10,743.1	445.8
Purchased Services/Adult Services	21.6	21.6	21.6	0.0
Purchased Services/Foster Care	5,732.2	1,077.6	1,077.6	4,654.6
Purchased Services/Residential Child Care	6,607.3	3,064.2	3,064.2	3,543.1
Purchased Services/Preventive Services	719.0	137.5	137.5	581.5

MENTAL HEALTH TRUST INCOME ACCOUNT--BASE LEVEL FUNDING

DEPARTMENT/COMPONENT	FY 92 GOV AMENDED	HOUSE	SENATE	GOV AMD VS SENATE
Family Services/Southcentral Region	3,192.9			3,192.9
Family Services/Northern Region	1,004.5	80.5	80.5	924.0
Family Services/Northwestern Region	109.6			109.6
Family Services/Western Region	213.0			213.0
Family Services/Southeastern Region	603.2			603.2
Family Services/Central Office	77.5	77.5	77.5	0.0
McLaughlin Youth Center	48.3	62.9	62.9	-14.6
Fairbanks Youth Facility	82.6	82.6	82.6	0.0
Nome Youth Facility	0.0			0.0
Maniilaq/Alcohol & Drug Abuse Svcs	524.3	494.2	494.2	30.1
Maniilaq/Mental Health & DD	268.9	283.8	283.8	-14.9
Norton Sound/Public Health Services	98.7	98.7	98.7	0.0
Norton Sound/Alcohol & Drug Abuse Svcs	537.8	480.3	480.3	57.5
Norton Sound/Mental Health & DD	263.7	278.3	278.3	-14.6
SEARHC/Alcohol & Drug Abuse Services	189.5	178.6	178.6	10.9
Tanana Chiefs/Mental Health Services	209.9	221.6	221.6	-11.7
Tanana Chiefs/Alcohol & Drug Abuse Svcs	332.4	312.9	312.9	19.5
Y-K Health Corp/Alcohol & Drug Svcs	277.3	261.4	261.4	15.9
Y-K Health Corp/Mental Health Services	552.3	583.0	583.0	-30.7
Infant Learning Program	2,214.1	2,214.1	2,214.1	0.0
Alcohol & Drug Abuse/Administration	1,263.9	1,210.5	1,210.5	53.4
Alcohol & Drug Abuse/ASAP	1,007.6			1,007.6
Alcohol & Drug Abuse/Grants	12,038.3	11,288.4	11,288.4	749.9
Community Mental Health Grants	9,505.6	10,861.2	10,861.2	-1,355.6
Services to Chronically Mentally Ill	11,612.6	11,612.6	11,612.6	0.0
Designated Evaluation & Treatment	588.3	688.3	688.3	-100.0
Community DD Grants	13,921.4	13,921.4	13,921.4	0.0
Mental Health Administration	2,807.6	3,152.1	3,152.1	-344.5
Alaska Psychiatric Institute	14,974.6	15,013.0	15,013.0	-38.4
Harborview Developmental Center	3,847.9	4,310.5	4,310.5	-462.6
Alaska Youth Initiative	1,097.0	1,120.6	1,120.6	-23.6
Governors Council Handicapped & Gifted	38.2	45.0	45.0	-6.8

MENTAL HEALTH TRUST INCOME ACCOUNT--BASE LEVEL FUNDING

DEPARTMENT/COMPONENT	FY 92 GOV AMENDED	HOUSE	SENATE	GOV AMD VS SENATE
Alaska Mental Health Board	319.4	375.8	375.8	-56.4
<b>TOTAL HEALTH &amp; SOCIAL SERVICES</b>	<b>111,356.4</b>	<b>97,565.9</b>	<b>97,565.9</b>	<b>13,790.5</b>
<b>CORRECTIONS</b>				
Statewide Programs	1,197.3	1,001.3	1,001.3	196.0
Fairbanks Correctional Center	86.5	86.5	86.5	0.0
Palmer Correctional Center	83.5	83.5	83.5	0.0
Combined Hiland Mountain Correctional Ctr	204.7	204.7	204.7	0.0
Cook Inlet Correctional Center	605.9	605.9	605.9	0.0
Wildwood Correctional Center	132.8	132.8	132.8	0.0
Spring Creek Correctional Center	199.2	199.2	199.2	0.0
Lemon Creek Correctional Center	83.5	83.5	83.5	0.0
<b>TOTAL CORRECTIONS</b>	<b>2,593.4</b>	<b>2,397.4</b>	<b>2,397.4</b>	<b>196.0</b>
<b>COURT SYSTEM</b>				
Trial Courts		40.0	40.0	-40.0
<b>TOTAL COURT SYSTEM</b>	<b>0.0</b>	<b>40.0</b>	<b>40.0</b>	<b>-40.0</b>
<b>INDIRECT COSTS RECOVERY</b>				
Indirect Cost Recovery GF Offset (Front Sec.)	4,427.9	2,000.0	2,000.0	2,427.9
<b>TOTAL INDIRECT COST RECOVERY</b>	<b>4,427.9</b>	<b>2,000.0</b>	<b>2,000.0</b>	<b>2,427.9</b>
<b>TOTAL ALL DEPARTMENTS</b>	<b>139,501.1</b>	<b>113,052.9</b>	<b>113,052.9</b>	<b>26,448.2</b>

4-23-91  
PP-3  
Adopted.

