

ALASKA LEGISLATURE

1692

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998

INTENT

LANGUAGE

Intent - FY99 Operating Budget

Agency: Department of Administration

Comp: Citizens Foster Care Review Panel

BRU: Senior Services

Mission

House

- To independently review foster care cases to ensure foster children are expeditiously placed in a permanent home

Measure

House

- Average time to place a child in a permanent home in reviewed cases
Percentage of recommendations followed by DFYS in reviewed cases
Percentage of cases reviewed

Intent - FY99 Operating Budget

Agency: Department of Corrections

Comp: Inmate Health Care
BRU: Administration & Operations

Mission

House

- Identify, stabilize and treat chronic and acutely mentally ill female inmates so that they can function in open population and reduce likelihood of reoffending.

Measure

House

- Percent of inmates experiencing a reduction in the severity of symptoms of mental illness on the unit and upon discharge from the Unit
Percent of mentally ill female inmates requiring Correctional Transfers to API for psychiatric stabilization
Average time mentally ill female inmates spend in isolation
Staff time dedicated to suicide watch, over time
Recidivism rate of inmates receiving services on the Psychiatric Unit compared to general recidivism rate

Intent - FY99 Operating Budget

Agency: Department of Corrections

Comp: Community Jails
BRU: Administration & Operations

Mission

House

- Provide short-term community jail confinement of persons held under state law, in accordance with established Community Jail Standards.

Measure

House

- Percentage of Community jails meeting Community Jail standards by passing annual compliance reviews.
Percentage of prisoners arrested and presented but unable to be housed in community jails.

Intent - FY99 Operating Budget

Agency: Department of Education

Comp: Quality Schools
BRU: Teaching and Learning Support

Mission

House

- To lead and support the development of responsible, economically viable, lifelong learners and citizens.

Measure

House

- Student Achievement:

Existing Measures:

- a) Annual Report Card of student performance in reading, writing, and mathematics.
- b) CAT5 - grades 4, 8, 11.
- c) Alaska Writing Assessment - grades 5,7,10.

To be Implemented:

- a) Graduation Qualifying Exam (Exit Exam).
- b) Student performance data reported at the school level.
- c) Comprehensive assessment system at benchmark level.

Professional Development:

Percentage of teachers trained who incorporate training into classroom instruction - based on self-reporting surveys.

School Accountability - To be Implemented:

- a) Measure student performance in accredited schools compared to non-accredited schools.
- b) Number of schools accredited under Alaska accreditation program compared to the total number of schools.

Intent - FY99 Operating Budget

Agency: Department of Education

Comp: **Program Administration**
BRU: Alaska Postsecondary Education Commission

Mission

House

- To support the development of economically viable, lifelong learners and citizens by providing financial aid to postsecondary students and by authorizing the operation of postsecondary institutions in Alaska.

Measure

House

- Percentage of students at non-accredited institutions borrowing Alaska Student Loans.
Percentage of Alaska Student Loan borrowers completing training programs.
Debt to equity ratio.
180 day default rate.
Defaulted loan recovery rate.

Intent - FY99 Operating Budget

Agency: Department of Environmental Conservation

Comp: Air and Water Director
BRU: Air and Water Quality

Mission

House

- Prevent or control pollution emissions into the air and water as well as set standards and monitor compliance.

Measure

House

- - Percentage of science based standards.
 - Workable permits issued in a timely manner compared to total number of permits issued.
 - Measures specific to Water Quality:
 - Permits with mixing zones compared to total permits.
 - Average size of mixing zones.
 - Number of impaired water bodies, over time.
 - Percentage of facilities in compliance with permit.

Intent - 1999 Operating Budget

Agency: Department of Fish and Game

Comp: AYK Region Fisheries Management
BRU: Commercial Fisheries

Mission

House

- The mission of the Division of Commercial Fisheries is to provide optimum harvests of fish consistent with the sustained yield principle and subject to allocations established through public regulatory processes.

Measure

House

- Harvest per fishery (location, species, gear) compared to 10 year average for that fishery.
Percentage of fisheries open in one year compared to total number of fisheries.
Percentage of permits actively fished compared to 10 year average of permits fished.
Actual harvest compared to the projection.
Number of escapement objectives met compared to the total number of objectives.
Number of allocation objectives met compared to total number of objectives.

Intent - FY99 Operating Budget

Agency: Department of Health and Social Services

Comp: Alaska Temporary Assistance Program

BRU: Public Assistance

Mission

House

- To provide needy Alaskan families the financial assistance for which they qualify and to assist clients in reaching economic self-sufficiency.

Measure

House

- Change in adult ATAP caseload compared to change in unemployment rate
- ATAP cases closed due to earnings compared to total ATAP caseload
- ATAP cases closed due to earnings and child support compared to total ATAP cases closed due to earnings without child support
- ATAP cases with earned income compared to total ATAP caseload
- ATAP clients employed longer than three, six, 12, 18 months compared to total ATAP caseload
- ATAP clients average hourly wage
- ATAP payment accuracy rate

Intent - FY99 Operating Budget

Agency: Department of Health and Social Services

Comp: **Medicaid Services**
BRU: Medical Assistance

Mission

House

- To maintain access to quality health care for all Alaskans and to provide health coverage for needy Alaskans. AS 47.07.010

Measure

House

- Percent of Alaskan providers, by type and region, participating in the Medical Assistance program in the previous fiscal year
Percent of needy Alaskans as defined in AS 47.07.010 who are enrolled or have other health coverage: percent children; percent adults; percent seniors; percent disabled
Percent of licensure surveys conducted in nursing homes annually, hospitals biannually, and home health agencies annually

Intent - FY99 Operating Budget

Agency: Department of Health and Social Services

Comp: **Healthy Families**
BRU: State Health Services

Mission

House

- To prevent and remedy abuse, neglect, and exploitation of children through family centered services.

Measure

House

- The rate of substantial abuse and neglect among families served
Rate per 1,000 is determined by: Abused Children x 1,000 divided by Served Children equal rate per 1,000
The rate of substantiated abuse and neglect statewide as compared to the rate of those served
The rate and duration of out of home placements of children from families who make use of the services provided.

Intent - FY99 Operating Budget

Agency: Department of Labor

Comp: Mechanical Inspection
BRU: Labor Standards and Safety

Mission

House

- To protect the public from the dangers imposed by improperly installed or maintained electrical and mechanical equipment and systems.

Measure

House

- Rate of injury, death and property damage due to electrical or mechanical failure occurring within agency's jurisdiction, compared to areas in the state outside of agency's jurisdiction.
The number of overdue boiler and pressure vessel inspections compared to the total number requiring inspections.
The number of problematic elevators and tramways compared to total number of elevators and tramways requiring inspections.

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: Mining Development
BRU: Resource Development

Mission

House

- Facilitate the development and stewardship of Alaska's mineral and coal resources.

Measure

House

- Public Safety: Percentage of abandoned mines on state land considered hazardous
Rights/Development: New leases and claims compared to total number of leases and claims
Closed leases and claims compared to total number of leases and claims
Federal claims compared to total number of leases and claims
Permitting: Adverse audit findings compared to total audit findings
Dollar value and number of jobs associated with mineral exploitation, development and mine operations, by commodity, over time
Number of active mines over time
Dollar value and number of mineral exploration credits over time
Aged rentals and royalties received by commodity over time
Compliance: Percentage of active mines without violations
Acres reclaimed compared to acres designated for reclamation (activity measure)
Number and type of permit violations

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: Geological Development
BRU: Resource Development

Mission

House

- Determine the potential of Alaskan land for production of metals, minerals, fuels, and geothermal resources, the locations and supplies of groundwater and construction material; and the potential geologic hazards to buildings, roads, bridges and other installations and structures.

Measure

House

- Potential/Production: Change in value of new ventures in Alaska's mineral sector compared to the change in value of new ventures in the mineral sector of other western states (as reported in each states' "Annual Mineral Reports")
Percentage of Alaska mapped at target scale, by category (geology, geophysics, etc.)
Percentage change in private sector exploration for oil, gas or coal in prospective frontier areas as identified or described by DGGs maps.
Hazard Mitigation: Percentage of state and local emergency preparedness agencies using DGGs information for geologic events response and recovery planning.
Percentage of federal, state and local agencies using DGGs information to develop land use plans, building codes and zoning ordinances with the intent of reducing losses from future geological events.
Percentage change in communities with disaster plan.

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: **Water Development**
BRU: Resource Development

Mission

House

- Facilitate the development and stewardship of Alaska's water resources.

Measure

House

- **Public Safety:** Percentage of dams inspected and in compliance
- Rights:** Percentage change in total inventory
- Average processing time of water rights**
- Development:** Percentage change in total inventory and use authorization
- Average processing time of authorization**
- Ownership:** Water rights and authorizations with complaints compared to total water rights and authorizations by type (residential, municipal, business, federal reserved water rights and instream flows)
- Percentage of resource development projects applying for water permits receiving permits within appropriate time frame**
- Data:** Percentage of data requests satisfied within appropriate time frame (where data is available)
- Percentage of times data is compatible with other users**

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: Agricultural Development
BRU: Agricultural Development

Mission

House

- Administer promotional and experimental work, agricultural projects and long-term low-interest loan for the purpose of promoting and developing agricultural industry within the state.

