

ALASKA LEGISLATURE

1993

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

Vacating orders sends the signal to those inclined to violate Alaska's securities laws and take advantage of Alaskans. Yet, if BSC keeps positions vacant to meet the obligations, needed services to Alaskans are delayed -- it takes longer to file proper documents with the corporations section to start a business, or longer to register securities, for example. Alaska's laws must be enforced, and this increment is needed to make the enforcement credible. Further, absent this increment and the enforcement it supports, it is likely the division's fines and collections will decline, costing the state more in lost revenue than the cost of the increment.

Finally, the State has an obligation to invest a reasonable amount of money in regulation activities that generate substantial revenues now. The division's FY 00 budget of \$1,722.8 has increased only 40.7% since FY 82, while estimated FY 00 revenues of \$10,134.9 are up 327.7% during the same time. The division staff of 26 is the same as it was in FY 82. Further, as a result of the passage of HB 83 last session, the division estimates that the increased revenue will be over \$100.0, easily enough to cover this increment. Much of the revenue increase described here is a result of increased activity, not increased fees. It is difficult to understand the failure to fund required enforcement costs when the firms in the industries that are regulated already pay almost 6 times the cost of the division.

Program Area:	Amount(s):	Source(s):
Insurance	(\$243.5)	GF/PR

Impact Analysis:

A \$243.5 reduction in the Insurance Division's operating budget would require elimination of positions itemized below, upon which the consumers, insurance industry, state agencies, legislature and others rely for information, education and protection. These cuts will not reduce the fiscal gap and do not help the state balance its budget.

The cuts were based on FY99 actual expenses plus two specific increments. That year, the division reduced expenditures below its spending level for any of the five previous fiscal years and 11.8% below the FY97 level, by applying severe restrictions on hiring and travel. These actuals were certainly not the norm in division expenses and would result in the public impacts described below if required into the future.

Elimination of consumer complaint specialist (\$47.0). The division assists about 560 consumers annually with insurance complaints and responds to thousands of requests for insurance information. Layoff of one of the three consumer complaint specialists would impact the public as follows:

- 185 insurance consumer complaints relating to their insurance policies could not be processed;
- Unable to respond to requests for information from other entities;
- Eliminate crisis response, such as personal assistance to insured Alaskans after catastrophes (such as Matanuska Valley fire and Cordova avalanches);

- Presentations to insurance producers on Alaska laws and insurance division resources would not be offered.

Delete one business registration examiner (\$43.7). Impacts include:

- Unable to process 1,200 new agents and brokers license applications and to renew 850 applications, preventing licensees from approval for writing insurance business and increasing likelihood of unlicensed activity;
- Repeal continuing education verification regulations, reducing the assurance of agent/broker quality;
- Respond to 5,000 fewer telephone calls from agents/ brokers.

Elimination of Filing Analyst III position (\$60.2). The division reviews insurer policy language and proposed rates to assure compliance with Alaska laws. Layoff of one Filing Analyst III position would impact the public as follows:

- 900 rate and form filings would not be processed and questioned for compliance with Alaska law, since review of the filings would be delayed due to lack of resources;
- Approval of approximately 91 policy language and rate increases without regulatory review, because of a statutory automatic approval deadline would harm policyholders with unjustified rate increases and ambiguous or misleading language.

Eliminate one financial examiner position (\$72.0).

- The remaining examiners would have to absorb the completion of one additional insurance company financial examination, which is required by statute
- 1,200 annual financial statements and examination reports would now have to be reviewed by only two examiners, which could affect timely renewal of company licenses. The examiners would need to average 24 more examination reports monthly.
- The remaining examiners will absorb approximately 10 more requests for preacquisition notifications, waivers and interpretations of statute a month, which require research and response time of from one hour to a day each.

Reduce Travel (\$4.8) and Contractual (\$15.8).

Program Area:	Dollar Amount(s):	Fund Source(s):
Occupational Licensing	(\$496.0)	GF/PR

Impact Analysis:

The House Budget subcommittee recommendations do not include any of the fee-supported increments in the Governor's budget for the Division of Occupational Licensing. Like the rest of the division's budget, these increments would have been funded entirely by license fees and

would not have contributed to the budget gap. The increments were requested by licensing boards and, without them, license holders will continue to be frustrated by the state's refusal to allow them to purchase the services they need.

Denial of the fee-supported increment for Department of Law legal services (\$200.0).

Insufficient legal service is a critical issue for the division. Limited attorney services reduce the division's ability to protect public health and welfare. All of the essential activities of the division and licensing boards depend on legal assistance from the Department of Law, which is purchased through a budgeted RSA. Enforcement of licensing laws and minimum standards of competence is seriously weakened by the insufficient number of attorneys assigned to occupational licensing. Few, if any, cases of unlicensed activity have been prosecuted in the past five years. Citizen complaints against professionals must often be closed after investigation due to a lack of legal resources to follow through with formal charges. Legal review of regulations adopted by boards is delayed for many months and board requests for legal advice cannot be satisfied. Without an increment these problems will continue.

Denial of fee-supported increment for board members to represent Alaska at national meetings (\$50.0).

Many of the division's twenty-one licensing boards are frustrated by their inability to effectively represent Alaska in organizations that influence national regulatory policy. Currently, each Alaska board is permitted to send a single member to one national meeting annually at state expense. The increment would have authorized the division to spend license fees to fund travel and registration for board member participation in twenty-five national conferences. These trips would have been allocated among the Alaska boards whose reasonable travel requests have repeatedly been denied due to lack of expenditure authority.

Denial of fee-supported increment for the Colleagues in Caring project (\$140.0).

Colleagues in Caring is a consortium of nurses, employers and educators initially formed with seed grants from a private trust. The goal of the group is to ensure an adequate supply of nurses to meet Alaska's future needs. Research into the nursing supply was completed with the initial three-year grant. Without funding by nurses through their fees, Colleagues in Caring will be unable to continue its work by developing programs to respond to the projected nursing shortage. This increment was requested by the Board of Nursing and would be paid for entirely with nursing license fees.

Denial of fee-supported increment for improved services to Architects, Engineers and Land Surveyors (\$106.0).

The Board of Registration for Architects, Engineers and Land Surveyors requested authorization to spend license fees to improve communication with Alaska design professionals, to automate licensing and to improve administration of licensing examinations. Without this increment license holders will continue to be frustrated by the State's refusal to allow them to purchase the services they need. The AELS board requested this increment.

House Finance Subcommittee
Department of Community and Economic Development
FY01 Operating Budget

Final closeout recommendations were reported out of subcommittee on February 28, 2000. The subcommittee began their consideration based on the FY00 Management Plan reflected in HB 312. The recommendation for general-purpose funds is \$56,909.5 for a total reduction of \$2,018.9. This amount is \$381.1 thousand short of the allocation of \$56,528.4 for this department. The subcommittee recommendation for all funds is \$128,853.7.

Community Assistance & Economic Development

History:

Community Assistance and Economic Development is a newly structured Budget Request Unit (BRU) resulting from passage of HB 40 with statutory requirements to merge several components of the former Department's of Community and Regional Affairs (DCRA) and Commerce and Economic Development (DCED). The two components within this BRU are: the *Division of Community and Business Development* and the *Division of International Trade and Market Development*. Programs therein include those from the former Municipal and Regional Assistance Division (MRAD) from DCRA including: General Local Government Assistance, Rural Utility Business Advisor (RUBA), Community Development Quota (CDQ), the Alaska Coastal Management Program, Coordinated Response Projects, Land Management Assistance; as well as the former Division of Tourism and the development functions of the former Division of Trade and Development. Separated in its own component within this BRU is the former Division of Trade and Development's International Trade and Market Development program.