**LEGISLATIVE INTENT:**

Department of Health & Social Services  
Public Health Administration  
Alcohol & Drug Abuse Administration  
Mental Health Administration

Add the following legislative intent in the three above referenced components:

No additional Mental Health Trust Income Account funding for program expansion or enhancements has been provided for designated BRU grantees. If the department issues an RFP for new or enhanced services based on the increased appropriations included in the FY 92 budget, the designated BRU grantees shall be given equal consideration in the award of these funds. Likewise, if the department amends existing grant agreements to provide for maintenance or enhancement of services, the designated BRU grantees shall be given equal consideration in the award of these funds. The department shall provide the Chairs of the Senate and House Finance Committees a full report on the distribution of FY 92 mental health program increments by October 15, 1991.

4-23-91  
Recommended  
to Rules

A M E N D M E N T

by: Senate Finance

To: CS HB 5 (Finance)

Page 1 line 8 amend to read as follows:

FUND SOURCE	AMOUNT
General Fund	\$553,462,800 [560,681,200]
<u>GF/Mental Health Trust Income</u> <u>Account</u>	<u>7,218,400</u>

NOTE: THIS AMENDMENT IS NECESSARY TO CONFORM TO THE MENTAL HEALTH BASE FUNDING RECOMMENDATIONS. CS HB 5 (FINANCE) IS CURRENTLY IN THE SENATE RULES COMMITTEE.

MENTAL HEALTH TRUST INCOME ACCOUNT FUNDS WOULD BE ALLOCATED AS FOLLOWS:

FOUNDATION FORMULA (SPECIAL EDUCATION)	5,425,200
SCHOOLS FOR THE HANDICAPPED	1,793,200

Sen. Pourchot  
April 23, 1991

**EXPENDITURES FROM MENTAL HEALTH TRUST ACCOUNT**

69,400.0	FY 91 Mental Health Trust carry forward (based on \$20.57/barrel oil, DOR 3/12/91 mid-case)
130,800.0	FY 92 Mental Health Trust income (based on \$16.50/barrel oil)
<hr/>	
<b>200,200.0</b>	<b>FY 92 AVAILABLE</b>

113,052.9	Senate/House base
12,822.1	Senate increment package
<hr/>	
<b>125,875.0</b>	<b>FY 92 SENATE EXPENDITURES</b>

**74,325.0      Balance**  
 Governor's capital budget (SB133) requests 11,800.0 for API (interim improvements and redesign of new facility).  
 Additional capital requests are also pending.

**NOTE:** The House and OMB "balance sheets" distinguish the FY 91 carry forward of Mental Health Trust Income Account monies from other monies in the general fund. I would recommend that the Senate balance sheets also make this distinction, as the Senate budget relies on spending a portion of these funds in FY 92.

HB 75

Public  
Testimony

*this*  
~~PLEASE MICROFILM TOP PAGE ONLY~~

THE FOLLOWING DOCUMENT HAS NOT  
BEEN FILMED BUT IS AVAILABLE IN THE  
ORIGINAL FILE.

Written copies  
of public testimony  
on HB 75.

**HB**

**78**

(11)

# HOUSE COMMITTEE REPORT

Date Referred: May 17, 1991

FURTHER REFERRALS:

Date of Committee Action: 2/24/92

The FINANCE Committee considered:

HB 78

HOUSE BILL NO. 78

MATERNITY/ADOPTION/FAMILY LEAVE

"An Act relating to employment rights based on pregnancy, childbirth, and related conditions, sick leave, and family leave."

### RECOMMENDATIONS:

be replaced with \_\_\_\_\_

CS HB 78 (FIN)

the same title  
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

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

3  zero fiscal note UNIVERSITY of ALASKA; Admini labor

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Mark Bauer</u> Bayer	X	<u>Eileen P. McKeon</u> McKeon		<input checked="" type="checkbox"/>	
<u>Ken Brown</u> Brown	<input checked="" type="checkbox"/>	<u>Ray Sharp</u> Sharp			<input checked="" type="checkbox"/>
<u>Thomas Koponen</u> Koponen	<input checked="" type="checkbox"/>	<u>Less need (amending)</u>			
<u>Ronald J. Larson</u> Larson	X	<u>Reed E. Phillips</u> Phillips		<input checked="" type="checkbox"/>	
<u>Ann Ulmer</u> Ulmer	<input checked="" type="checkbox"/>				
<u>Mike Thavane</u> NAUAVVE	<input checked="" type="checkbox"/>				

Mike Thavane NAUAVVE  
E. P. McKeon McKeon  
CO-CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB 78

Revision Date: 2/19/91  
Title: Alaska Family Protection Act

Department Affected: UNIVERSITY OF ALASKA  
BRU: ALL  
Component: Statewide Programs and Services

Sponsor: Rep. Brown  
Requestor: Rep. Brown

Component Serial No: ALL

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY83	FY84	FY85	FY86	FY87	FY88
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTURAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE FD SOURCE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSTINGS:

FL						
PAF. TIME						
TEMPORARY						

Estimate of current year impact: -0-

ANALYSIS (Attach additional pages as necessary)

The University of Alaska is of the opinion that its present employee leave regulations and financial procedures are adequate to comply with the intent of this bill without incurring significant cost increases.

Prepared by: Marsha Hubbard, Director  
Division: Statewide Budget Office

Phone: 474-7593  
Date: 2/14/92

Approved by: Brian Rogers, Vice President for Finance  
Agency: University of Alaska

Date: 2/14/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies)

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

FEB 9 1992

BILL NO. CSHB78 (L&C)

Revision Date: \_\_\_\_\_

Department Affected: Administration

Title: Family Leave--An Act relating to employment rights based on pregnancy, childbirth and related conditions, sick leave, and family leave.