Measure

House

- Percentage of acres sold which are placed in agricultural production.
Percentage of state grazing acres under management plan.
Value of Alaska agricultural products sold to domestic and export markets, over time.
Percentage of required federal inspections completed on-time.

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: North Latitude Plan: Material Center
BRU: Agricultural Development

Mission

House

- Assemble, evaluate, select, and increase plant materials needed in soil and water conservation, agriculture, and industry, maintain genetic purity of these materials, and encourage development of a seed industry in Alaska.

Measure

House

- Industry production of seed and seed potato as a result of PMC assistance, over time.
Volume of new crop varieties grown on Alaska farms compared to total volume grown on Alaska farms.

Intent - FY99 Operating Budget

Agency: Department of Natural Resources

Comp: Agriculture Revolving Loan Program Administration

BRU: Agr Revolving Loan Pgm Admin

Mission

House

- Promote the development of agriculture as an industry throughout the state by means of long-term-low-interest loans.

Measure

House

- Number of approved loan recipients compared to total number of agricultural business licensees.
Value of agricultural products sold by businesses receiving loans, over time.
Default and delinquency rate.
Loan to equity ratio.

Intent - FY99 Operating Budget

Agency: Department of Public Safety

Comp: **Contracts**

BRU: Village Public Safety Officer Program

Mission

House

- To provide first response and basic public safety in rural communities.

Measure

House

- AST criminal responses, in a community over time
- Average VPSO time to response, in a community over time
- Arrests for domestic violence, child abuse and assault, in a community over time
- Average time between repeat calls for domestic violence and child abuse, in a community over time
- Injuries, in a community over time
- Lives saved compared to lives lost in search and rescue, in a community over time
- Amount of stolen or damaged property, in a community over time

Intent - FY99 Operating Budget

Agency: Department of Revenue

Comp: Child Support Enforcement
BRU: Child Support Enforcement

Mission

House

- To assure that parents equitably support their children monetarily and medically.

Measure

House

- Current collections compared to total current obligations.
Arrearage cases in collections compared to total arrearage cases.
Current collections for government (state and federal) compared to current total government obligations.
Government arrearage cases in collections compared to total government arrearage cases.
Percentage of complaints found to have worker errors.
Current cases compared to total cases.

Intent - FY99 Operating Budget

Agency: Department of Revenue

Comp: Alcohol Beverage Control Board

BRU: Alcohol Beverage Control Board

Mission

House

- To protect the health, safety and welfare of Alaskans by limiting the mis-use of alcohol

Measure

House

- Average time between notices of violation of Title IV
Percentage of licensees in compliance for one full year regarding serving to minors, serving to "drunken" persons, and server training
Percentage of servers trained in compliance for one full year

Intent - FY99 Operating Budget

Agency: Department of Transportation/Public Facilities

Comp: Southwest Vessel Operations
BRU: Marine Vessel Operations

Mission

House

- Assist in meeting the transportation needs of traveling public and communities served.

Measure

House

- Percentage of on-time departures
Revenue and expenditure per rider mile
Total ridership (passengers/vehicles/cabins) compared to five year ridership average
Onboard sales per passenger

Intent - FY99 Operating Budget

Agency: Department of Transportation/Public Facilities

Comp: **Southeast Vessel Operations**
BRU: Southeast Vessel Operations

Mission

House

- Assist in meeting the transportation needs of traveling public and communities served.

Measure

House

- Percentage of on-time departures
Revenue and expenditure per rider mile
Total ridership (passengers/vehicles/cabins) compared to five year ridership average
Onboard sales per passenger

HB

325

(File 4)

HFIN

FILE

sec 21 amended Adopted AS Am. 4/18/98 no log

0-GH2038\F Utermohle 4/16/98

CS FOR HOUSE BILL NO. 325(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating and loan program expenses
2 of state government, for certain programs, and to capitalize funds; making
3 appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska,
4 from the constitutional budget reserve fund; and providing for an effective
5 date."

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

7 * Section 1. ALASKA HOUSING FINANCE CORPORATION. (a) The sum of
8 \$50,000,000 from the available unrestricted cash in the general account of the Alaska housing
9 finance revolving fund (AS 18.56.032) is anticipated to be transferred to the general fund
10 during fiscal year 1999 by the direction of the board of directors of the Alaska Housing
11 Finance Corporation.

12 (b) All unrestricted mortgage loan interest payments, mortgage loan commitment fees,
13 and all other unrestricted receipts received by or accrued to the Alaska Housing Finance

1 Corporation during fiscal year 1999 and all income earned on assets of the corporation during
 2 that period are appropriated to the Alaska Housing Finance Corporation to hold as corporate
 3 receipts for the purposes described in AS 18.56. The corporation shall allocate its corporate
 4 receipts among the Alaska housing finance revolving fund (AS 18.56.082), housing assistance
 5 loan fund (AS 18.56.420), and senior housing revolving fund (AS 18.56.710) in accordance
 6 with procedures adopted by the board of directors.

7 (c) The following amounts are appropriated to the Alaska Housing Finance
 8 Corporation (AHFC) from the sources indicated and for the following purposes:

9	PURPOSE	AMOUNT	SOURCE
10	Housing loan programs	\$472,000,000	AHFC corporate receipts
11	not subsidized by AHFC		
12	Housing loan programs	50,000,000	AHFC corporate receipts
13	and projects subsidized		derived from arbitrage
14	by AHFC		earnings

15 * **Sec. 2. ALASKA PERMANENT FUND CORPORATION.** (a) The amount authorized
 16 for transfer by the Alaska Permanent Fund Corporation under AS 37.13.145(b) is appropriated
 17 from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for
 18 the payment of permanent fund dividends and administrative and associated costs.

19 (b) After money is transferred to the dividend fund under (a) of this section, the
 20 amount calculated under AS 37.13.145 to offset the effect of inflation on the principal of the
 21 Alaska permanent fund is appropriated from the earnings reserve account (AS 37.13.145) to
 22 the principal of the Alaska permanent fund.

23 (c) The amount required to be deposited under AS 37.13.010(a)(1) and (2) during
 24 fiscal year 1999 is appropriated to the principal of the Alaska permanent fund in satisfaction
 25 of that requirement.

26 (d) The interest earned during fiscal year 1999 on revenue from the sources set out
 27 in AS 37.13.010 while the revenue is held in trust, escrow, or otherwise before receipt by the
 28 state is appropriated to the principal of the Alaska permanent fund.

29 * **Sec. 3. ALASKA PUBLIC UTILITIES COMMISSION.** The unexpended and
 30 unobligated balance on June 30, 1998, of the Alaska Public Utilities Commission receipts
 31 account for regulatory cost charges under AS 42.05.254 and AS 42.06.286 for fiscal year 1998

1 is appropriated to the Alaska Public Utilities Commission for fiscal year 1999 expenditures.

2 * **Sec. 4. ALASKA SCIENCE AND TECHNOLOGY FOUNDATION.** The unexpended
3 and unobligated balance in the Alaska science and technology endowment earnings reserve
4 on June 30, 1998, is appropriated to the Alaska Science and Technology Foundation to award
5 as grants under AS 37.17.030(d) for the fiscal year ending June 30, 1999.

6 * **Sec. 5. ALASKA SEAFOOD MARKETING INSTITUTE.** An amount equal to the
7 unexpended and unobligated balance on June 30, 1998, of the fiscal year 1998 general fund
8 receipts from the salmon marketing tax (AS 43.76.110) and from the seafood marketing
9 assessment (AS 16.51.120) is appropriated from the general fund to the Alaska Seafood
10 Marketing Institute for marketing Alaska seafood products during fiscal year 1999.

11 * **Sec. 6. CONSTITUTIONAL BUDGET RESERVE FUND.** (a) Amounts equal to the
12 deposits in the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for
13 fiscal year 1998 that were made from subfunds and accounts other than the unrestricted
14 general fund by operation of art. IX, sec. 17(d), Constitution of the State of Alaska, to repay
15 appropriations from the budget reserve fund are appropriated from the budget reserve fund to
16 the subfunds and accounts from which they were transferred.

17 (b) If the unrestricted state revenue available for appropriation in fiscal year 1999 is
18 insufficient to cover the general fund appropriations made for fiscal year 1999, the amount
19 necessary to balance revenue and general fund appropriations is appropriated to the general
20 fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

21 (c) The appropriations in (a) and (b) of this section are made under art. IX, sec. 17(c),
22 Constitution of the State of Alaska.

23 * **Sec. 7. DISASTER RELIEF AND FIRE SUPPRESSION.** Federal receipts received for
24 disaster relief are appropriated to the disaster relief fund (AS 26.23.300).