Actions:

Division of Community and Business Development

The subcommittee agreed with the department's efforts to restructure the programs into new components and adopted those transfers in and out that would align the budget structure with the organizational structure envisioned by the department. Those transactions generally were those that occurred between the Management Plan in HB 312 and the Governor's operating budget, HB 285.

The only exception to the above statement regards the addition of a new component entitled *QTA Contract* (Qualified Trade Association) to separate the trade industry contract (Alaska Travel Industry Alliance - ATIA) which will absorb much of the remaining programs from the Division of Tourism. This action reflects the intent of the legislature in adopting SB 107. The subcommittee transferred the general funds to this new component to reflect the funding levels in the fiscal note from that bill. The fiscal note called for \$5.0 million in FY 01 and a reduced general fund contribution in out years with corresponding increases in the industry contribution. The subcommittee agreed to general purpose funds totaling \$5.0 million for the contract, but subsequently reduced that by the general fund value of two management positions maintained in the tourism development program totaling \$122.8. The general-purpose funds remaining in the QTA component total \$4,877.2.

Division of Community and Business Development (cont.)

Maintained in the tourism program was the funding for the APLIC (Alaska Public Lands Information Center) rent/lease costs and four positions in Tok, for a total of nine positions for the program. It was the subcommittee's understanding that the QTA Contract would absorb the

programs and costs cut from tourism development. Total general fund cuts in this component, other than the \$4,877.2 moved to the new QTA component were \$463.0. These break down to Personal Services reductions for the full component including five positions for tourism development and four positions for development of \$350.2, and reductions to Travel and Contractual line items of \$112.8.

Division of International Trade and Market Development

The subcommittee reduced the general-purpose funds in the Division of International Trade component by \$916.7. The FY01 budget recommendation for this division, funds the program at \$920.2 of which \$304.5 is from general-purpose funds. Members received testimony that reflected the fact that the remaining fund source for the operations of the International Trade component were overstated in the Governor's budget and should be reduced to reflect the actual fund source estimates. That fund source was the International Trade and Development Fund (ITDF). The overstated expenditure authority was reduced to \$502.2 to reflect a more realistic statutory net income expectation from the fund.

Executive Administration

In the Commissioner's office, the subcommittee recommended general-purpose funds totaling \$108.7 to fund the Commissioner's salary and benefits. A recommendation was passed that reduced one of the two Deputy Commissioner positions and required that the remaining budget be funded with interagency receipts of \$316.8. Alaska Legal Services Corporation has been the recipient of a general fund grant for \$125.0 which had existed within the Commissioner's office budget of the Department of Community and Regional Affairs. This grant was transferred to the Administrative Services component, and subsequently eliminated. No other changes were made in the Administrative Services component from the FY 01 Governor's request.

Municipal Assistance and Revenue Sharing

The subcommittee did not recommend any changes to the funding levels for Municipal Assistance and Revenue Sharing expenditures. The subcommittee recommends funding at \$28,493.4 be from general-purpose funds.

Rural Energy Programs

The subcommittee adopted a recommendation to combine Energy Operations, Circuit Rider Programs and the Power Cost Equalization program under AIDEA into a separate BRU. The total funding for all funds in this BRU was \$18,151.3. The structure of funds distributed throughout categories is based on the Management Plan in HB 312 identifying personal services costs of \$1,585.9. The Power Cost Equalization program was maintained at \$15,700.0 which was the same level as FY 00. The subcommittee recognized that the fund sources identified in the FY 00 budget would not be adequate to fully provide for the needs of this program. Identification of a long-term funding source is an ongoing effort of the full House Finance Committee, and an issue that the subcommittee did not undertake.

Regulatory Commission of Alaska

The subcommittee recommended funding for the RCA at the FY 01 Governor's request, less \$205.0 of unnecessary moving expenses through their RCA receipt authority.

Division of Insurance

Funding was approved based on FY 99 Actuals plus increments approved last year for data processing and cost allocation transfers.

The following BRU's were funded at the Management Plan recommendation established in HB 312.

**Occupational Licensing
Banking, Securities, and Corporations
Division of Investments
ASMI
Alaska Energy Authority Operations and Maintenance**

The following BRU's were funded as per the Governor's recommendation established in HB 285.

**AADC and AADC Facilities Maintenance
ASTF
AIDEA and AIDEA Facilities Maintenance**

**House Finance Subcommittee
Department of Community and Economic Development
FY01 Operating Budget**

Letter of Support

Members of the House Finance Subcommittee signing below would like to express their support for legislation that would categorize Occupational Licensing and Division of Insurance fees as designated program receipts in AS.37.05.146 (b)(4).

Agency Totals - FY01 Operating Budget

Agency: Department of Community and Economic Development

	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Totals for Agency	145,615.9	129,755.3	129,755.3	128,853.7	-901.6	-0.7%

Objects of Expenditure:

Personal Services	27,424.5	27,533.7	27,613.9	28,100.2	486.3	1.8%
Travel	2,255.9	2,077.4	2,077.4	1,808.0	-269.4	-13.0%
Contractual	24,378.9	26,078.3	25,998.1	25,019.8	-978.3	-3.8%
Commodities	631.0	657.3	657.3	683.3	26.0	4.0%
Equipment	580.2	176.0	176.0	184.8	8.8	5.0%
Lands/Buildings	0.3	0.0	0.0	0.0	0.0	%
Grants, Claims	90,345.1	73,232.6	73,232.6	73,057.6	-175.0	-0.2%
Miscellaneous	0.0	0.0	0.0	0.0	-0.0	%

Funding Sources:

1002 Fed Rcpts	10,484.3	18,914.6	18,914.6	18,914.6	0.0	0.0%
1003 G/F Match	712.9	604.9	604.9	604.9	0.0	0.0%
1004 Gen Fund	64,778.8	39,784.9	39,784.9	38,172.4	-1,612.5	-4.1%
1005 GF/Prgrm	17,027.0	18,538.6	18,538.6	18,132.2	-406.4	-2.2%
1007 I/A Rcpts	8,656.9	5,602.9	5,602.9	7,169.2	1,566.3	28.0%
1025 Sci/Tech	10,399.5	9,539.8	9,539.8	9,539.8	0.0	0.0%
1035 Vet Loan	118.6	147.8	147.8	147.8	0.0	0.0%
1036 Cm Fish Ln	2,593.8	2,608.9	2,608.9	2,608.9	0.0	0.0%
1040 Surety Fnd	56.4	270.6	270.6	270.6	0.0	0.0%
1051 Rural Dev	98.0	98.0	98.0	98.0	0.0	0.0%
1053 Invst Loss	19.3				0.0	%
1054 Empl Trng		3,400.0	3,400.0	3,400.0	0.0	0.0%
1057 Small Bus	3.5	3.3	3.3	3.3	0.0	0.0%
1061 CIP Rcpts	1,005.7	1,495.3	1,495.3	2,118.6	623.3	41.7%
1062 Power Proj	674.4	802.5	802.5	802.5	0.0	0.0%
1063 NPR Fund		50.0	50.0	0.0	-50.0	-100.0%
1067 Mining RLF	5.0	5.0	5.0	5.0	0.0	0.0%
1068 Child Care	5.8	5.8	5.8	5.8	0.0	0.0%
1069 Hist Dist	2.0	2.5	2.5	2.5	0.0	0.0%
1070 Fish En Ln	310.5	325.5	325.5	325.5	0.0	0.0%
1071 Alt Energy	149.1	148.7	148.7	148.7	0.0	0.0%
1074 Bulk Fuel	43.7	49.0	49.0	49.0	0.0	0.0%
1089 Power Cost	18,050.0	15,700.0	15,700.0	15,700.0	0.0	0.0%
1101 AERO Rcpts	0.2	43.2	43.2	43.2	0.0	0.0%
1102 AIDEA Rcpt	3,358.4	3,705.9	3,705.9	3,926.3	220.4	5.9%
1107 AEA Rcpts	948.6	1,049.5	1,049.5	1,049.5	0.0	0.0%
1108 Stat Desig	1,281.0	1,299.9	1,299.9	0.0	-1,299.9	-100.0%