BRU: Personnel/OEEO

Sponsor: Brown, Ulmer

Component: Personnel/OEEO

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 

		5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

POSITIONS:

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

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)  
This bill will not have a direct fiscal impact on the Division of Personnel/OEEO. Although full implementation of this legislation would result in costs throughout state government, these costs cannot be quantified accurately.

Prepared by: Robert H. Kno, Director *Robert H. Kno*  
Division: Personnel/OEEO

Phone: 465-4430  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usura *Nancy Bear Usura*  
Agency: Administration

Date: 2/18/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. & Impacted Agency(ies).

## FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB78 (L&C)

### ANALYSIS: (continued)

Current law, AS 39.20.225(b)(4), entitles female employees to a maximum of nine weeks of leave for childbirth. Collective bargaining agreements are made consistent with this statute. CSHB 78 (L&C) would:

1. Increase the maximum leave entitlement associated with childbirth to 18 weeks;
2. Provide an 18-week leave entitlement for adoption;
3. Entitle male and female employees to take leave in association with birth or placement of a child for adoption;
4. Entitle an officer or employee to take 18 weeks of leave to care for a child, spouse, or parent who has a serious health condition.

The leave guarantees found in this legislation would result in the following costs:

1. Sick leave usage could be expected to increase because it will become available under an additional set of circumstances;
2. Training costs would increase. Employees who exercise their full rights under this legislation could be absent for 18 weeks in a 12- or 24-month period. Substitutes would be required for many of these employees. Most substitutes would require either on-the-job or outside training before they could perform the full duties of the position temporarily vacated by the absent employee. If the training is provided on the job, the cost to the employee would be reduced productivity. If the required training is provided by an outside agency, such as computer training, the costs could be measured in lost productivity, plus the direct cost of providing the training;
3. Although substitute employees could be hired and possibly trained to temporarily replace employees who take leave, they could not be expected to produce at the same level as permanent, journey level employees;
4. With the exception of leave taken for the birth or placement of a child, this legislation does not require that employees take the 18 weeks of leave consecutively. If leave is taken sporadically and in short increments, it would be difficult to plan for the effective replacement of the absent employee. In cases where a replacement could not be found, an employee's absence could result in increased overtime, reduced productivity, and/or lowered morale. These results may be most prevalent in institutions that require 24-hour coverage, such as Pioneers' Homes, correction facilities, or the Alaska Psychiatric Institute.

FISCAL NOTE

FEB 19 1992

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO : CSHB 78 (L&C)

Revision Date: \_\_\_\_\_  
Title: "An Act relating to employment rights based on ... family leave."  
Sponsor: Brown, et al.  
Requestor: House Finance

Department Affected: Labor  
BRU: Labor Standards & Safety  
Component: Wage & Hour  
COMPONENT SERIAL NO. 345

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Randy Carr, Acting Director Phone: 264-2452  
Division: Labor Standards & Safety Date: 2/14/92  
Approved by Commissioner: John Abshire, Acting Commissioner  
Agency: Department of Labor Date: 2/14/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMS, & Impacted Agency(ies).

CS FOR HOUSE BILL NO. 78 (FINANCE)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES BROWN, Ulmer, Donley, Ellis, Koponen, Kubina, Finkelstein, Gruenberg,  
B.Davis, Bruckman

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to employment rights based on pregnancy, childbirth, and related  
2 conditions, sick leave, and family leave."

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

4 \* Section 1. SHORT TITLE. This Act may be known as the Alaska Family Protection Act.

5 \* Sec. 2. FINDINGS AND PURPOSE. (a) The legislature finds that

6 (1) generally, parents are the best providers of care for their children;

7 (2) the number of single-parent households and two-parent households in which the single  
8 parent or both parents work outside the home is increasing significantly;

9 (3) it is important to the development of a child and to the family unit that parents be  
10 able to participate in early childrearing and the care of a child who has a serious health condition;

11 (4) the lack of employment opportunities to accommodate working parents can force  
12 individuals to choose between job security and parenting; and

13 (5) it is important for the family unit that a person be able to care for a parent or spouse  
14 who has a serious health condition.

1 (b) The legislature declares that the purposes of this Act are

2 (1) to balance the demands of the workplace with the needs of families, and to promote  
3 stability and economic security in families;

4 (2) to entitle employees to take reasonable leave for the birth or adoption of a child, for  
5 the care of a child, spouse, or parent who has a serious health condition, and in case of their own serious  
6 health condition; and

7 (3) to accommodate the legitimate interests of employers.

8 \* Sec. 3. AS 14.20.140 is amended by adding a new subsection to read:

9 (c) Notwithstanding a teacher's right to continued employment under AS 23.10.500 -  
10 23.10.550, a school district may notify a teacher of nonretention under this section for the  
11 following school year for a permissible reason.

12 \* Sec. 4. AS 14.20.145 is amended to read:

13 Sec. 14.20.145. AUTOMATIC REEMPLOYMENT. If notification of nonretention is not  
14 given according to AS 14.20.140, a teacher is entitled to be re-employed in the same district for  
15 the following school year on the contract terms the teacher and the employer may agree upon,  
16 or if no terms are agreed upon, the provisions of the previous contract are continued for the  
17 following school year, subject to AS 14.20.158. The right to be reemployed according to this  
18 section expires if the teacher does not accept reemployment within 30 days after the date on  
19 which the teacher receives a contract of reemployment. A teacher who is on family leave  
20 under AS 23.10.500 - 23.10.550 must comply with the 30-day deadline in this section to  
21 retain the teacher's reemployment rights under this section.