25 * **Sec. 8. FEDERAL AND OTHER PROGRAM RECEIPTS.** (a) Federal receipts,
26 designated program receipts as defined under AS 37.05.146(b)(3), and receipts of or from the
27 trust established by AS 37.14.400 - 37.14.450 (Exxon Valdez oil spill trust) that exceed the
28 amounts appropriated by this Act are appropriated conditioned on compliance with the
29 program review provisions of AS 37.07.080(h).

30 (b) If federal or other program receipts as defined in AS 37.05.146 exceed the
31 estimates appropriated by this Act, the appropriations from state funds for the affected

1 program may be reduced by the excess if the reductions are consistent with applicable federal
2 statutes.

3 (c) If federal or other program receipts as defined in AS 37.05.146 fall short of the
4 estimates appropriated by this Act, the affected appropriation is reduced by the amount of the
5 shortfall in receipts.

6 * **Sec. 9. FISH AND GAME ENFORCEMENT.** (a) To increase enforcement of the fish
7 and game laws of the state, the amount deposited in the general fund during the fiscal year
8 ending June 30, 1998, from criminal fines, penalties, and forfeitures imposed for violation of
9 AS 16 and its implementing regulations and from the sale of forfeited property or alternative
10 damages collected under AS 16.05.195 is appropriated to the fish and game fund
11 (AS 16.05.100).

12 (b) Appropriations totaling the estimated amount of the deposits described in (a) of
13 this section are made in sec. 31 of this Act to the Department of Public Safety and the
14 Department of Law for increased enforcement, investigation, and prosecution of state fish and
15 game laws. If the receipts appropriated to the fish and game fund (AS 16.05.100) from the
16 sources described in (a) of this section during fiscal year 1999 fall short of the estimates
17 appropriated by this Act, each department's appropriation set out in sec. 31 of this Act is
18 reduced proportionately.

19 * **Sec. 10. FOUR DAM POOL TRANSFER FUND.** The amount available in the four dam
20 pool transfer fund (AS 42.45.050) during fiscal year 1999 is appropriated to the following
21 funds in the following percentages for the purposes set out in AS 42.45.050:

22	Power cost equalization and rural electric	40 percent
23	capitalization fund (AS 42.45.100)	
24	Southeast energy fund (AS 42.45.040)	40 percent
25	Power project fund (AS 42.45.010)	20 percent

26 * **Sec. 11. INFORMATION SERVICES FUND.** The sum of \$55,000 is appropriated to
27 the information services fund (AS 44.21.045) for the Department of Administration, division
28 of information services programs, from designated program receipts.

29 * **Sec. 12. INSURANCE AND BOND CLAIMS.** The amount necessary to fund the uses
30 of the state insurance catastrophe reserve account described in AS 37.05.289(a) is appropriated
31 from that account to the Department of Administration for those uses.

1 * **Sec. 13. INSURANCE FEES.** The unexpended and unobligated balance on June 30,
2 1998, of the Department of Commerce and Economic Development, division of insurance,
3 general fund program receipts from insurance fees under AS 21.06.250 is appropriated to the
4 Department of Commerce and Economic Development, division of insurance, for operating
5 costs for the fiscal year ending June 30, 1999.

6 * **Sec. 14. MARINE HIGHWAY SYSTEM FUND.** The sum of \$27,358,100 is
7 appropriated from the general fund to the Alaska marine highway system fund (AS 19.65.060).

8 * **Sec. 15. MOTOR FUEL TAX.** The following estimated amounts from the unreserved
9 special accounts in the general fund are included within the general fund amounts appropriated
10 by this Act:

11 Special highway fuel tax account (AS 43.40.010(g)) \$25,100,000

12 Special aviation fuel tax account (AS 43.40.010(ε)) 5,400,000

13 * **Sec. 16. OCCUPATIONAL LICENSING.** The unexpended and unobligated balance on
14 June 30, 1998, of the Department of Commerce and Economic Development, division of
15 occupational licensing, general fund program receipts from occupational licensing fees under
16 AS 08.01.065 is appropriated to the division of occupational licensing for operating costs for
17 the fiscal year ending June 30, 1999.

18 * **Sec. 17. OIL AND HAZARDOUS SUBSTANCE RELEASE PREVENTION**
19 **ACCOUNT.** The following amounts are appropriated to the oil and hazardous substance
20 release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release
21 prevention and response fund (AS 46.08.010) from the sources indicated:

22 (1) the balance of the oil and hazardous substance release prevention mitigation
23 account (AS 46.08.020(b)) in the general fund on July 1, 1998, not otherwise appropriated by
24 this Act;

25 (2) the amount collected for the fiscal year ending June 30, 1998, estimated
26 to be \$12,300,000, from the surcharge levied under AS 43.55.300.

27 * **Sec. 18. OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE ACCOUNT.**
28 The following amounts are appropriated to the oil and hazardous substance release response
29 account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and
30 response fund (AS 46.08.010) from the following sources:

31 (1) the balance of the oil and hazardous substance release response mitigation

1 account (AS 46.08.025(b)) in the general fund on July 1, 1998, not otherwise appropriated by
2 this Act;

3 (2) the amount collected for the fiscal year ending June 30, 1998, from the
4 surcharge levied under AS 43.55.201.

5 * **Sec. 19. RETAINED FEES.** The amount retained to compensate the collector or trustee
6 of fees, licenses, taxes, or other money belonging to the state during the fiscal year ending
7 June 30, 1999, is appropriated for that purpose to the agency authorized by law to generate
8 the revenue.

9 * **Sec. 20. SAFETY ADVISORY COUNCIL.** The amount appropriated for the 1998
10 annual governor's safety conference (sec. 19, ch. 98, SLA 1997), plus the fiscal year 1998
11 program receipts of the Alaska Safety Advisory Council (AS 18.60.830), less the amount
12 expended or obligated for the 1998 annual governor's safety conference, is appropriated from
13 general fund program receipts to the Alaska Safety Advisory Council for costs of the 1999
14 annual governor's safety conference.

15 * **Sec. 21. SALARY AND BENEFIT ADJUSTMENTS.** (a) The sum of \$5,241,860 is
16 appropriated to the Office of the Governor, office of management and budget, for the fiscal
17 year ending June 30, 1999, from the funding sources and in the amounts listed in (f) of this
18 section to implement the monetary terms of the collective bargaining agreements listed in (b)
19 of this section and for salary and benefit adjustments for executive branch, Alaska Court
20 System, legislative branch, and University of Alaska employees who are not members of a
21 collective bargaining unit.

22 (b) Funding for the following collective bargaining agreements is included in the
23 appropriation made in (a) of this section:

24 Alaska Classified Employees Association, representing certain employees of the
25 University of Alaska;

26 Alaska Community College Federation of Teachers, representing certain employees of
27 the University of Alaska;

28 Alaska Public Employees Association for the Supervisory Unit;

29 Alaska State Employees Association for the General Government Unit;

30 Alyeska Correspondence School Education Association, representing teachers at the
31 Alyeska Central School;

- 1 Alaska Vocational Technical Center Teachers Association, representing teachers at the
- 2 Alaska Vocational Technical Center;
- 3 Inlandboatmen's Union of the Pacific, representing the unlicensed marine unit;
- 4 International Brotherhood of Electrical Workers, representing nonjudicial,
- 5 nonsupervisory, classified employees of the Alaska Court System;
- 6 International Organization of Masters, Mates, and Pilots, Pacific Maritime Region for
- 7 the Masters, Mates, and Pilots Unit;
- 8 Marine Engineers Beneficial Association, representing licensed engineers employed by
- 9 the Alaska marine highway system;
- 10 Public Employees Local 71 for the Labor, Trades, and Crafts Unit;
- 11 Public Safety Employees Association, representing state troopers and other
- 12 commissioned law enforcement personnel;
- 13 Teachers' Education Association of Mt. Edgecumbe, representing teachers of the
- 14 Mt. Edgecumbe High School.

15 (c) Funding for the collective bargaining agreement with United Academics,
 16 representing certain employees of the University of Alaska, is included in the appropriations
 17 made to the University of Alaska in sec. 31 of this Act.

18 (d) Except as described in (e) of this section, the appropriation made in (a) of this
 19 section is the net funding increase for salary and benefit adjustments after deducting cost
 20 savings resulting from decreases in employer contributions to the Public Employees
 21 Retirement System (PERS). For the fiscal year ending June 30, 1999, the PERS contribution
 22 rate declines 1.57 percent for police and fire employees and .81 percent for all other executive
 23 branch employees except University of Alaska employees.

24 (e) The amount of operating budget appropriations made in sec. 31 of this Act to the
 25 University of Alaska, the Alaska Court System, and the legislature includes any increase or
 26 decrease caused by changes to the PERS contribution rate.