Agency Totals - FY01 Operating Budget

Agency: Department of Community and Economic Development

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
1110 APUC Rcpts	4,299.3	-0.0	-0.0	-0.0	0.0	%
1111 FishFndInc		100.0	100.0	100.0	0.0	0.0%
1115 ITDF	533.2	759.0	759.0	502.2	-256.8	-33.8%
1141 RCA Rcpts		4,699.2	4,699.2	5,013.2	314.0	6.7%
Positions:						
Perm Full Time	472.0	466.0	465.0	473.0	8.0	1.7%
Perm Part Time	12.0	10.0	10.0	10.0	0.0	0.0%
Non-Perm	0.0	1.0	1.0	1.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Community and Economic Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Community Assistance & Economic Development							
1	Comm & Bus Development				7,584.8	7,584.8	%
2	Intl Trade & Mkt Development				920.2	920.2	%
	QTA Contract				4,877.2	4,877.2	%
	* BRU Total	0.0	0.0	0.0	13,382.2	13,382.2	%
Executive Administration and Development							
3	Commissioner's Office	581.9	703.6	703.6	425.5	-278.1	-39.5%
4	Administrative Services	1,216.2	2,565.1	2,565.1	2,310.6	-254.5	-9.9%
6	Trade and Development	2,781.6	2,972.6	2,972.6	0.0	-2,972.6	-100.0%
5	Unallocated Reduction		-0.0	-0.0	0.0	0.0	0.0%
	* BRU Total	4,579.7	6,241.3	6,241.3	2,736.1	-3,505.2	-56.2%
Municipal Revenue Sharing							
7	State Revenue Sharing	21,583.8	14,389.2	14,389.2	14,389.2	0.0	0.0%
8	Municipal Assistance	26,256.3	17,504.2	17,504.2	17,504.2	0.0	0.0%
9	National Program Receipts				14,000.0	14,000.0	%
10	Fisheries Business Tax				1,000.0	1,000.0	%
	* BRU Total	47,840.1	31,893.4	31,893.4	46,893.4	15,000.0	47.0%
Investments							
11	Investments	3,298.8	3,295.5	3,295.5	3,295.5	0.0	0.0%
	* BRU Total	3,298.8	3,295.5	3,295.5	3,295.5	0.0	0.0%
Alaska Aerospace Development Corporation							
12	Ak Aerospace Development Corp	551.7	823.4	823.4	731.4	-92.0	-11.2%
13	AADC Facilities Maintenance				893.4	893.4	%
	* BRU Total	551.7	823.4	823.4	1,624.8	801.4	97.3%
Alaska Industrial Development and Export Authority							
14	AIDEA	3,615.3	3,952.2	3,952.2	5,659.0	1,706.8	43.2%
15	AIDEA Facilities Maintenance		73.0	73.0	177.0	104.0	142.5%
16	Alaska Energy Auth Op & Maint	948.6	1,049.5	1,049.5	1,049.5	0.0	0.0%
	* BRU Total	4,563.9	5,074.7	5,074.7	6,885.5	1,810.8	35.7%