22 \* Sec. 5. AS 14.20.590 is amended by adding a new subsection to read:

23 (b) Notwithstanding any provision of AS 14.20.550 - 14.20.610 to the contrary, unless  
24 the commissioner of education has waived compliance with AS 23.10.500 - 23.10.550 under  
25 AS 23.10.530(c), a negotiations agreement between an employer subject to AS 23.10.500 -  
26 23.10.550 and an employee bargaining organization that does not contain benefit provisions at  
27 least as beneficial to the employee as those provided by AS 23.10.500 - 23.10.550 shall be  
28 considered to contain the benefit provisions of those statutes.

29 \* Sec. 6. AS 23.10 is amended by adding new sections to read:

30 ARTICLE 8. PREGNANCY, CHILDBIRTH, AND FAMILY LEAVE.

31 Sec. 23.10.500. EMPLOYMENT BENEFITS AND PRIVILEGES FOR HEALTH AND

1 FAMILY CARE. (a) An employer shall grant an employee whose health is affected by  
2 pregnancy, childbirth, or a related medical condition the same employment benefits and privileges  
3 that the employer grants to other employees with similar ability to work who are not so affected,  
4 including allowing the employee to take disability or sick leave or other accrued leave that the  
5 employer makes available to temporarily disabled employees.

6 (b) An employee is eligible to take family leave if the employee has been employed by  
7 the employer for at least 35 hours a week for at least six consecutive months or for at least  
8 17 1/2 hours a week for at least 12 consecutive months immediately preceding the leave. The  
9 leave may be unpaid leave. However, the employee may choose to substitute, or the employer  
10 may require the employee to substitute, accrued paid vacation leave, sick leave, personal leave,  
11 or other paid leave during this period. An employer shall permit an eligible employee to take  
12 family leave because of a serious health condition for a total of 18 workweeks during any 24-  
13 month period. An employer shall permit an eligible employee to take family leave because of  
14 pregnancy and childbirth or adoption for a total of 18 workweeks within a 12-month period; the  
15 right to take leave for this reason expires on the date one year after the birth or placement of the  
16 child. If the employee is entitled to a longer period of time under (a) of this section, then the  
17 longer period applies. An eligible employee is entitled to take family leave

18 (1) because of pregnancy and the birth of a child of the employee or the  
19 placement of a child, other than the employee's stepchild, with the employee for adoption; an  
20 employer may require that an employee using family leave under this paragraph take the leave  
21 in a single block of time;

22 (2) in order to care for the employee's child, spouse, or parent who has a serious  
23 health condition; in this paragraph, "child" includes the employee's biological, adopted, or foster  
24 child, stepchild, or legal ward; and

25 (3) because of the employee's own serious health condition.

26 (c) Notwithstanding (b) of this section, if a parent or child of two employees employed  
27 by the same employer has a serious health condition, the employer is not required to grant family  
28 leave to both employees simultaneously.

29 (d) During the time that an employee is on leave under this section, the employer shall  
30 maintain coverage under any group health plan at the level and under the conditions that  
31 coverage would have been provided if the employee had been employed continuously from the

1 date the leave began to the date the employee returns from leave under (e) of this section.  
2 However, the employer may require that the employee pay all or part of the costs for maintaining  
3 health insurance coverage during a period of unpaid leave.

4 (e) Unless the employer's business circumstances have changed to make it impossible  
5 or unreasonable, when an employee returns from leave under this section, the employer shall  
6 restore the employee

7 (1) to the position of employment held by the employee when the leave began;  
8 or

9 (2) to a substantially similar position with substantially similar benefits, pay, and  
10 other terms and conditions of employment.

11 (f) This section does not apply to an employer's small employment facility if the total  
12 number of employees employed within 50 road miles of the small employment facility, including  
13 those employed at the facility, was fewer than 21 during the 20 consecutive workweeks in which  
14 the employer employed at least 21 employees at all business facilities.

15 Sec. 23.10.510. EMPLOYEE NOTICE. If the necessity for leave under AS 23.10.500  
16 is foreseeable based on an expected birth or adoption or on planned medical treatment or  
17 supervision, the employee shall provide the employer with prior notice of the expected need for  
18 leave in a manner that is reasonable and practicable. If the necessity for leave under that section  
19 is foreseeable based on planned medical treatment or supervision, the employee shall also make  
20 a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the  
21 operations of the employer, subject to the approval of the health care provider of the employee  
22 or the employee's child, spouse, or parent.

23 Sec. 23.10.520. EMPLOYEE TRANSFER. (a) A pregnant employee may request a  
24 transfer to a suitable position under this section. An employer may not fill the position with a  
25 person other than the requesting employee until the employer has offered the position to the  
26 employee and the employee has refused the offer. A position is suitable if

27 (1) it is an existing unfilled position in the same administrative division in which  
28 the employee is currently employed and is less strenuous or less hazardous than the employee's  
29 current position;

30 (2) transfer to the position is recommended by a licensed health care provider;

31 (3) the employee is qualified and immediately able to perform the duties of the

1 position; and

2 (4) the transfer will not subject the employer to legal liability under a collective  
3 bargaining contract or employment contract.

4 (b) An employer shall compensate an employee who receives a transfer under this section  
5 at a rate at least equal to the lesser of the rate, as adjusted by changes to compensation that apply  
6 generally to the work force, at which

7 (1) the employee was compensated immediately before requesting the transfer;  
8 or

9 (2) the position into which the employee transfers is compensated.