27 (f) The appropriation made in (a) of this section is allocated to the following agencies
 28 from the following funding sources in the amounts listed:

29 AGENCY	ALLOCATION
30 Administration	\$293,300
31 Commerce and Economic Development	87,300

1	Community and Regional Affairs	47,700
2	Corrections	348,600
3	Education	115,700
4	Environmental Conservation	133,000
5	Fish and Game	358,300
6	Office of the Governor	41,600
7	Health and Social Services	644,600
8	Labor	251,500
9	Law	98,300
10	Military and Veterans' Affairs	64,300
11	Natural Resources	181,600
12	Public Safety	177,100
13	Revenue	311,000
14	Transportation and Public Facilities	777,500
15	Transportation and Public Facilities/	
16	Alaska marine highway system fund	147,300
17	University of Alaska	684,500
18	Alaska Court System	219,260
19	Legislature	259,400
20	FUNDING SOURCE	AMOUNT
21	Federal receipts	749,400
22	General fund match	172,600
23	General fund receipts	1,608,460
24	General fund program receipts	210,400
25	Inter-agency receipts	224,800
26	Donated commodities handling fee account	500
27	University dormitory/food/auxiliary service	1,000
28	Federal incentive payments	11,000
29	Benefit system receipts	7,700
30	Exxon Valdez oil spill settlement	21,800
31	Agricultural loan fund	4,600

1	FICA administration fund account	300
2	Fish and game fund	48,800
3	Science and technology endowment	2,700
4	Highway working capital fund	30,400
5	International airports revenue fund	110,200
6	Public employees retirement fund	9,900
7	Second injury fund reserve account	600
8	Disabled fisherman's reserve account	500
9	Surplus property revolving fund	1,300
10	Teachers' retirement system fund	8,500
11	Veterans' revolving loan fund	700
12	Commercial fishing loan fund	7,600
13	General fund/mental health	29,600
14	University of Alaska student tuition/fees/services	42,500
15	Real estate surety fund	300
16	Judicial retirement system	100
17	Public Law 81-874	300
18	National guard retirement system	100
19	University restricted receipts	7,400
20	Training and building fund	4,400
21	Permanent fund dividend fund	17,000
22	Rural development initiative fund	200
23	Oil/hazardous prevention/response	32,400
24	Investment loss trust fund	1,112,000
25	Interagency receipts/oil and hazardous waste	5,100
26	Capital improvement project receipts	294,000
27	Power project loan fund	2,500
28	Public school fund	100
29	Child care facility revolving loan fund	100
30	Fisheries enhancement revolving loan fund	700
31	Alternative energy revolving loan fund	500

1	Bulk fuel revolving loan fund	200
2	Alaska clean water loan fund	1,100
3	Marine highway system fund	245,500
4	Storage tank assistance fund	2,600
5	Mental health trust receipts	1,400
6	Clean air protection fund	8,200
7	Information services fund	36,800
8	Mental health trust authority authorized receipts	5,400
9	Children's trust fund earnings	100
10	Alaska Industrial Development and Export Authority receipts	6,500
11	Alaska Housing Finance Corporation receipts	82,300
12	Alaska Municipal Bond Bank receipts	300
13	Alaska Permanent Fund Corporation receipts	7,100
14	Postsecondary education commission receipts	24,200
15	Alaska Energy Authority receipts	900
16	Designated program receipts	14,400
17	Test fisheries receipts	10,900
18	Alaska Public Utilities Commission receipts	10,900

19 * **Sec. 22. SALMON ENHANCEMENT TAX.** The salmon enhancement tax collected
 20 under AS 43.76.010 - 43.76.030 in calendar year 1997 and deposited in the general fund under
 21 AS 43.76.025(c) , appropriated from the general fund to the Department of Commerce and
 22 Economic Development for payment in fiscal year 1999 to qualified regional associations
 23 operating within a region designated under AS 16.10.375.

24 * **Sec. 23. SHARED TAXES AND FEES.** The amount necessary to refund to local
 25 governments their share of taxes and fees collected in the listed fiscal years under the
 26 following programs is appropriated to the Department of Revenue from the general fund for
 27 payment in fiscal year 1999:

28	REVENUE SOURCE	FISCAL YEAR COLLECTED
29	fisheries taxes (AS 43.75)	1998
30	fishery resource landing tax (AS 43.77)	1998
31	amusement and gaming taxes (AS 43.35)	1999

1 aviation fuel tax (AS 43.40.010) 1999

2 electric and telephone cooperative tax (AS 10.25.570) 1999

3 liquor license fee (AS 04.11) 1999

4 * **Sec. 24. STATE DEBT AND OTHER OBLIGATIONS.** (a) The amount required to pay
5 interest on revenue anticipation notes issued by the commissioner of revenue under AS 43.08
6 is appropriated from the general fund to the Department of Revenue for payment of the
7 interest on those notes.

8 (b) The amount required to be paid by the state for principal and interest on all issued
9 and outstanding state-guaranteed bonds is appropriated from the general fund to the state bond
10 committee for payment of principal and interest on those bonds.

11 (c) The sum of \$46,029,032 is appropriated from the general fund to the Alaska debt
12 retirement fund (AS 37.15.011).

13 (d) The sum of \$16,331,216 is appropriated from the Alaska debt retirement fund
14 (AS 37.15.011) to the state bond committee for trustee fees and lease payments relating to
15 certificates of participation issued for real property.

16 (e) The sum of \$8,871,807 is appropriated from the Alaska debt retirement fund
17 (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on
18 state general obligation bonds.

19 (f) The sum of \$5,005,283 is appropriated from the International Airports Revenue
20 Fund (AS 37.15.430) to the state bond committee for payment of debt service and trustee fees
21 on outstanding international airports revenue bonds.

22 (g) The sum of \$466,500 is appropriated from the Alaska clean water fund
23 (AS 46.03.032) to the state bond committee for payment of debt service and trustee fees on
24 outstanding clean water fund bonds.

25 (h) The sum of \$60,804,147 is appropriated to the Department of Education for state
26 aid for costs of school construction under AS 14.11.100 from the following sources:

27 Alaska debt retirement fund (AS 37.15.011) \$26,804,147

28 School fund (AS 43.50.140) 34,000,000

29 * **Sec. 25. STATE TRAINING AND EMPLOYMENT PROGRAM.** The lapsing balance
30 of the employment assistance and training program account (AS 23.15.625) on June 30, 1998,
31 is appropriated to the unemployment compensation fund (AS 23.20.130).

1 * **Sec. 26. STATUTORY BUDGET RESERVE FUND.** If the unrestricted state revenue
2 available for appropriation in fiscal year 1999 is insufficient to cover the general fund
3 appropriations made for fiscal year 1999, the amount necessary to balance revenue and general
4 fund appropriations is appropriated to the general fund from the budget reserve fund
5 (AS 37.05.540).

6 * **Sec. 27. STORAGE TANK ASSISTANCE FUND.** The sum of \$4,364,800 is
7 appropriated from the oil and hazardous substance release prevention account
8 (AS 46.08.010(a)(1)) to the storage tank assistance fund (AS 46.03.410) for the fiscal year
9 ending June 30, 1999.

10 * **Sec. 28. STUDENT LOAN PROGRAM.** The amount from student loan borrowers of
11 the Alaska Commission on Postsecondary Education that is assessed for loan origination fees
12 for the fiscal year ending June 30, 1999, is appropriated to the origination fee account
13 (AS 14.43.120(u)) within the student loan fund of the Alaska Student Loan Corporation for
14 the purposes specified in AS 14.43.120(u).

15 * **Sec. 29. TEACHER CERTIFICATION.** The unexpended and unobligated balance on
16 June 30, 1998, of the Department of Education, teacher certification general fund program
17 receipts from certification fees under AS 14.20.020(c) is appropriated to the Department of
18 Education, teacher certification, for operating costs for the fiscal year ending June 30, 1999.

19 * **Sec. 30. NONLAPSE OF APPROPRIATIONS.** The appropriations made by secs. 1, 7,
20 9(a), 10, 11, 14, 17, 18, 25, and 28 of this Act are for the capitalization of funds and do not
21 lapse.