Component Summary - FY01 Operating Budget

Agency: Department of Community and Economic Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Rural Energy							
17	Energy Operations	2,208.6	2,151.3	2,151.3	2,151.3	0.0	0.0%
21	Circuit Rider	300.0	300.0	300.0	300.0	0.0	0.0%
18	Power Cost Equalization	18,050.0	15,700.0	15,700.0	15,700.0	0.0	0.0%
	* BRU Total	20,558.6	18,151.3	18,151.3	18,151.3	0.0	0.0%
Alaska Seafood Marketing Inst							
19	Alaska Seafood Marketing Inst	9,474.9	10,517.3	10,517.3	10,517.3	0.0	0.0%
	* BRU Total	9,474.9	10,517.3	10,517.3	10,517.3	0.0	0.0%
Alaska Science and Technology Foundation							
20	AK Science & Tech. Foundation	9,848.0	8,984.6	8,984.6	8,984.6	0.0	0.0%
	* BRU Total	9,848.0	8,984.6	8,984.6	8,984.6	0.0	0.0%
Banking, Securities, and Corporations							
22	Banking, Securities and Corp	1,632.3	1,722.8	1,722.8	1,722.8	0.0	0.0%
	* BRU Total	1,632.3	1,722.8	1,722.8	1,722.8	0.0	0.0%
Insurance Operations							
23	Insurance Operations	3,904.3	4,364.5	4,364.5	4,121.0	-243.5	-5.6%
	* BRU Total	3,904.3	4,364.5	4,364.5	4,121.0	-243.5	-5.6%
Occupational Licensing							
24	Occupational Licensing		5,519.3	5,519.3	5,519.3	0.0	0.0%
25	Operations	5,211.3				0.0	0.0%
26	Licensing Boards	207.4				0.0	0.0%
	* BRU Total	5,418.7	5,519.3	5,519.3	5,519.3	0.0	0.0%
Regulatory Commission of Alaska							
27	Regulatory Comm of AK		4,699.2	4,699.2	5,013.2	314.0	6.7%
	* BRU Total	0.0	4,699.2	4,699.2	5,013.2	314.0	6.7%
State Facilities Maintenance							
29	State Facilities Maintenance		6.7	6.7	6.7	0.0	0.0%
	* BRU Total	0.0	6.7	6.7	6.7	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Community and Economic Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC
National Forest Receipts						
30	National Forest Receipts	1,675.3	10,000.0	10,000.0	0.0	-10,000.0 -100.0%
	* BRU Total	1,675.3	10,000.0	10,000.0	0.0	-10,000.0 -100.0%
Local Government Assistance						
31	Local Government Management	2,771.2	2,752.4	9,951.7	-0.0	-9,951.7 -100.0%
32	State Assessor	148.2	150.2	0.0	0.0	0.0 0.0%
33	Local Boundary Commission	243.6	248.3	-0.0	-0.0	0.0 0.0%
34	Statewide Assistance	6,114.2	6,750.8	0.0	-0.0	-0.0 0.0%
35	National Petroleum Reserve Pgm		50.0	0.0	0.0	0.0 0.0%
	* BRU Total	9,277.2	9,951.7	9,951.7	-0.0	-9,951.7 -100.0%
Community and Economic Development						
36	Community & Econ Develop	1,397.1	1,835.0	1,835.0	0.0	-1,035.0 -100.0%
	* BRU Total	1,397.1	1,835.0	1,835.0	0.0	-1,835.0 -100.0%
Tourism						
37	Alaska Tourism Mktg Council	4,577.9	4,611.1	4,611.1	-0.0	-4,611.1 -100.0%
38	Tourism Development	2,106.6	2,063.5	2,063.5	0.0	-2,063.5 -100.0%
	* BRU Total	6,684.5	6,674.6	6,674.6	-0.0	-6,674.6 -100.0%
Alaska Public Utilities Commission Operations						
39	APUC Operations	4,299.3	-0.0	-0.0	-0.0	0.0 0.0%
	* BRU Total	4,299.3	-0.0	-0.0	-0.0	0.0 0.0%
Fish Enhancement Tax Receipts						
40	Fish Enhancement Tax Rcpts	4,016.8				0.0 0.0%
	* BRU Total	4,016.8	0.0	0.0	0.0	0.0 0.0%
Administration and Support						
41	Office of the Commissioner	844.3	0.0	0.0	0.0	0.0 0.0%
42	Administrative Services	1,705.8	-0.0	0.0	-0.0	-0.0 0.0%
43	Data and Word Processing	687.7	0.0	0.0	0.0	0.0 0.0%
44	Unallocated Reduction		-0.0	-0.0	-0.0	0.0 0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Community and Economic Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
	Administration and Support						
	* BRU Total	3,237.8	0.0	0.0	-0.0	-0.0	0.0%
	Renters' Equivalency Rebate						
45	Renters' Equivalency Rebate	300.0				0.0	0.0%
	* BRU Total	300.0	0.0	0.0	0.0	0.0	0.0%
	Employment Training/Rural Development						
46	State Training and Employment	1,481.7	0.0	0.0	0.0	0.0	0.0%
47	Community Development Assist.	1,575.2	-0.0	0.0	0.0	0.0	0.0%
	* BRU Total	3,056.9	-0.0	0.0	0.0	0.0	0.0%
	*** Total Agency Expenditure	145,615.9	129,755.3	129,755.3	128,853.7	-901.6	-0.7%
	Federal Restricted Funds	10,484.3	18,964.6	18,964.6	18,914.6	-50.0	-0.3%
	General Purpose Funds	82,538.0	58,928.4	58,928.4	56,909.5	-2,018.9	-3.4%
	Other Funds	52,593.6	51,862.3	51,862.3	53,029.6	1,167.3	2.3%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Community and Economic Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Community Assistance & Economic Development							
1	Comm & Bus Development				3,534.6	3,534.6	%
2	Intl Trade & Mkt Development				304.5	304.5	%
	QTA Contract				4,877.2	4,877.2	%
	* BRU Total	0.0	0.0	0.0	8,716.3	8,716.3	%
Executive Administration and Development							
3	Commissioner's Office	239.8	329.4	329.4	108.7	-220.7	-67.0%
4	Administrative Services	614.6	1,465.9	1,465.9	1,290.9	-175.0	-11.9%
6	Trade and Development	1,334.5	1,755.1	1,755.1	0.0	-1,755.1	-100.0%
5	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	2,188.9	3,550.4	3,550.4	1,399.6	-2,150.8	-60.6%
Municipal Revenue Sharing							
7	State Revenue Sharing	21,583.8	12,855.2	12,855.2	12,855.2	0.0	0.0%
8	Municipal Assistance	26,256.3	15,638.2	15,638.2	15,638.2	0.0	0.0%
	* BRU Total	47,840.1	28,493.4	28,493.4	28,493.4	0.0	0.0%
Rural Energy							
17	Energy Operations	359.7	287.9	287.9	287.9	0.0	0.0%
21	Circuit Rider	300.0	100.0	100.0	100.0	0.0	0.0%
	* BRU Total	659.7	387.9	387.9	387.9	0.0	0.0%
Alaska Seafood Marketing Inst							
19	Alaska Seafood Marketing Inst	6,105.4	7,017.3	7,017.3	7,017.3	0.0	0.0%
	* BRU Total	6,105.4	7,017.3	7,017.3	7,017.3	0.0	0.0%
Banking, Securities, and Corporations							
22	Banking, Securities and Corp	1,630.7	1,721.1	1,721.1	1,721.1	0.0	0.0%
	* BRU Total	1,630.7	1,721.1	1,721.1	1,721.1	0.0	0.0%
Insurance Operations							
23	Insurance Operations	3,904.3	4,364.5	4,364.5	4,121.0	-243.5	-5.6%
	* BRU Total	3,904.3	4,364.5	4,364.5	4,121.0	-243.5	-5.6%
Occupational Licensing							
24	Occupational Licensing		5,052.9	5,052.9	5,052.9	0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Community and Economic Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Occupational Licensing							
25	Operations	4,994.0				0.0	0.0%
26	Licensing Boards	207.4				0.0	0.0%
	* BRU Total	5,201.4	5,052.9	5,052.9	5,052.9	0.0	0.0%
Local Government Assistance							
31	Local Government Management	1,732.9	1,594.2	2,367.3	0.0	-2,367.3	-100.0%
32	State Assesso:	148.2	150.2	0.0	0.0	0.0	0.0%
33	Local Boundary Commission	243.6	248.3	-0.0	-0.0	0.0	0.0%
34	Statewide Assistance	370.3	374.6	0.0	0.0	0.0	0.0%
	* BRU Total	2,545.0	2,367.3	2,367.3	0.0	-2,367.3	-100.0%
Community and Economic Development							
36	Community & Econ Develop	409.7	693.8	693.8	0.0	-693.8	-100.0%
	* BRU Total	409.7	693.8	693.8	0.0	-693.8	-100.0%
Tourism							
37	Alaska Tourism Mktg Council	3,308.0	3,311.2	3,311.2	-0.0	-3,311.2	-100.0%
38	Tourism Development	2,029.2	1,968.6	1,968.6	0.0	-1,968.6	-100.0%
	* BRU Total	5,337.2	5,279.8	5,279.8	-0.0	-5,279.8	-100.0%
Fish Enhancement Tax Receipts							
40	Fish Enhancement Tax Rcpts	4,016.8				0.0	0.0%
	* BRU Total	4,016.8	0.0	0.0	0.0	0.0	0.0%
Administration and Support							
41	Office of the Commissioner	497.8	0.0	0.0	0.0	-0.0	0.0%
42	Administrative Services	1,244.5	0.0	0.0	0.0	0.0	0.0%
43	Data and Word Processing	369.0	0.0	0.0	0.0	0.0	0.0%
44	Unallocated Reduction		-0.0	0.0	-0.0	-0.0	0.0%
	* BRU Total	2,111.3	0.0	0.0	0.0	0.0	0.0%
Renters' Equivalency Rebate							
45	Renters' Equivalency Rebate	300.0				0.0	0.0%
	* BRU Total	300.0	0.0	0.0	0.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Community and Economic Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
	Employment Training/Rural Development						
47	Community Development Assist.	287.5	-0.0	-0.0	-0.0	0.0	0.0%
	* BRU Total	287.5	-0.0	-0.0	-0.0	0.0	0.0%
	*** Total Agency Expenditure	82,538.0	58,928.4	58,928.4	56,909.5	-2,018.9	-3.4%

HB

312/313

(File 2)

HFIN

FILE

DEPT. OF
CORRECTIONS

Withdrawn 3/6/05 am

AMENDMENT

CSHB 312 (FIN)

CORR #1

ADD:

Department of Corrections

Out of State Contractual BRU

Out of State Contracts Component \$1,000.0 General Funds

Impact Analysis:

The Department's purchases contract beds at Central Arizona Detention Center (CADC) to manage the prisoner population at Alaska correctional centers within safe levels. A \$1.0 million reduction will require the Department to reduce the contract with CADC by a total of 55 beds. If the department experiences significant population growth during the fiscal year, this budget reduction may result in overcrowding of the state's correctional centers which threatens staff and inmate safety. In order to avoid this problem, the department may need to request supplemental funding during the fiscal year to purchase additional beds to manage the population in accordance with national standards and court mandates.