10 Sec. 23.10.530. APPLICATION TO OTHER LAWS. (a) The provisions of  
11 AS 23.10.500 - 23.10.550 do not affect any other provision of law relating to sex discrimination,  
12 pregnancy, or parenthood.

13 (b) The provisions of AS 23.10.500 - 23.10.550 are subject to collective bargaining.  
14 However, except as provided in (c) of this section, a collective bargaining contract that does not  
15 contain benefit provisions at least as beneficial to the employee as those provided by  
16 AS 23.10.500 - 23.10.550 shall be considered to contain the benefit provisions of those statutes.

17 (c) The commissioner of education may approve a collective bargaining agreement  
18 entered into between a school district or a regional educational attendance area and a bargaining  
19 organization representing certificated employees that does not meet the leave requirements of  
20 AS 23.10.500 - 23.10.550, if the district or attendance area establishes to the satisfaction of the  
21 commissioner that a variance from the requirements of AS 23.10.500 - 23.10.550 is necessary  
22 to avoid a hardship on the school district based on the lack of qualified, available substitute  
23 teachers to replace teachers on leave under AS 23.10.500 - 23.10.550 or the lack of available  
24 housing for replacement teachers who do not live in the community.

25 Sec. 23.10.540. INVESTIGATION AND CONCILIATION OF COMPLAINTS. (a) A  
26 person aggrieved by a denial of a right or privilege granted by AS 23.10.500 - 23.10.540 may  
27 file a complaint with the department.

28 (b) The department shall informally, promptly, and impartially investigate the matters set  
29 out in a filed complaint. If the investigator determines that the allegations are supported by  
30 substantial evidence, the investigator shall immediately try to eliminate the denial of rights or  
31 privileges by conference, conciliation, and persuasion.

1           Sec. 23.10.550. DEFINITIONS. In AS 23.10.500 - 23.10.550,

2           (1) "child" means an individual who is

3                   (A) under 18 years of age; or

4                   (B) 18 years of age or older and incapable of self-care because of mental  
5           or physical disability;

6           (2) "employer" means the state and a political subdivision of the state that  
7           employed at least 21 employees in the state for each working day during any period of 20  
8           consecutive workweeks in the preceding two calendar years;

9           (3) "health care provider" means a dentist licensed under AS 08.36, a physician  
10           licensed under AS 08.64, or a psychologist licensed under AS 08.86;

11           (4) "parent" means a biological or adoptive parent, a parent-in-law, or a  
12           stepparent;

13           (5) "serious health condition" means an illness, injury, impairment, or physical  
14           or mental condition that involves

15                   (A) inpatient care in a hospital, hospice, or residential health care facility;

16           or

17                   (B) continuing treatment or continuing supervision by a health care  
18           provider;

19           (6) "small employment facility" means a facility of an employer that did not  
20           employ 21 or more employees during any period of 20 consecutive workweeks in the preceding  
21           two calendar years;

22           (7) "state" includes the University of Alaska, the Alaska Railroad, and the  
23           executive, legislative, and judicial branches of state government including public and quasi-public  
24           corporations and authorities established by law.

25   \* Sec. 7. AS 23.40.200 is amended by adding a new subsection to read:

26           (g) Notwithstanding any provision of AS 23.40.070 - 23.40.260 to the contrary, an  
27           agreement between the employer subject to AS 23.10.500 - 23.10.550 and an employee  
28           bargaining organization that does not contain benefit provisions at least as beneficial to the  
29           employee as those provided by AS 23.10.500 - 23.10.550 shall be considered to contain the  
30           benefit provisions of those statutes.

31   \* Sec. 8. AS 39.20.225(b)(4) is amended to read:

1                   (4) Pregnancy and childbirth or the placement of a child, other than the  
2 employee's stepchild, with the employee for adoption is a medical reason for an [A FEMALE]  
3 officer or employee to take personal leave. [A FEMALE OFFICER OR EMPLOYEE,  
4 OTHERWISE QUALIFIED FOR A LEAVE OF ABSENCE, IS ENTITLED TO TAKE A  
5 MAXIMUM OF NINE WEEKS LEAVE IMMEDIATELY PRECEDING AND FOLLOWING  
6 CHILDBIRTH. IF THE OFFICER'S OR EMPLOYEE'S ACCRUED PERSONAL LEAVE IS  
7 INSUFFICIENT FOR THIS PURPOSE, THE OFFICER OR EMPLOYEE IS ENTITLED TO  
8 TAKE LEAVE WITHOUT PAY FOR THE BALANCE OF THE NINE-WEEK PERIOD.]

9 \* Sec. 9. AS 39.20 is amended by adding a new section to read:

10                   Sec. 39.20.305. FAMILY AND HEALTH LEAVE. (a) An officer or employee of the  
11 state who is otherwise qualified to take leave of absence may take family leave because of a  
12 serious health condition for a total of 18 workweeks during any 24-month period. An otherwise  
13 qualified officer or employee may take family leave because of pregnancy and childbirth or  
14 adoption for a total of 18 workweeks within a 12-month period; the right to take leave for this  
15 reason expires on the date one year after the birth or placement of the child. An officer or  
16 employee taking leave under this section shall use accrued paid leave until the officer or  
17 employee has only five days of paid leave remaining. The officer or employee may choose  
18 whether to retain a balance of five days of paid leave and take the remaining leave as unpaid  
19 leave or whether to exhaust the paid leave balance. After reducing accrued paid leave as required  
20 by this subsection, the officer or employee may take leave without pay for the balance of the  
21 family leave. If the employee is entitled to a longer period of time under AS 23.10.500, then the  
22 longer period applies. An eligible employee is entitled to take family leave

23                   (1) because of pregnancy and the birth of a child of the employee or the  
24 placement of a child, other than the employee's stepchild, with the employee for adoption; the  
25 department or agency may require that an employee using family leave under this paragraph take  
26 the leave in a single block of time;

27                   (2) in order to care for the employee's child, spouse, or parent who has a serious  
28 health condition; in this paragraph, "child" includes the employee's biological, adopted, or foster  
29 child, stepchild, or legal ward; and

30                   (3) because of the employee's own serious health condition.