22 (SECTION 31 OF THIS ACT BEGINS ON PAGE ___)

MENTAL

HEALTH

MENTAL HEALTH #1

Adopted
no lobby 4/17/98
PM

Amendment to House Finance Committee Substitute HB 325/326

Offered by Hanley

ADD COMPREHENSIVE MENTAL HEALTH CAPITAL

Department of Administration

Pioneers' Homes Special Care Units (Anchorage, Palmer, Juneau)
200.0 AHFC

Department of Health and Social Services

Stop-gap Repairs at Alaska Psychiatric Institute
175.0 GF/MH

Deferred Maintenance - Competitive Grants for Trust Beneficiary Program Facilities
200.0 GF/MH
200.0 MHTAAR

Beneficiary and Special Needs Housing Program
1,800.0 AHFC

Capital Projects Needs Assessments - Beneficiary Provider Facilities
200.0 MHTAAR

American Disabilities Act Upgrades
100.0 GF/MH
100.0 MHTAAR

Client Data Integration Project
200.0 GF
200.0 MHTAAR

Department of Revenue

Homeless Assistance Program
1,250.0 AHFC

Transitional Housing
250.0 AHFC

Department of Transportation

Coordinated Transportation Service Transit Grants
150.0 GF/MH
150.0 MHTAAR

Adopted
4/18/98

MENTAL HEALTH #2

Amendment to House Finance Committee Substitute HB 325/326

Offered by Hanley

ADD TO COMPREHENSIVE MENTAL HEALTH CAPITAL

Department of Natural Resources

Mental Health Trust Land Management

530.0 MHTAAR

CS FOR HOUSE BILL NO. 326(FIN)**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - SECOND SESSION****BY THE HOUSE FINANCE COMMITTEE****Offered:****Referred:****Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR****A BILL****FOR AN ACT ENTITLED**

1 **"An Act making appropriations for the operating and capital expenses of the**
2 **state's integrated comprehensive mental health program; and providing for an**
3 **effective date."**

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

5 *** Section 1. PURPOSE.** In accordance with AS 37.14.003 and 37.14.005, the appropriations
6 made by this Act are for the state's integrated comprehensive mental health program.

7 *** Sec. 2. NONGENERAL FUND RECEIPTS.** (a) Mental Health Trust Authority authorized
8 receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the amounts
9 appropriated by this Act are appropriated conditioned upon compliance with the program review
10 provisions of AS 37.07.080(h).

11 (b) If Mental Health Trust Authority authorized receipts (AS 37.14.036) or
12 administration receipts (AS 37.14.036) fall short of the estimates appropriated in this Act, the
13 affected appropriation is reduced by the amount of shortfall in receipts.

14 **(SECTION 3 OF THIS ACT BEGINS ON PAGE 2)**

FRONT SECTION

*Adopted
Amended* **FRONT SECTION 1
Dawies**

AMENDMENT # _____

OFFERED IN THE HOUSE

TO HB 325

ADD

University of Alaska	
University of Alaska	
Statewide Services and Programs	
ACCFT	380.4
CEA	410.2
United Academics	1,212.5
Non-Covered Employees	1,580.8
TOTAL	3,583.7 GF

This would fully fund existing collective bargaining agreements through June 30, 1999 and salary increments for noncovered employees commensurate with employees covered by collective bargaining agreements.

*move funding amt to
Back section from
Sec. 21 UA*

University of Alaska Funding for FY99 Salary Increases

Section 22 of the Governor's Budget included the following FY99 salary increases for the university:

	GF	Non-GF	Total
ACCFT	380.4	41.3	421.7
CEA	247.0	15.8	262.8
	\$627.4	\$57.1	\$684.5

The Governor's proposed amendment would add \$1,375.7 for the United Academics and Classified Employees Association, resulting in the following:

	GF	Non-GF	Total
ACCFT	380.4	41.3	421.7
CEA (amendment adds \$163.2)	410.2	15.8	426.0
United Academics (amendment adds \$1,212.5)	1,212.5	**	1,212.5
Total	\$2,003.1	\$57.1	\$2,060.2

Section 22 as originally proposed or amended does not include funding to cover salary increases for non-covered university employees. Total funding to cover all covered and non-covered employees is shown below:

	GF	Non-GF	Total
<u>Covered:</u>			
ACCFT	380.4	41.3	421.7
CEA	410.2	15.8	426.0
United Academics	1,212.5	**	1,212.5
<u>Non-Covered:</u>			
Classified/Professional-Technical	1,580.6	**	1,580.6
Total	\$3,583.7	\$57.1	\$3,640.8

** NOTE: The university has sufficient authority in other funding sources and is not requesting additional authority.

Adopted
as FS5
Amended FS2

0-GH2038\F.1
Utermohle
4/17/98

~~w/d~~

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE HANLEY

TO: CSHB 325(FIN) - Front Section

Draft Version "F" dated 4/16/98

1 Page 6, line 15:

2 Delete "\$5,241,860"

3 Insert "\$4,994,860"

4 Page 6, line 17:

5 Delete "(f)"

6 Insert "(h)"

7 Page 6, lines 24 - 25:

8 Delete "Alaska Classified Employees Association, representing certain employees of
9 the University of Alaska;"

10 Page 7, following line 17:

Insert new subsections to read:

12 "(d) Funding for the collective bargaining agreement with the Confidential
13 Employees Association, representing certain employees of departments of the
14 executive branch of state government, is included in the appropriations made to those
15 departments in sec. 31 of this Act.

16 (e) Funding for the collective bargaining agreement with the Alaska Classified
17 Employees Association, representing certain employees of the University of Alaska,
18 is included in the appropriations made to the University of Alaska in sec. 31 of this
19 Act."

20 Reletter the following subsections accordingly.

Adopted
as FS5
FS5

1 Page 7, line 18:

2 Delete "(e)"

3 Insert "(g)"

4 Page 8, line 17:

5 Delete "684,500"

6 Insert "487,500"

7 Page 8, line 23:

8 Delete "1,608,460"

9 Insert "1,361,460"

10 ADD TO BACK SECTION

11 University of Alaska

12 BRU University of Alaska

13 Unallocated Reductions/Additions

247.0 General funds

Adopted
no lobby
FS #3

AMENDMENT

OFFERED IN THE HOUSE

BY: Rep. Hunsenbly

TO: CS HB 325 (FIN)

FRONT SECTION

Section 8, page 3, lines 26, is amended by adding the following language after "designated program receipts as defined under AS 37.05.146(b)(3)"

test fishery receipts.

FS#4 w/d

AMENDMENT

OFFERED IN THE HOUSE

BY: *Rep. Gussardof*

TO: CS HB 325 (FIN)

FRONT SECTION

Section 7, page 3, lines 23 - 24 is amended to read:

Add a new section (b) to read:

It is the intent of the legislature that funding necessary to meet the disaster relief responsibilities of the Department of Military and Veterans' Affairs and the fire suppression responsibilities of the Department of Natural Resources will continue to be made available through the disaster declaration process. If fiscal year 1999 disaster relief and fire suppression costs are not adequately funded by this Act, the Department of Military and Veterans' Affairs or the Department of Natural Resources, respectively, shall submit a supplemental appropriation request during the 1999 legislative session.

Adopted
as Amended
see FS-2
FS#5

AMENDMENT

OFFERED IN THE HOUSE

BY: Rep. Gussendorf

TO: CS HB 325 (FIN)

FRONT SECTION

Section 21, page 6, line 15, is amended to read: (a) The sum of \$6,735,460 [5,241,860] is appropriated to the Office of the Governor, office of management and budget, for the fiscal year ending June 30, 1999, from the funding sources and in the amounts listed in (f) of this section to implement the monetary terms of the collective bargaining agreements listed in (b) of this section and for salary and benefit adjustments for executive branch, Alaska Court System, legislative branch, and University of Alaska employees who are not members of a collective bargaining unit.

Section 21, page 7, after line 14 add:

United Academics, representing certain employees of the University of Alaska;

Confidential Employees Association representing certain employees of the executive branch.

Section 21, page 7, lines 16 - 17: Delete all material

Section 21, page 7, (f) Delete all material and replace it with:

(e) The appropriation made in (a) of this section is allocated to the following agencies from the following funding sources in the amounts listed:

AGENCY	ALLOCATION
Administration	\$332,200
Commerce and Economic Development	89,100
Community and Regional Affairs	49,000
Corrections	355,400
Education	118,500
Environmental Conservation	136,500
Fish and Game	366,200
Office of the Governor	41,600
Health and Social Services	656,500
Labor	255,500
Law	100,100
Military and Veterans Affairs	65,500
Natural Resources	187,600
Public Safety	180,900
Revenue	314,600

FUNDING SOURCE	AMOUNT
Transportation and Public Facilities	170,000
Transportation and Public Facilities/ Alaska marine highway system fund	151,400
University of Alaska	2,060,200
Alaska Court System	219,260
Legislature	259,400
FUNDING SOURCE	AMOUNT
Federal receipts	760,400
General fund match	174,800
General fund receipts	4,170,860
General fund program receipts	210,400
Inter-agency receipts	240,600
Donated commodity handling fee account	500
University dormitory/food/auxiliary service	1,000
Federal incentive payments	11,000
Benefit system receipts	8,200
Exxon Valdez oil spill settlement	21,800
Agricultural loan fund	4,600
FICA administration fund account	300
Fish and game fund	48,900
Science and technology endowment	2,700
Highway working capital fund	31,700
International airports revenue fund	111,900
Public employees retirement fund	10,100
Second injury fund reserve account	600
Disabled fisherman's reserve account	500
Surplus property revolving fund	1,300
Teachers' retirement system fund	8,700
Veterans' revolving loan fund	700
Commercial fishing loan fund	7,600
General fund/mental health	29,600
University student tuition/fees/services	42,500
Real estate surety fund	300
Judicial retirement system	200
Public Law 81-874	300
National guard retirement system	100
University restricted receipts	7,400
Training and building fund	4,400
Permanent fund dividend fund	17,000
Rural development initiative fund	200
Oil/hazardous prevention/response	33,500
Interagency receipts/oil and hazardous waste	5,100
Capital improvement project receipts	295,200
Power project loan fund	2,500
Public school fund	100
Child care revolving loan fund	100
Fisheries enhancement revolving loan fund	700
Alternative energy revolving loan fund	500
Bulk fuel revolving loan fund	200
Alaska clean water loan fund	1,100