Failed 3-7

AMENDMENT

CSHB 312 (FIN)

CORR #2

ADD:

Department of Corrections

Administration and Operations BRU

Institutions Directors Office Component

\$225.0 General Funds PR

statutory DPR

JD / moved to change

Impact Analysis:

The Department requested \$225.0 additional General Fund Program Receipt authority to bill municipalities for incarcerating prisoners charged under local ordinances and housed in state facilities.

The House Finance Subcommittee recommended denying this request which in effect eliminates the Department's ability to utilize these funds from local municipalities for operational expenses from incarcerating prisoners charged under non-state statutes.

The result of this action is the Department will continue to house these prisoners, but will not be able to utilize the receipts, which in turn will be subsidized at the expense of reducing other state-funded public safety services.

DATE: 3/6

SUBJECT: ARMY COR # 2
Milwaukee

MEMBER YES NO

G. DAVIS		
FOSTER		✓
GRUSSENDORF	✓	
MOSES	✓	
PHILLIPS		✓
WILLIAMS		✓
AUSTERMAN		✓
BUNDE		✓
J. DAVIES	✓	
MULDER		✓
TERRIAULT		✓

TOTAL:

3	7
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PASSED

FAILED

AMENDMENT

CSHB 312 (FIN)

CORR #3

ADD:

Department of Corrections

Administration and Operations BRU

Inmate Health Care Component:

\$500.0 General Funds

Impact Analysis:

These General Funds support both state permanent fulltime positions and contract positions that provide a full array of medical, mental health, and dental support to the Department's Institutions, and contract Community Residential Centers. The Department admits approximately 30,000 offenders annually into its institutions and the daily population of prisoners numbers approximately 4,300. The Department is required to provide medical, dental, and mental health services as necessary to ensure the continued health of the prisoners.

During the last few years, additional financial resources, via supplemental and revised programs, has been appropriated by the legislature to provide necessary and critical services. The Department is in the process of reviewing medical health services to contain costs and increase efficiencies. The proposed budget reductions will significantly impact the operations health care services and will result in an elimination of nursing staff and other services, which may threaten prisoner health and safety. If the Department is not able to safely provide services that meet this budget reduction level, it may request future supplemental support to continue adequate health care to Alaska's state prisoners.

DATE: 3/6

SUBJECT: CONR-3

MEMBER YES NO

FOSTER		✓
GRUSSENDORF	2	
MOSES	2	
PHILLIPS		✓
WILLIAMS		✓
AUSTERMAN		✓
BUNDE		2
J. DAVIES	✓	
G. DAVIS		✓
THERRIAULT		✓
MULDER		✓

TOTAL:

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PASSED

FAILED

CORR

#4

AMENDMENT

CSHB 312 (FIN)

ADD:

Department of Corrections

Community Residential Centers BRU

Existing Community Residential Centers Component \$550.0 General Funds P R

Impact Analysis:

The Department currently has 718 Community Residential Center beds under contract with 10 providers throughout the state. The average cost is approximately \$60 per CRC bed. The Department will have to reduce the In-state CRC beds under contract from 718 to approximately 693, or 25 fewer beds for FY2001.

Such a reduction could seriously impact the Department's ability to keep the institution counts at their emergency caps in order to better ensure that public protection is provided. If the prisoner population increases beyond the Department's ability to safely house offenders in institutional "hard beds" and the remaining 693 CRC "soft beds", this may result in the need to request supplemental funding later in the fiscal year.

DATE: 3/6

SUBJECT: corr-4

MEMBER

YES

NO

GRUSSENDORF	✓	
MOSES	✓	
PHILLIPS		✓
WILLIAMS		✓
AUSTERMAN		✓
BUNDE		✓
J. DAVIES	✓	
G. DAVIS		✓
FOSTER		✓
MULDER		✓
THERRIAULT		✓

TOTAL:

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PASSED

FAILED

**Department of Corrections
Impact Statement in Response to
House Finance Subcommittee Budget Proposal
Date: March 1, 2000
Prepared by: Dwayne B. Peeples**

Program Area:	Dollar Amount(s):	Fund Source(s):
Office of the Commissioner	(\$57.8)	General Funds
Eliminate Program Coordinator		

Impact Analysis:

These general funds support the Department's Rural Affairs Coordinator. This position serves as the planner for Alaska Native issues and is directly involved in the coordination of program services to Alaska Native offenders and their families. Currently, the Department's Native offender population is approximately 36% (Alaska Native 30% and American Indian 6%) of all incarcerated prisoners and 39% (Alaska Native 31% and American Indian 8%) of all prisoners in Community Residential Centers. Without this critical position, the Department will fall further behind in addressing the needs of Alaska Native offenders and will fall behind in planning for the future involvement of tribal entities.

Program Area:	Dollar Amount(s):	Fund Source(s):
Office of the Commissioner	(\$103.9)	Federal Funds
Transfer Federal Funds and Eliminate Reimbursable Services Agreement with Department of Law for Legal Services.		

Impact Analysis:

These federal funds support a Reimbursable Services Agreement (RSA) with the Department of Law for the services of an Assistant Attorney General position. The position is responsible for supervising several critical public policy issues including:

- The implementation of HB 214 which was enacted into law last year (the Prisoner Litigation Reform Act). This legislation and the Department's commitment to compliance with court mandates in the Cleary suit is the path to ending Court oversight. In this role, the position was the principal writer of the Department's Long-Range Plan and is the person tasked with coordination of accreditation of our institutions in order to mitigate against future lawsuits such as Cleary.

- Service as the state's chief negotiator with the Municipality of Anchorage in our partnership to construct a new jail authorized last year through the passage of HB 53. This is an important, expensive project involving many legal complexities.
- Coordination with the state's other criminal justice agencies.

Without this position, the Department would not have the resources to manage the above projects and other management issues.

Program Area:	Dollar Amount(s):	Fund Source(s):
Office of the Commissioner	(\$50.0)	General Funds
Eliminate Alaska Judicial Council Funding		

Impact Analysis:

This funding was used to provide support for the Criminal Justice Assessment Commission in FY 98, 99, and 2000. The Council assigned an administrative assistant with extensive experience in committee support to the Commission and she is currently coordinating and writing a final report from the CJAC. Council staff developed and maintains an Internet site for the commission, provides administrative support for Commission and sub-committee meetings, and consultation services on research for CJAC.

Although CJAC as a project is drawing to a close, a major recommendation of the Commission is that a successor organization continue to coordinate criminal justice policy issues in Alaska – and that the Judicial Council continue to staff the coordination effort. Formal staffing of the successor organization will be seriously eroded without this funding.

Program Area:	Dollar Amount(s):	Fund Source(s):
Administrative Services	(\$76.4)	General Funds
Eliminate Program Coordinator		

Impact Analysis:

These General Funds support the Agency's Legislative Liaison. This position analyzes new legislation that is pending before the Alaska Legislature and coordinates legislative responses from various Department divisions/programs. The Department operates in thirty-four work

sites across the State. Timely responses to new Legislation may be impacted with this cut. Information necessary to address legislation usually involves many of the work sites and the Department needs someone solely responsible for the development of a single coordinated Department response. This position is the primary representative to the all work sites in providing committee testimony on the impact of new legislation pending before the Alaska Legislature. Without this position, the Department's ability to perform duties associated with the Alaska State Legislature would be seriously impacted. The managers at each of the Department's work sites would need to assign a staff member to address new and pending legislation as well as to provide testimony on the effects. This additional staff time and travel would be at a greater cost to the State than just having the one legislative liaison program coordinator.