31                   (b) If the necessity for family leave under (a) of this section is foreseeable based on an

1 expected birth or adoption or on planned medical treatment or supervision, the employee shall  
2 provide the employee's department or agency head with prior notice of the expected need for  
3 leave in a manner that is reasonable and practicable. If the necessity for leave under this section  
4 is foreseeable based on planned medical treatment or supervision, the employee shall also make  
5 a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the  
6 operations of the state department or agency, subject to the approval of the health care provider  
7 of the employee or the employee's child, spouse, or parent.

8 (c) Notwithstanding (a) of this section, if a parent or child of two employees employed  
9 by the state has a serious health condition, the state is not required to grant family leave to both  
10 employees simultaneously.

11 (d) In this section, "child," "health care provider," "parent," and "serious health condition"  
12 have the meanings given in AS 23.10.550.

13 \* Sec. 10. AS 42.40.860 is amended by adding a new subsection to read:

14 (d) Notwithstanding any provision of AS 42.40.710 - 42.40.890 to the contrary, an  
15 agreement between the corporation and an employee bargaining organization that does not  
16 contain benefit provisions at least as beneficial to the employee as those provided by  
17 AS 23.10.500 - 23.10.550 shall be considered to contain the benefit provisions of those statutes.

18 \* Sec. 11. Notwithstanding AS 14.20.590(b), enacted by sec. 5 of this Act, AS 23.10.500 - 23.10.550,  
19 enacted by sec. 6 of this Act, AS 23.40.200(g), enacted by sec. 7 of this Act, and AS 42.40.860(d)  
20 enacted by sec. 10 of this Act, a collective bargaining agreement in effect on the effective date of this  
21 Act that does not comply with AS 23.10.500 - 23.10.550 remains valid until the agreement expires.  
22 However, the contract may not be extended by agreement or renewed unless it complies with  
23 AS 14.20.590(b), AS 23.10.530, AS 23.40.200(g), or AS 42.40.860(d), as applicable.

# Representative Kay Brown


ALASKA STATE LEGISLATURE

Legislative Information Office  
3111 C Street #435  
Anchorage, Alaska 99503  
(907) 561-7627

During Session  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-4998

TO: Members, House Finance Committee

FROM: Representative Kay Brown

DATE: February 18, 1992 

RE: CSHB 78 (L&C), Alaska Family Protection Act

In preparation for the Finance Committee hearing on this measure scheduled for Friday, I want provide you with details about the bill. CSHB 78 (L&C) has a zero fiscal note.

In 1980, there were no state family leave laws; now, 17 states (plus the District of Columbia) have enacted some type of family leave policy. In 1991, 35 states considered legislation addressing family and medical leave.

Even though 135 countries have some form of parental leave policy for working parents, the United States is the only industrial nation that doesn't have job-guaranteed leave.

CSHB 78 (L&C) would provide public employees with *unpaid* family and medical leave.

CSHB 78 (L&C) applies only to *public* employers:

- State: Executive/Legislative/Judicial  
University of Alaska  
Authorities and Corporations  
Alaska Railroad Corporation
- Political Subdivisions of the State

DISTRICT 12

Downtown • Fairview • City View • Bootleggers Cove • Inlet View • South Addition • Thunderbird Terrace  
Eastridge • Penland Park • Airport Heights • Government Hill

This legislation balances demands of the workplace with the needs of families:

- allows up to 18 weeks of unpaid leave within a 12-month period for each birth or adoption in a family;
- allows up to 18 weeks of unpaid leave to care for the employee's own serious health condition, or serious medical condition of the employee's child, spouse, or parent during any 24-month period;
- makes family leave available to both male and female employees;
- requires that an employer reinstate the employee in the same or a substantially similar position at the end of the leave;
- protects the health of a pregnant woman and her baby by requiring that an employer transfer a pregnant employee to a less hazardous or strenuous position if an unfilled position exists in the same administrative division, and if the transfer is requested by a health care provider;
- provides for investigation and conciliation of complaints by the Department of Labor; and
- requires that labor negotiation agreements contain terms that are at least as beneficial as the legislation.

CSHB 78 (L&C) accommodates the interests of employers by including the following provisions:

- applies only to employers with 21 or more employees; does not apply where there are fewer than 21 employees working within 50 road miles of a small employment facility;
- requires that an employee work part-time at least 17 1/2 hours per week for 12 consecutive months, or full-time at least 35 hours per week for 6 consecutive months to qualify for family leave;
- disallows simultaneous leave to care for a sick family member if both parents work for the same employer;
- defines "serious health conditions" that is the basis for entitlement to family leave;

- allows the employer to require the employee to use up any accrued, paid leave and to take maternity or adoption leave in one block of time;
- requires the employee to give reasonable prior notice of anticipated leave;
- exempts employer from reinstating the employee in the same or a similar position after returning from family leave if the employer's business circumstances have changed to make it impossible or unreasonable;
- provides that collective bargaining agreements in effect remain valid until they expire; subsequent agreements must be at least as beneficial as the provisions of the bill;
- during the unpaid family leave, the employer may require the employee to pay for continuation of health insurance coverage; and
- allows the Commissioner of Education to approve a collective bargaining agreement which does not contain these leave benefits when a regional educational attendance area or a school district can demonstrate that the variance is necessary to avoid a hardship due to the lack of qualified substitute teachers or a lack of available housing for substitute teachers.