FS 5

Marine highway system fund	252,400
Storage tank assistance fund	2,700
Mental health trust receipts	1,400
Clear Air Protection Fund	8,300
Information services fund	36,800
Mental health trust authority authorized receipts	5,400
Children's trust fund earnings	100
Alaska Industrial Development Authority Receipts	6,500
Alaska Housing Finance Corporation Receipts	82,300
Alaska Municipal Bond Bank Receipts	300
Alaska Permanent Fund Corporation Receipts	7,100
Post-Secondary Education Commission Receipts	24,200
Alaska Energy Authority Receipts	900
Statutory designated program receipts	15,100
Test Fisheries Receipts	10,900
Alaska Public Utility Commission	10,900

Amend Section 31, Page _____, lines _____ as follows:

	Appropriation	General	Other
Allocations			
University of Alaska	<u>441,651,200</u> [443,026,900]	<u>165,600,600</u> [166,976,300]	276,050,600
Budget Reductions/Additons Systemwide	<u>1,513,800</u> [2,889,500]		

FSS

By: *HANLEY*

HB 325

Amendment #

Front Section

FS # 6

failed

3-7

4/18/98

The sum of \$442,860.00 is appropriated from the general fund to the Department of Education for additional district support for the Ketchikan School District for the fiscal year ending June 30, 1999. This appropriation is to partially offset the impacts from the pulp mill closure because of the cancellation of the long-term timber contract between the Ketchikan Pulp Company and the Federal Government.

The appropriation of \$442,860.00 is repealed if AS 14.17 is amended prior to September 1, 1998 and increases state aid for the Ketchikan Gateway Borough School District more than \$442,860.00

ADMINI- STRATION

NO OBJECTIVE | adopted

ADMIN #1

AMENDMENT

Offered by Rep. Davis

DELETE

Department of Administration
Leases BRU
Leases 450.0 GF

ADD

Department of Administration
Division of Motor Vehicles
Field Services 450.0 GF

Failed 3-8

ADMIN #2

**Department of Administration
Amendment**

Sponsor: Kohring

DELETE:

Department of Administration
Public Communications Services
Public Broadcasting - TV

\$845.2
General Funds

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/16/98 pm

SUBJECT

Admin #2

MEMBER	YES	NO
FOSTER		✓
GRUSSENDORF		✓
KELLY		✓
KOHRING	✓	
MARTIN	✓	
MOSES		✓
MULDER	✓	
DAVIES JOHN		✓
DAVIS GARY		✓
HANLEY		✓
THERRIAULT		✓

TOTAL

3	8
---	---

PASSED _____

FAILED _____

- withdrawn -
4/16/98

Admin #3

AMENDMENT

BY: Rep. Hussendorf

OFFERED IN THE HOUSE

TO: CS HB 325(FIN)

Department of Administration
BRU: Division of Motor Vehicles
Component: Field Services

Add \$500.0 GF to restore reduction by subcommittee

This amendment would restore the cut of \$500.0 to Field Services and bring this component back to the FY 98 authorized level. If this reduction is allowed to stand, the Division of Motor Vehicles would have to lay off as many as 12 positions in DMV offices throughout the state and may result in the closure of all outlying offices. The only offices that may stay open would be Anchorage, Fairbanks, Juneau, Soldotna, and Palmer. Lines may be longer in those offices that remain open.

Dept: Administration

House subcommittee

Preparer: Sharon Barton

Date prepared: 04/10/98

Department Impact Statements in Response to Finance Subcommittee Budget Proposals

Program area: **Motor Vehicles**
(Use a separate form for each program area.)

Dollar amount(s): Fund source(s):
(985.0) **GF**

Impact Analysis:

\$485.0 of this reduction eliminates the increment for FY 99 vehicle license plates, manuals and equipment. Projected revenues from the sale of plates for FY 99 is more than \$5 million. Plates and manuals must be made available to the public. When equipment breaks or wears out, it must be replaced in order to maintain service. Without this increment, staff would have to be eliminated to cover this cost.

We are advised that the remaining \$500.0 reduction is being made in anticipation of savings generated from reengineering that has taken place over the last year. The objective of the reengineering effort is to dramatically improve service statewide, with a growing customer base and ever increasing legislated responsibilities, without additional operating funds. Cost savings will be achieved over time, however, our strategy is built on the ability to reallocate staff savings to direct public services. If the cost savings are stripped out of the budget as they are achieved, the objective of shorter lines and improved services will not be achieved.

Interactive voice response (IVR), web based services, and automation of manual back-office processing will produce cost reductions as each month goes by. Approximately 25,000 customers receive renewal notices each month. Cost reductions will occur as customers begin to migrate away from transacting business in person or by mail and migrate to the interactive voice response and web based alternatives. However, with biennial registration, it will take two years to realize the full potential of these improvements. Meanwhile, it is essential that incremental savings in staff time be reallocated to front counters to reduce the long lines in our urban offices and to increase the number of satellite offices in outlying areas for our customers who can't or won't conduct business electronically.

The impact of this FY99 reduction will be continued long lines in larger offices, no new satellite offices, and we will have to re-evaluate field office operations statewide.

DRAFT

DMV REENGINEERING SUMMARY

WHERE WE STARTED

Just over a year ago, the Division of Motor Vehicles was transferred to the Department of Administration. At that time, the cumulative effect of several years of budget reductions, ever increasing legislated responsibilities, and annual growth of the customer base had resulted in 2-3 hour lines in larger offices, up to eight weeks to process dealer title and registration paperwork, and reports of poor customer service throughout the state. Very high employee turnover translated into high training costs and reduced employee productivity.

GOAL

To dramatically improve service to DMV customers statewide by reinvesting savings generated from technology based efficiencies back into public service staff.

STRATEGY

- Shift as many transactions as possible to telephone or computer interface
- Increase satellite offices and adjust office hours for public convenience
- Computerize manual back office procedures
- Re-deploy maximum resources to direct delivery of services to the public
- Create stakeholder partnerships to enhance customer service, reduce processing turnaround times and create value added private sector opportunities
- Reduce employee turnover through proper job classification and attention to work place issues

COMPLETED

- Interactive Voice Response (IVR) and Web registration renewal service (*Alaska is one of only three states currently offering this service*) – 7 x 24 service; 1,094 renewals completed as of 3/24/98; target potential - over 200,000 renewals.
- Web personalized plate order system - 7 x 24 service; 266 orders completed as of 3/24/98; target potential - 3500 annual orders
- Automated upload of emission test results in cooperation with DEC
- Partnering with driving schools and other private entities for providing driver tests - CDL, Regular, and Motorcycle
- Dealer original title and registration pilot program in Anchorage and Fairbanks – 8 major dealerships committed to participate
- Credit card acceptance, enabled electronic commerce
- Auto telephone script completed (install by 4/15/98)
- Juneau satellite office in the State Office Building
- Expanded renewal capability for I/M inspection station business partners
- Separate DMV data system (ALVIN) from DPS system (APSIN)
- Create comparable job classifications to reduce employee turnover

PROJECTS SCHEDULED FOR COMPLETION IN NEXT 6 MONTHS

- Dealer title and registration project in full production statewide
- 9 dealerships with tentative commitment to participate
- Commission agents trained for on-line processing (no delays for remote areas)
- Automation of return mailing for IVR, Web, and mail renewals
- Improve accounting capability on ALVIN system
- Increased number of business partners/commission agents/satellite offices
- Expansion of credit card use to all DMV offices

WHERE ARE WE TODAY?

The groundwork is laid. To date, some 1,100 IVR and Web transactions have been completed. Each month an average of 25,000 registration renewal notices are mailed and the majority of these transactions could be shifted to the new electronic venues and business partners. As additional partnerships and satellite offices are established, business will spread over more locations further reducing lines in all offices. Back office improvements, backburned during the APSIN/ALVIN split project, are now scheduled for summer and fall implementation. All DMV resources are doing double duty to keep the daily business on track and, at the same time, to design and implement the new systems, partnerships, and procedures.

FY 99 BUDGET OUTLOOK

The goal of improving public service to DMV customers is in sight but it will take another six months to a year to complete all improvements in progress and two full years to realize the full benefit of IVR and Web based services. During this time, our success is dependent on our ability to re-deploy resources to direct public service. Keeping in mind the strategy stated above, the goal will not be achieved if staff reductions are necessary in this first year of implementation; lines will remain long at larger offices, we will not have the resources to open additional satellite offices, and we will have to re-evaluate current field office operations statewide.