Program Area:	Dollar Amount(s):	Fund Source(s):
Institutions Director's Office	(\$96.2)	General Funds

Eliminate Assistant Director, Division of Institutions

Impact Analysis:

The Assistant Director of the Division of Institutions manages the offender treatment and rehabilitation programs across the State. The Constitution and laws of Alaska mandate the Department to provide for rehabilitation of the offender. Without a position to coordinate offender programs, the Department would lack the resources to meet those legal requirements. Programs managed by this position include:

- Education (includes ABE, GED and Life Skills)
- Substance Abuse
- Religious
- Sex Offender
- Community Jails
- Community Batterer's programs
- Female Offender Special Needs
- Juvenile Offender Special Needs

Program Area:	Dollar Amount(s):	Fund Source(s):
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Existing Community Residential Centers

Reduce Contracts

(\$550.0)

GF/Prog. Receipts

Impact Analysis:

The Department currently has 718 Community Residential Center beds under contract with 10 providers throughout the state. The average cost is approximately \$60 per CRC bed. The Department will have to reduce the In-state CRC beds under contract from 718 to approximately 693, or 25 fewer beds for FY2001. Such a reduction could seriously impact the Department's ability to keep the institution counts at their emergency caps in order to better ensure that public protection is provided. If the prisoner population increases beyond the Department's ability to safely house offenders in institutional "hard beds" and the remaining 693 CRC "soft beds", this may result in the need to request supplemental funding later in the fiscal year.

Program Area:	Dollar Amount(s):	Fund Source(s):
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Inmate Programs Substance Abuse Contracts

(\$100.0)

General Funds

Impact Analysis:

Additional General Funds were requested to support Inmate Substance Abuse Treatment services. The Department began contracting for these services in January 1993. Provider contracts have not been increased during the last seven years resulting in erosion of services provided to prisoners. Therefore, service has been reduced in order to maintain expenditures within the authorization available for substance abuse treatment services. Without these additional general funds, services will continue to decline and the Department will be unable to re-establish the level of treatment services required for this segment of the prisoner population.

Program Area:	Dollar Amount(s):	Fund Source(s):
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Data and Word Processing	(\$136.1)	General Funds
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Impact Analysis:

The Department will be implementing a new computerized Management Information System that has been developed utilizing one-time federal funding. In order to maintain and operate the system in future years, \$240.0 General Funds was requested in FY01. The House Finance Subcommittee has proposed to transfer \$103.9 of federal funds from the

Commissioners Office to partially support this General Fund request. This transfer results in an underfunding of \$136.1, which is insufficient to meet the operational needs of the management information system. This budget reduction will result in either the Department not fully implementing the new computer system in FY01, or the necessity of reducing other public safety related services to fund the computer system.

Program Area:	Dollar Amount(s):	Fund Source(s):
Inmate Health Care	(\$500.0)	General Funds
	(\$25.0)	G F Prog. Rcpts.

Reduce funding for Nursing Services

Impact Analysis:

These General Funds support both state permanent fulltime positions and contract positions that provide a full array of medical, mental health, and dental support to the Department's Institutions, and contract Community Residential Centers. The Department admits approximately 30,000 offenders annually into its institutions and the daily population of prisoners numbers approximately 4,300. The Department is required to provide medical, dental, and mental health services as necessary to ensure the continued health of the prisoners. During the last few years, additional financial resources, via supplemental and revised programs, has been appropriated by the legislature to provide necessary and critical services. The Department is in the process of reviewing medical health services to contain costs and increase efficiencies. The proposed budget reductions will significantly impact the operations health care services and will result in an elimination of nursing staff and other services, which may threaten prisoner health and safety. If the Department is not able to safely provide services that meet this budget reduction level, it may request future supplemental support to continue adequate health care to Alaska's state prisoners.

Program Area:	Dollar Amount(s):	Fund Source(s):
Out Of State Contracts		
Decrease Arizona Contract	(\$1,000.0)	General Funds

Impact Analysis:

The Department's purchases contract beds at Central Arizona Detention Center (CADC) to manage the prisoner population at Alaska correctional centers within safe levels. A \$1.0 million reduction will require the Department to reduce the contract with CADC by a total of 55 beds. If the department experiences significant population growth during the fiscal year, this budget reduction may result in overcrowding of the state's correctional centers which threatens staff and inmate safety. In order to avoid this problem, the department may need to request supplemental funding during the fiscal year to purchase additional beds to manage the population in accordance with national standards and court mandates.

Program Area:	Dollar Amount(s):	Fund Source(s):
Municipal Incarceration Fee receipts	(\$225.0)	GF Prog. Receipts

Impact Analysis:

The Department requested \$225.0 additional General Fund Program Receipt authority to bill municipalities for incarcerating prisoners charged under local ordinances and housed in state facilities. The House Finance Subcommittee recommended denying this request which in effect eliminates the Department's ability to utilize these funds from local municipalities for operational expenses from incarcerating prisoners charged under non-state statutes. The result of this action is the Department will continue to house these prisoners, but will not be able to utilize the receipts, which in turn will be subsidized at the expense of reducing other state-funded public safety services.

Program Area:	Dollar Amount(s):	Fund Source(s):
Inmate Health Care Mental Health Planner	(\$30.0)	GFMH

Impact Analysis:

The Department requested \$30.0 General Fund Mental Health funding as a fund source change from Mental Health Trust Authority funding for the support of a Mental Health Planner position. This fund source change was denied by the House Finance Subcommittee which will result in an underfunding of this position and the mental health service planning and coordination for trust beneficiaries incarcerated in correctional centers. In order to sustain this critical function, the Mental Health Trust will need to continue supporting this position at the expense of other services, or the Department will have to reduce other public safety activities.

House Finance Subcommittee
Department of Corrections
FY01 Operating Budget

The House Finance Subcommittee on Corrections has made the following budget recommendations to be submitted to the full House Finance Committee. These recommendations are a result of previous subcommittee meetings and numerous discussions with representatives of the Department of Corrections. We feel this budget will provide the department with the tools they need to aggressively manage their inmate population by shifting more inmates out of overcrowded institutions and into more community based programs.

The Subcommittee's budget recommendation takes into consideration the hard work and dedication of the hundreds of frontline Correctional Employees who do an outstanding job protecting the public's safety by confining and rehabilitating Alaska inmates.

Starting with the FY00 Management Plan budget, the Subcommittee makes the following recommendations:

1. **Office of the Commissioner**
 - Eliminate Program Coordinator -57.8 General Funds
 - Trans. Fed VOI Funds to Data & Word Processing Component -103.9 Federal Funds
 - Eliminate AK Judicial Council Funding -50.0 General Funds

The Program Coordinator was recently reclassified from a Range 23 to a Range 17 and moved from Anchorage to Juneau. This leaves the Commissioner's office with one Program Coordinator whose duty includes monitoring the state's compliance with all the requirements of the Cleary settlement. The Department will file to get out from under the Cleary settlement in August 2000.

The 103.9 Federal Funds in the Commissioner's office are currently being used to fund an RSA to the Department of Law that the Subcommittee eliminated last year from the FY00 budget. The Department has requested additional funds for its new Management Information System and it's the subcommittee's recommendation that these funds be utilized towards that project.

The Third Draft Final Report of the Criminal Justice Assessment Commission was submitted on January 10, 2000. Further funding has not been justified.

2. **Administrative Services**
 - Eliminate Program Coordinator -76.4 General Funds

The Program Coordinator in the Administrative Services Component is the Department's Legislative Liaison. While it's acknowledged that there may be some nominal delays in requests for information from the Department, the Subcommittee determined the cost savings to the State would be worth the minor inconvenience.