#### Changes from original version to Labor & Commerce CS

- Original version applied to private and public work sectors; private sector was deleted in the CS.
- Incorporated employees of the Alaska Railroad Corporation (not included in original version).
- Technical changes (redefined "health care provider", clarification of sections applying to applications of future contracts by expressly stating that if the contract provisions pertaining to family and medical leave are not at least as beneficial as those provided by this bill, then the leave provisions of this bill apply, and expansion upon "legal liability" under employee transfer taking into account collective bargaining contract or employment contract).

# MATERNITY AND PARENTAL LEAVE POLICIES: A COMPARATIVE VIEW

COUNTRY	DURATION	JOB SECURITY	AMOUNT/DURATION	RECIPIENT
CANADA	17-41 WEEKS	YES	60%/15 WEEKS	MOTHER
ITALY	22-48 WEEKS	YES	80%/22 WEEKS	MOTHER
GERMANY	14-26 WEEKS	YES	100%/14-18 WEEKS	MOTHER
SWEDEN	12-52 WEEKS	YES	90%/30 WEEKS	MOTHER or FATHER
FINLAND	35 WEEKS	YES	100%/35 WEEKS	MOTHER or FATHER
AUSTRIA	16-52 WEEKS	YES	100%/20 WEEKS	MOTHER
CHILE	18 WEEKS	YES	100%/18 WEEKS	UNSPECIFIED
USA†	0	0	0	0

† No Federal Policy

Sources: Women at Work, ILO Global Survey, 1984;  
Kamerman, Maternity & Parental Benefits & Leave, 1980.

Working Mothers Best Companies 1991

COMPANY	SICK LEAVE SICK CHILD	LEAVE FOR CHILDBIRTH	DISABILITY DISABILITY	DISABILITY PLUS	NO DISABILITY	COMMENTS
Axiom		12 weeks	X			
Aetna	1 week paid	34 weeks		X		
Am West Airlines		150 days (60 pd) 90 day benefits				2 days paid paternity
Am. Express		12 weeks		X		Plus 8 more weeks part time for new moms
AT&T		1 year		X		
Apple Computer	12 days/yr	8 1/2 months	X			\$500 gift for birth or adoption
Arther Andersen & Co		1 year		X		option for managers to work up to 3 yrs part time after childbirth
Atlantic Richfield	6 days	90 days		X		
BE&K		6 months		X		
Baptist Hospital Miami		6 months			X	
Baxter Internat'l	15 days/yr	12 weeks		X		
Bellcore		58 weeks		X		health benefits paid for 6 months; can return to work on part time basis (15 hours/week for up to 24 weeks); leave can be for health reasons of child or relative
Ben & Jerry's Home-made Ice Cream		12 weeks			X	
Boston's Beth Israel Hospital		12 weeks				personal time off can be used for care of sick kid
Bright Horizons Children Cntr		3 months	X			
Bureau of Nat'l Affairs		6 months			X	sick days can bu used for care of sick child if sick child, can take fully paid "emergency leave" or get outside care & be reimbursed 90% (up to \$500/year)
Leo Burnett	emergency time	5 months		X		
Catherine McAuley Health System		6 weeks	X			
Centra Health		1 year			X	
Champion Internat'l		32 weeks		X		
Citibank	12 days/yr	24 weeks		X		
Con Edison Co. NY		34 weeks		X		
Corning, Inc.		26 weeks		X		
Dayton Hudson		16 or 26 wks	X	X		dependent upon branch store

Working Mothers Best Companies 1991

COMPANY	SICK LEAVE SICK CHILD	LEAVE FOR CHILDBIRTH	DISABILITY DISABILITY	PLUS	NO DISABILITY	COMMENTS
Dominion Bankshares	5 days/year	4 months			X	
Dow Chemical		18 weeks			X	
Du Pont		6 months			X	
Eastman Kodak		17 weeks			X	
Fel-Pro		15 weeks			X	Baby gift \$1000 saving bond
Gannett		6 weeks			X	
Genentech Inc.		4 months			X	baby gift - 1 share of stock
G.T. Water Products	6 1/2 days	6 months	X			Baby gift - \$500
Hallmark		6 months			X	no paid maternity leave, must use sick days; worker with 3 months experience entitled to 25 days for extended illness
John Hancock Mutual Life In	3 days	1 year			X	
Hanna Andersson	5 days/year	12 weeks			X	
Hewitt Associates	6-9 personal days	112 weeks			X	
Hewlett-Packard		22 weeks	X			recently increased parental leave from 2 to 4 months
Hill, Holliday, Connors		16 weeks			X	
Hoffman-La Roche		18 weeks			X	
Home Box Office (HBO)		18 weeks			X	paternity & adoption leave 1 week paid
Honeywell	60 days	32 weeks			X	paternity leave 1 week paid
IDS Financial Services		12 weeks				can use sick time to care for sick child
IBM		162 weeks			X	option for part-time phase-in (20-30 hours per week over 3 year period and retain full benefits) After that, can continue to work part time with 75% of medical coverage or pay \$40/month for full coverage.
Johnson & Johnson		1 year			X	
S.C. Johnson & Son		5 months			X	
Lancaster Laboratories		14 weeks	X			personal/sick time can be used to care for sick dependents
Lincoln National		6 weeks			X	
Little Co. of Mary Hospital		4 months	X			
Little Tikes		3 months			X	
Lotus Development	5 sick/5 personal	10 weeks			X	paternity leave up to 4 paid weeks