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325(FIN)

BY:

Admin #4
w/d
Rep. Gussendorf

Department of Administration
BRU: Centralized Administrative Services
Component: Office of the Commissioner

Add \$310.0 GF for increment for Labor Union Contract Negotiations.

Dept: Administration	House subcommittee
Preparer: Sharon Barton	Date prepared: 04/10/98

Department Impact Statements in Response to Finance Subcommittee Budget Proposals

Program area: **Office of the Commissioner** Dollar amount(s): Fund source(s):
 (Use a separate form for each program area.) (310.0) GF

Impact Analysis:

This reduction eliminates funding for the negotiation of the eleven bargaining unit contracts that expire between now and June of 1999. These new contracts will establish pay, benefits, and workplace provisions for most of the state's union employees for the next three years.

Funding for contract negotiations (five positions) was previously eliminated from the annual budget, with the plan to request one-time funding only for those years when negotiations would take place. Without this one time funding, we will have no trained and experienced negotiators to lead our bargaining teams.

This increment is for FY99 only. It will not be included in the FY2000 budget.

TITLE: Labor Union Contract Negotiations

DESCRIPTION:

The state operates under eleven union contracts, generally of three year duration. Three of the contracts expire in 1998 and the remaining eight expire in May and June 1999. The cyclical nature of the contracts, recent staff reductions, and a decision to approach the upcoming negotiations differently do not allow for current on-board staff to conduct negotiations over a sixteen month period.

This increment is designed to provide flexibility to the Administration in selecting the best bargaining team approach as we near the end of the current contract terms. This increment will provide funding for three teams to handle all contract negotiations in a focused and integrated fashion. During late FY98 and early FY99 team members will receive intensive negotiation training. Additionally, we will outline a desired state position. A major factor will be proposals for alternative pay plans which will require research and development.

In order to be ready for negotiating sessions that will begin by fall 1998, preparation must begin in late FY98. Negotiations and team support will be conducted through contractual arrangements with staff from other agencies, department staff and private contractors.

This increment provides funding to cover anticipated FY99 costs for preparation and negotiation of eleven contracts. Actual negotiations will run from late 1998 through early 2000. Negotiating sessions will take place primarily in Juneau and Anchorage. Covered expenses include travel, training, printing, research and contractual expertise.

EXPENDITURES	
Personal Services	
Travel	35.0
Contractual	265.0
Supplies	10.0
Equipment	
Lands & Buildings	
Grants & Claims	
Miscellaneous	
Total	310.0
FUNDING SOURCES	
1002 Federal Receipts	
1003 General Fund Match	
1004 General Fund	310.0
1005 GF Program Receipts	
1037 GF Mental Health	
Total	310.0
STAFFING	
Permanent Full-Time	
Permanent Part-time	
Temporary	

DECREMENT
or INCREMENT
Form C5
Revised 8/5/96

AGENCY Department of Administration
BRU Centralized Administrative Services
COMPONENT Office of the Commissioner

Page 1 of 1
Revised Date:

FY 99 - 04

0000335

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325(FIN)

BY:

*Admin #5
Failed
Rep. Hussendorf*

Department of Administration
BRU: Alaska Public Offices Commission
Component: Alaska Public Offices Commission

Add \$167.3 GF to fund increment for 1998 Election Year Support

Dept: Administration

House subcommittee

Preparer: Sharon Barton

Date prepared: 04/10/98

Department Impact Statements in Response to Finance Subcommittee Budget Proposals

Program area: **Alaska Public Offices Commission**
(Use a separate form for each program area.)

Dollar amount(s): Fund source(s):
(167.3) GF

Impact Analysis:

This reduction eliminates the 1998 election year support increment. APOC, like the Division of Elections, requires additional staffing for the heavy workload of a statewide election. Even greater workload is anticipated in 1998 because it is the first statewide election under the new campaign finance law. Without this funding, APOC will be unable to meet the needs of candidates and the public for timely information.

This increment is for FY99 only. It will not be included in the FY2000 budget.

TITLE:

1998 Election Year Support

DESCRIPTION: 1998 will be a watershed year for campaign disclosure reform. Candidates will vie for 50 legislative seats and the office of governor under the auspices of the new campaign finance law. The Commission envisions that new candidates, incumbents, political groups and parties will have numerous questions and require additional assistance to understand and comply with the new law. More importantly, the public has increased expectations for the political process because of the new law.

At current staffing and funding levels, it will not be possible to meet the increased demands of filers and the public during the upcoming election cycle. For this reason, the Commission is seeking additional funds.

Specifically, funds are requested for a seasonal, part-time clerk in the Anchorage office and a seasonal increase from 1/2 time to 3/4 time for the single Juneau office clerk. In addition, funds are requested to conduct educational sessions for candidates and groups around the state; to hold an extra commission meeting to address advisory opinion questions and legal interpretations in a timely manner; and to install a voice mail system to more efficiently respond to telephone questions.

In addition, the Commission requests funds to further expand its Internet capabilities. Current capabilities enable filers and the public to research questions regarding disclosure laws; provide quicker access to disclosed information; and streamline the reporting process for filers who can now access some forms on-line. With current staff expertise and contractual funding, progress is slow. The Commission is requesting contractual funds to support a reimbursable service agreement with the Division of Information Services for a full time Programmer/Analyst IV to assess current disclosure filing and data capture and implement streamlined processes. These processes will use electronic means which will make it easier for filers; require less staff time for data capture; and result in information being available to the interested public in a more timely manner.

To further facilitate interpretation of the new law, the Commission is requesting funds to develop regulations during FY99. Funds would support the hiring of a regulations specialist for one year and supplies and services necessary to meet legal notice requirements. The Commission has decided that promulgating the regulations in FY 99, but after the 1998 election, will facilitate well reasoned regulations that take into account the full scope of questions and issues raised by candidates and groups during the state election cycle.

EXPENDITURES

Personal Services	77.5
Travel	4.8
Contractual	83.0
Supplies	2.0
Equipment	
Lands & Buildings	
Grants & Claims	
Miscellaneous	
Total	167.3

FUNDING SOURCES

1002 Federal Receipts	
1003 General Fund Match	
1004 General Fund	167.3
1005 GF Program Receipts	
1037 GF Mental Health	
Total	167.3

STAFFING

Permanent Full-Time	1.0
Permanent Part-time	1.0
Temporary	0.0

AGENCY Administration

BRU Alaska Public Offices Commission

DECREMENT
or INCREMENT
Form C5
Revised 8/25/97

Page 1 of 1

Revised Date: 1/5/98

FY 99

0000527

Alaska State Legislature

Interim:

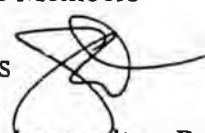
145 Main St. Lp., 223
Kenai, Alaska 99611
907/283-7095
907/283-3075 fx
907/262-7574 hm

Session:

State Capitol
Juneau, AK 99801
907/465-2693
fx 907/465-3835
800/463-2693

Representative Gary Davis

MEMORANDUM

DATE: April 14, 1998
TO: House Finance Committee Members
FROM: Representative Gary Davis 
RE: Dept. of Administration Subcommittee Report

The Administration budget subcommittee recommended a general fund spending level of 174,195.7. We came in at 92.7 below our target of 174,288.4.

The longevity bonus grants were adjusted for consistent overcalculation in grant obligations.

Increments totaling 485.0 MHTAAR were allowed in Senior Services. 150.0 general fund/mental health money was approved for two full-time adult protective service positions and 179.5 general fund money was added for assisted living licensing. Citizen's Foster Care Review was reduced by 24.1 to align staffing levels with legislation that passed last year.

Office of Public Advocacy and the Public Defender Agency were fully funded for the first time since FY 92. It is the intent of the subcommittee that they will be able to operate within their budget and a supplemental request won't be necessary.

General fund spending in the Leases BRU was increased 1.1 million and the lease administration staff was transferred to the Leases BRU from Centralized Administrative Services. The total spending for the Leases BRU increased 3.5 million over authorized spending for FY 98.

The Division of Motor Vehicles field services was reduced 500.0 as a result of savings alluded to in the Governor's State of the Budget speech.

All other general fund increments were denied.

*Representing House District 8
Cooper Landing, Funny River, Hope, Moose Pass, Seward, Sterling, Soldotna*

Representative_Gary_Davis@legis.state.ak.us

Department of Administration
Department Impact Statements in Response to
Finance Subcommittee Budget Proposals

Dept: Administration	House subcommittee
Preparer: Sharon Barton	Date prepared: 04/15/98

Program area: **Office of the Commissioner** Dollar amount(s): **(310.0)** Fund source(s): **GF**

SMART START - Protection

Impact Analysis:

This reduction eliminates funding for the negotiation of the eleven bargaining unit contracts that expire between now and June of 1999. These new contracts will establish pay, benefits, and workplace provisions for most of the state's union employees for the next three years.