3. **Data and Word Processing**

Transfer Fed VOI Funds from Commissioners Office

+103.9 Federal Funds

The 103.9 Federal Funds in the Commissioners office are currently being used to fund an RSA to the Department of Law that the Subcommittee eliminated last year from the FY00 budget. The Department has requested additional funds for it's new Management Information System and it's the subcommittee's recommendation that these funds be utilized towards this project.

4. Inmate Health Care

Reduce funding for Nursing Services	-500.0 General Funds
Fund switch MIITAAR to GF/MH	-200.0 MHTAAR
Fund switch MHTAAR to GF/MH	+200.0 GF/MH

The Inmate Health Care Component was budgeted 2.4 Million in Personal Services for Nurses. It also includes funding for Nine (9) Psychiatric Nurses, Fifteen (15) Mental Health Clinicians, Seven (7) Licensed Practitioners Nurses, Eleven (11) Health Practitioners, and One (1) Psychiatric Nurse Asst. IV. In addition to this cadre of Health Care Professionals, the Department also contracted out with MedSearch for 2.1 Million in Nurse Services. The Subcommittee recommends the Department review it's Health Care expenses and try to identify and eliminate inefficiencies and over-utilization of services.

The 200.0 fund switch from MHTAAR Funds to General Funds/Mental Health completes the transfer of funding for the Hiland Mountain Women's Psychiatric Unit from MHTAAR to GF/MH.

5. Inmate Programs

Men's Residential Substance Abuse Treatment Program	+82.9 MHTAAR
Men's Residential Substance Abuse Treatment Program	+456.0 Federal Funds

The Mental Health Trust has committed to fund, and the Subcommittee has agreed to authorize the establishment of a Men's Residential Substance Abuse Treatment Pilot Program within the Department. At the end of the initial three (3) years, the Department will provide the legislature with a report of the programs effectiveness that can be used to determine if the program should be continued using General Funds.

6. Institution Director's Office

Eliminate Asst. Dir., Div Institutions	-96.2 General Funds
Trans. Electronic Monitoring Funds to EM Component	-60.0 General Funds
Trans. Electronic Monitoring Funds to EM Component	-195.6 GF/Prgm
Increase Federal Manday Billings	+75.0 Federal Funds

The Institutions Director's Office currently has a Division Director (112.2 GF), Deputy Division Director (96.2 GF) and an Assistant Division Director (96.2). The Subcommittee recommends that the Assistant Division Director position be eliminated.

Funds (60 GF & 195.6 GF/Prgm) as well as PCN 20-4441 are being transferred from the Institution Director's Office to the new Electronic Monitoring Component. These funds were initially appropriated to the Institution Director's Office Component to support the Electronic Monitoring Program (EM). A separate component is being established to facilitate financial tracking and monitoring of EM Program funds.

The Subcommittee recommends the approval of 75.0 Federal Funds requested to cover increased manday coverage provided to federal agencies. These new manday funds will be transferred via RSA to institutions where the increased services impact prisoner operations, as necessary.

7. Existing Community Residential Centers
Reduce Contracts -550.0 GF/Prgm

The budget for Existing CRC's was increased by 1,102.7 GF in FY00. The increase was based on population projections that were later revised to indicate less than expected inmates entering the Department. The subcommittee recommends reducing 550.0 GF/Prgm from the component's budget. This leaves the component with 552.7 GF increase from FY99.

8. CRC Offender Supervision
Increase Program Receipts +100.0 GF/Prgm

By allowing the Department to collect an additional 100.0 in GF/Prgm receipts, the Subcommittee has given the Department the means to more aggressively manage it's population out of the more costly institutions and into the more community oriented programs.

9. Out-of-State Contractual
Decrease Arizona Contract -1,000.0 General Funds

In light of the latest Inmate Population data, the Subcommittee recommends that the FY01 contract with the private provider in Arizona be reduced by 1,000.0 General Funds. The leveling of the inmate population along with the increased funding of Electronic Monitoring & CRC Offender Supervision will allow the Department to absorb a number of out-of-state inmates back into the Alaskan system.

10. Electronic Monitoring
Increase Program Receipts +450.0 GF/Prgm
Trans. Electronic Monitoring Funds to EM Component +60.0 General Funds
Trans. Electronic Monitoring Funds to EM Component +195.6 GF/Prgm

By allowing the Department to collect an additional 450.0 in GF/Prgm receipts, the Subcommittee has given the Department the means to more aggressively manage it's population out of the more costly institutions and into the more community oriented programs.

Funds (60 GF & 195.6 GF/Prgm) as well as PCN 20-4441 are being transferred from the Institution Director's Office to the new Electronic Monitoring Component. These funds were

initially appropriated to the Institution Director's Office Component to support the Electronic Monitoring Program (EM). A separate component is being established to facilitate financial tracking and monitoring of EM Program funds.

Agency Totals - FY01 Operating Budget

Agency: Department of Corrections

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Totals for Agency	156,023.3	167,099.5	167,099.5	165,933.0	-1,166.5	-0.7%
<u>Objects of Expenditure:</u>						
Personal Services	83,959.7	84,388.1	84,286.9	84,056.5	-230.4	-0.3%
Travel	2,470.5	1,739.5	1,802.7	1,802.7	0.0	0.0%
Contractual	55,561.1	66,246.7	66,939.0	65,999.2	-939.8	-1.4%
Commodities	11,079.6	12,153.5	11,528.4	11,532.1	3.7	0.0%
Equipment	501.4	51.9	51.9	51.9	0.0	0.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	2,451.0	2,254.8	2,490.6	2,490.6	0.0	0.0%
Miscellaneous	0.0	265.0	0.0	0.0	0.0	%
<u>Funding Sources:</u>						
1002 Fed Rcpts	6,612.2	6,477.0	6,477.0	7,008.0	531.0	8.2%
1003 G/F Match	128.3	129.6	129.6	129.6	0.0	0.0%
1004 Gen Fund	135,694.4	138,213.9	138,213.9	136,433.5	-1,780.4	-1.3%
1005 GF/Prgm	3,405.7	3,506.0	3,506.0	3,506.0	0.0	0.0%
1007 I/A Rcpts	835.1	8,163.5	8,163.5	8,163.5	0.0	0.0%
1037 GF/MH	3,820.4	3,999.3	3,999.3	4,199.3	200.0	5.0%
1050 PFD Fund	1,047.3	2,147.3	2,147.3	2,147.3	0.0	0.0%
1053 Invst Loss	168.3				0.0	%
1059 Corr. Ind.	3,327.5	3,500.6	3,500.6	3,500.6	0.0	0.0%
1061 CIP Rcpts	530.7	543.3	543.3	543.3	0.0	0.0%
1092 MHTAAR	453.4	419.0	419.0	301.9	-117.1	-27.9%
<u>Positions:</u>						
Perm Full Time	1,367.0	1,364.0	1,369.0	1,367.0	-2.0	-0.1%
Perm Part Time	0.0	0.0	4.0	4.0	0.0	0.0%
Non-Perm	0.0	0.0	0.0	0.0	0.0	%