Working Mothers Best Companies 1991

COMPANY	SICK LEAVE SICK CHILD	LEAVE FOR CHILDBIRTH	DISABILITY	DISABILITY PLUS	NO DISABILITY	COMMENTS
Lucasarts Entertainment Co	10 days	4 months		X		paternity leave 3 months unpaid
Marquette Electronics		6 weeks		X		
Marriott		6 weeks	X			
Massachusetts Mutual Life Insurance Co.	3 days/year	16 weeks		X		
Merck & Co.		18 months		X		
Herman Miller		18 weeks		X		paternity leave up to 1 month, 2 days paid baby gift rocking chair or \$100 savings bond sick leave can be taken for health emergencies, school events or other family matters
3M	5 days/year	18 weeks				
Morrison & Foerster	10 days	6 months lawyers 18 weeks staff		X		
NCNB	10 days	6 months		X		paternity leave up to 6 weeks paid if father is primary caregiver; phase-in period for new parents returning to work is available
Neuville Industries		32 weeks		X		
Northern Trust Corp.	2 days	18 weeks		X		paternity leave 12 weeks
Official Airline Guides		3 months		X		
Pacific Gas & Electric		12 months		X		
Patagonia		4 months-2paid				paternity leave 2 months paid
Phoenix Mutual Life Insur. Co.		6 months		X		
Pitney Bowes		22 weeks		X		
Procter & Gamble		1 year				childbirth leave includes 8 weeks paid. Part- time return to work available new moms can return to work on part time basis without losing medical benefits
Prudential Insurance Co.	2 days	32 weeks		X		
St. Paul Companies	10 days	6 months		X		
SAS Institute		6 weeks		X		
Seattle Times Co.		6 months			X	generous sick child care benefits, can prereg. ill child at local hospital and co will pay all but \$10 of hospital cost
South Shore Bank		6 months	X			
Steelcase		5 months		X		can use sick days to care for ill child

Working Mothers Best Companies 1991

COMPANY	SICK LEAVE SICK CHILD	LEAVE FOR CHILDBIRTH	DISABILITY	DISABILITY PLUS	NO DISABILITY	COMMENTS
Stride Rite		26 wks (8 paid)				
Syntex	3 days	24 weeks				
Tenneco		6 months		X		
Travelers Companies	3 days	32 weeks		X		subsidizes not only child care but elderly care
TRW Space & Defense Sector		10 weeks		X		
Unum Life Insurance	3 days	3 months		X		parents have an extra day per year to meet school obligations
U.S. Hosiery Corp.		90 days			X	
US Sprint		58 weeks		X		one year leave to care for dependent
Wegmans		6 weeks	X			
Wells Fargo		4 months	X			
Westinghouse Electric Corp		58 weeks		X		
Xerox		18 wks (8 paid)				provides resourse & referral for elderly care

Headings:

**DISABILITY:** Women receive partial pay for six to eight weeks after childbirth, through their firms disability plan

**DISABILITY PLUS:** Company has a disability plan that pays women full salary for at least some of the time after childbirth, usually based on length of service

**NO DISABILITY:** The Company has no disability policy that covers childbirth. To be paid for time off after childbirth, a woman must use accrued sick and vacation days.

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page only

DOCUMENTS WHICH HAVE NOT BEEN  
FILMED BUT ARE AVAILABLE IN THE  
ORIGINAL FILE INCLUDE:

- letters of support -

- miscellaneous reports re: state family  
and medical leave laws / policies

- news clippings

- Legislative Research Agency Reports:

1. Parental leave policies in AK 91.158  
(3-15-91)

2. Employee leave policies 92.037.  
(2-4-92)

**HB**

**79**

HOUSE COMMITTEE REPORT

5/16/91

(11)  
Date Referred: May 9, 1991

FURTHER REFERRALS:

Judiciary

Date of Committee Action: 5-16-91

waived 5/14/91  
TO RIS  
SSHB 79

The FINANCE Committee considered:

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 79

MENTAL HEALTH TRUST LAND ADMINISTRATION

"An Act establishing the Alaska Mental Health Trust Authority and defining its powers and duties; relating to the administration of the trust established by the Alaska Mental Health Enabling Act of 1956 and to appropriations made to it, and to a comprehensive service program for the beneficiaries of the trust; abolishing (over

RECOMMENDATIONS:  
be replaced with CSSSH 79 (fin)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

(4)  fiscal impact Admin, Courts, H&SS

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

zero fiscal note REV

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<del>_____</del>		Eileen P. Maclean Maclean		X	
Danora Barnes Barnes	X	Tom Ulmer Ulmer		X	
Mike Savane Savane		Koponen Koponen		✓	
Mark Boyer Boyer	X	Ronald J. Larson Larson		X	
Kay Brown Brown	✓	Bob Sharp Sharp		X	
		Paul E. Phillip Phillip		✓	

Mike Savane EP Maclean  
Co-CHAIRMAN'S SIGNATURE