Funding for contract negotiations (five positions) was previously eliminated from the annual budget, with the plan to request one-time funding only for those years when negotiations would take place. Without this one time funding, we will have no trained and experienced negotiators to lead our bargaining teams.

This increment is for FY99 only. It will not be included in the FY2000 budget.

Program area: **Longevity Bonus** Dollar amount(s): **(2,374.9)** Fund source(s): **GF**

Impact Analysis:

The House Finance Subcommittee proposal funds the FY99 Longevity Bonus amount midway between DOA mid and low range projections. This funding level is not unreasonable given the total payment pattern over the last two years.

Program area: **Office of Public Advocacy**

Dollar amount(s): (744.0) Fund source(s): **GF**

Impact Analysis:

This reduction denied three Child Protection increments in the Office of Public Advocacy (OPA). One of these increments for \$185.0 is now proposed for funding in the Department of Health & Social Services House Finance subcommittee report leaving unfunded the Child Protection increment of \$439.9 and the Support for Families increment for \$120.0.

The \$439.9 Child Protection increment is predicated on two primary factors, (1) DFYS policy and staffing changes and (2) changes in federal law that mandate new timelines in the handling of children's cases. DFYS has estimated that adequate staffing would allow them to assign for investigation over 3,700 reports of harm that are now filed without further action. That agency has estimated that these additional investigations would generate some 279 additional cases requiring legal intervention. We understand the House Department of Health & Social Services Finance subcommittee has reduced the DFYS request for new social worker positions from 40 to 35. DFYS has advised that the proposed reduction will not substantially affect their projection of 279 additional cases in FY99. The appointment of an OPA guardian ad litem is legally automatic upon the filing of a child in need of aid petition.

The increment funds four positions and contractual costs for the increased workload associated with the changes in DFYS policy and federal law. We will continue to tightly manage this program, however, we project that this reduction will result in the need for FY 99 supplemental funding.

With the \$120.0 increment, OPA would provide expertise, based on their experience with the CASA (Court Appointed Special Advocate) volunteer guardian ad litem program, to develop a recruitment and training program for volunteers to assist and monitor families who have been the subject of reports of harm. Without this funding, the program will not be established.

Program area: **Public Defender**

Dollar amount(s): (876.8) Fund source(s): **GF**

SMART START - Protection

Impact Analysis:

This reduction denied two Child Protection increments in the Public Defender Agency. One of these increments for \$255.0 is proposed for funding in the Department of Health & Social Services subcommittee report leaving unfunded the second increment for \$621.4.

The \$621.4 would fund ten positions and associated costs for the increased workload associated with changes in policy at the Division of Family and Youth Services. The Public Defender Agency has no

alternative to taking cases assigned by the court. We will continue to tightly manage this program, however, we project that this reduction will result in the need for FY99 supplemental funding.

Program area: **AOGCC**

Dollar amount(s): Fund source(s):
(250.0) **GF**

Impact Analysis:

Inspection Staff Increment elimination (200.0)

Following last year's 25% increase in drilling permits and the continued increase in drilling activity on the North Slope and Cook Inlet this year, the loss of this increment would result in a negative economic impact to the state and the oil and gas industry. Drilling permit delays would delay industry's drilling schedules and disrupt development of new fields, which in turn plays havoc with the "No Decline in '99". Without additional positions, oil field inspections will decline, jeopardizing worker safety and environmental protection. Many thousands of dollars per hour will be at risk if drill rigs sit idle waiting for a safety inspection. We may also be unable to maintain the inspection level required for the state to maintain primacy of Class II Underground Injection Control (UIC) wells. Transfer of the UIC program back to the federal government will hinder waste disposal and enhanced oil recovery efforts, and chill oil and gas development in Alaska

IOGCC Membership Increment elimination (50.0)

The Interstate Oil and Gas Compact Commission (IOGCC) is the principle organization of states supporting responsible development of oil and gas in the United States. The State of Alaska is the second largest oil producing state in this country and a major player in IOGCC. Our leadership in IOGCC is critical to the effectiveness of the organization in national oil and gas policy. The IOGCC has played an active role in supporting and lobbying for Alaska issues, including lifting the Alaska North Slope oil export ban, opening the National Petroleum Reserve & Alaska National Wildlife Refuge and maintaining the Resource Conservation Reclamation Act exemption for oil and gas waste disposal. If this state chooses to ignore this organization it will have lost an effective voice in national politics and will discard an important friend helping to protect Alaska's oil and gas resources.

Program area: **Alaska Public Offices Commission**

Dollar amount(s): Fund source(s):
(167.3) **GF**

Impact Analysis:

This reduction eliminates the 1998 election year support increment. APOC, like the Division of Elections, requires additional staffing for the heavy workload of a statewide election. Even greater workload is anticipated in 1998 because it is the first statewide election under the new campaign finance law. Without this funding, APOC will be unable to meet the needs of candidates and the public for timely information.

This increment is for FY99 only. It will not be included in the FY2000 budget.

Program area: **Motor Vehicles**

Dollar amount(s): Fund source(s):
(985.0) **GF**

Impact Analysis:

\$485.0 of this reduction eliminates the increment for FY 99 vehicle license plates, manuals and equipment. Projected revenues from the sale of plates for FY 99 is more than \$5 million. Plates and manuals must be made available to the public. When equipment breaks or wears out, it must be replaced in order to maintain service. Without this increment, staff would have to be eliminated to cover this cost.

We are advised that the remaining \$500.0 reduction is being made in anticipation of savings generated from reengineering that has taken place over the last year. The objective of the reengineering effort is to dramatically improve service statewide, with a growing customer base and ever increasing legislated responsibilities, without additional operating funds. Cost savings will be achieved over time, however, our strategy is built on the ability to reallocate staff savings to direct public services. If the cost savings are stripped out of the budget as they are achieved, the objective of shorter lines and improved services will not be achieved.

Interactive voice response (IVR), web based services, and automation of manual back-office processing will produce cost reductions as each month goes by. Approximately 25,000 customers receive renewal notices each month. Cost reductions will occur as customers begin to migrate away from transacting business in person or by mail and migrate to the interactive voice response and web based alternatives. However, with biennial registration, it will take two years to realize the full potential of these improvements. Meanwhile, it is essential that incremental savings in staff time be reallocated to front counters to reduce the long lines in our urban offices and to increase the number of satellite offices in outlying areas for our customers who can't or won't conduct business electronically.

The impact of this FY99 reduction will be continued long lines in larger offices, no new satellite offices, and we will have to re-evaluate field office operations statewide.

Dept: **Administration**

House subcommittee:

Preparer: **Sharon Barton**

Date prepared: **04/15/98**

Program area: **Leases**
(Use a separate form for each program area.)

Dollar amount(s): Fund source(s):
(131.3) **GF**

Impact Analysis:

The proposed House Finance Subcommittee funding level for Leasing is well within our current projection of FY 99 costs. The recent re-negotiation of six leases in Anchorage and Juneau will result in a previously unanticipated FY 99 lease budget savings of approximately \$450.7.

After covering the \$131.3 reduction to leases, an additional \$319.4 is available from the lease savings which could be used to fund all or part of other reductions in the DOA budget. These include OPA/PD Child Protection, Division of Motor Vehicles Technology Enhancements, or the Senior Services Assisted Living Licensing.

COMMERCE

&

ECONOMIC

DEVELOP-

MENT

Department of Commerce and Economic Development
Amendment

Sponsor: Kohring

ADD:

Commerce and Economic Development
ASMI
Alaska Seafood Marketing Institute

\$69.1
General Fund Receipts

1 Full-time Position

PURPOSE: ~~Transfer from Trade and Development component to ASMI personal services funding and one full-time "fish industry" Trade Specialist position.~~

Return to Div Trade +
Dev.

COMMERCE #2

Department of Commerce and Economic Development
Amendment

Adopted
6-5
4/17/98

Sponsor: Kohring

ADD:

Commerce and Economic Development
AIDEA
Alaska Industrial Development and Export Authority \$84.4
General Fund Receipts

1 Full-time Position

PURPOSE: Transfer from Trade and Development component to AIDEA personal services funding and one full-time "industry" Trade Specialist position.

Remain
CED

COMMERCE #3

Department of Community and Regional Affairs
Amendment

Adopted

Sponsor: Kohring

ADD:

Community and Regional Affairs
Employment Training/Rural Development
Community Development Assistance

\$68.1
General Fund Receipts

1 Full-time Position

PURPOSE: Transfer from Department of Commerce and Economic Development to the Department of Community and Regional Affairs personal services funding and one full-time "cultural" Trade Specialist position.

Remain in CED

COMMERCE #4

Department of Natural Resources
Amendment

Adopted

Sponsor: Kohring

ADD:

Natural Resources
Resource Development
Mining Development

\$153.3
General Fund Receipts

2 Full-time Positions

PURPOSE: Transfer from the Department of Commerce and Economic Development to the Department of Natural Resources personal services funding and two full-time "minerals" Trade Specialist positions.

Remain in
CED