Component Summary - FY01 Operating Budget

Agency: Department of Corrections

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
	Administration & Operations						
1	Office of the Commissioner	972.5	947.8	947.8	736.1	-211.7	-22.3%
2	Parole Board	622.4	484.0	484.0	484.0	0.0	0.0%
3	Correctional Academy	604.6	664.4	664.4	664.4	0.0	0.0%
4	Administrative Services	2,791.7	2,730.5	2,730.5	2,654.1	-76.4	-2.8%
5	Data and Word Processing	1,254.8	1,376.1	1,376.1	1,480.0	103.9	7.6%
6	Fac-Capital Improvement Unit	196.9	209.5	209.5	209.5	0.0	0.0%
7	Inmate Health Care	15,935.3	15,706.7	15,624.3	15,124.3	-500.0	-3.2%
8	Inmate Programs	2,817.6	2,753.1	2,835.5	3,374.4	538.9	19.0%
9	Correctional Industries Admin	1,191.3	1,163.9	1,163.9	1,163.9	0.0	0.0%
10	Corr Industries Product Cost	3,327.5	3,500.6	3,500.6	3,500.6	0.0	0.0%
11	Institution Director's Office	928.3	993.2	1,089.5	812.7	-276.8	-25.4%
12	Anvil Mtn Correctional Center	3,719.2	3,843.0	3,892.2	3,892.2	0.0	0.0%
13	Combined Hiland Mtn Corr Ctr	7,276.6	7,153.8	7,356.8	7,356.8	0.0	0.0%
14	Cook Inlet Correctional Center	9,574.1	9,100.5	9,366.2	9,366.2	0.0	0.0%
15	Fairbanks Correctional Center	6,834.5	6,929.6	6,886.4	6,886.4	0.0	0.0%
16	Ketchikan Correctional Center	2,633.0	2,570.3	2,563.2	2,563.2	0.0	0.0%
17	Lemon Creek Correctional Ctr	5,903.0	5,905.5	5,878.9	5,878.9	-0.0	-0.0%
18	Mat-Su Correctional Center	2,665.0	2,706.7	2,553.3	2,553.3	0.0	0.0%
19	Palmer Correctional Center	8,455.6	8,446.0	8,255.3	8,255.3	0.0	0.0%
20	Sixth Avenue Correctional Ctr	3,901.6	3,819.6	3,856.8	3,856.8	0.0	0.0%
21	Spring Creek Correctional Ctr	13,692.5	13,660.5	13,506.5	13,506.5	0.0	0.0%
22	Wildwood Correctional Center	8,073.6	8,161.1	8,078.3	8,078.3	0.0	0.0%
23	Yukon-Kuskokwim Corr Center	3,866.0	3,854.0	3,860.4	3,860.4	0.0	0.0%
24	Community Jails	4,751.8	4,766.6	4,718.7	4,718.7	0.0	0.0%
25	Community Corrections Director	721.2	701.9	556.9	556.9	0.0	0.0%
26	Northern Region Probation	2,380.7	2,449.4	2,449.4	2,449.4	0.0	0.0%
27	Southcentral Region Probation	4,769.1	4,532.0	4,677.0	4,677.0	0.0	0.0%
28	Southeast Region Probation	973.8	961.5	961.5	961.5	0.0	0.0%
29	Transp & Classification	1,624.2	1,279.3	1,327.2	1,327.2	0.0	0.0%
30	Electronic Monitoring				705.6	705.6	%
31	Facility Maintenance		7,780.5	7,780.5	7,780.5	0.0	0.0%
33	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Corrections

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
	Administration & Operations						
	* BRU Total	122,458.4	129,151.6	129,151.6	129,435.1	283.5	0.2%
	Community Residential Centers						
34	Existing Commun Res Centers	13,302.9	13,864.5	13,864.5	13,314.5	-550.0	-4.0%
35	Nome Culturally Relevant CRC	0.2	1,016.5	1,016.5	1,016.5	0.0	0.0%
36	Bethel Culturally Relevant CRC	42.6	144.8	144.8	144.8	0.0	0.0%
37	CRC Offender Supervision	181.0	656.0	656.0	756.0	100.0	15.2%
	* BRU Total	13,526.7	15,681.8	15,681.8	15,231.8	-450.0	-2.9%
	Out of State Contractual						
38	Out-of-State Contractual	17,534.6	19,847.1	19,847.1	18,847.1	-1,000.0	-5.0%
	* BRU Total	17,534.6	19,847.1	19,847.1	18,847.1	-1,000.0	-5.0%
	Point MacKenzie Rehabilitation Program						
39	Point MacKenzie Rehab Program	2,070.6	2,122.9	2,122.9	2,122.9	0.0	0.0%
	* BRU Total	2,070.6	2,122.9	2,122.9	2,122.9	0.0	0.0%
	Alternative Institutional Housing						
40	Alternative Housing	400.0	200.0	200.0	200.0	0.0	0.0%
	* BRU Total	400.0	200.0	200.0	200.0	0.0	0.0%
	Food Services Apprenticeship Program						
41	Food Services Apprenticeship		96.1	96.1	96.1	0.0	0.0%
	* BRU Total	0.0	96.1	96.1	96.1	0.0	0.0%
	VPSO Parole Supervision Pilot Program						
42	VPSO Supervision Pilot Prgm	33.0				0.0	0.0%
	* BRU Total	33.0	0.0	0.0	0.0	0.0	0.0%
	*** Total Agency Expenditure	156,023.3	167,099.5	167,099.5	165,933.0	-1,166.5	-0.7%
	Federal Restricted Funds	6,612.2	6,477.0	6,477.0	7,008.0	531.0	8.2%
	General Purpose Funds	143,217.1	145,848.8	145,848.8	144,268.4	-1,580.4	-1.1%
	Other Funds	6,194.0	14,773.7	14,773.7	14,656.6	-117.1	-0.8%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Corrections

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Administration & Operations							
1	Office of the Commissioner	791.4	843.9	843.9	736.1	-107.8	-12.8%
2	Parole Board	622.4	484.0	484.0	484.0	0.0	0.0%
3	Correctional Academy	589.0	664.4	664.4	664.4	0.0	0.0%
4	Administrative Services	2,697.5	2,659.4	2,659.4	2,583.0	-76.4	-2.9%
5	Data and Word Processing	722.5	684.6	684.6	684.6	0.0	0.0%
7	Inmate Health Care	15,163.7	15,264.3	15,264.3	14,964.3	-300.0	-2.0%
8	Inmate Programs	1,829.8	874.9	874.9	874.9	0.0	0.0%
9	Correctional Industries Admin	1,191.3	1,163.9	1,163.9	1,163.9	0.0	0.0%
11	Institution Director's Office	706.2	721.1	817.4	465.6	-351.8	-43.0%
12	Anvil Mtn Correctional Center	3,719.2	3,843.0	3,892.2	3,892.2	0.0	0.0%
13	Combined Hiland Mtn Corr Ctr	7,090.3	7,118.3	7,293.3	7,293.3	-0.0	-0.0%
14	Cook Inlet Correctional Center	8,155.7	7,853.0	8,118.7	8,118.7	0.0	0.0%
15	Fairbanks Correctional Center	6,770.0	6,865.1	6,810.8	6,810.8	-0.0	-0.0%
16	Ketchikan Correctional Center	2,630.3	2,567.6	2,563.2	2,563.2	-0.0	-0.0%
17	Lemon Creek Correctional Ctr	5,898.5	5,897.1	5,878.9	5,878.9	0.0	0.0%
18	Mat-Su Correctional Center	2,600.0	2,706.7	2,553.3	2,553.3	0.0	0.0%
19	Palmer Correctional Center	8,444.1	8,442.0	8,255.3	8,255.3	0.0	0.0%
20	Sixth Avenue Correctional Ctr	3,836.9	3,524.8	3,562.0	3,562.0	0.0	0.0%
21	Spring Creek Correctional Ctr	13,685.0	13,636.5	13,506.5	13,506.5	0.0	0.0%
22	Wildwood Correctional Center	8,073.6	8,161.1	8,078.3	8,078.3	0.0	0.0%
23	Yukon-Kuskokwim Corr Center	3,803.0	3,854.0	3,860.4	3,860.4	0.0	0.0%
24	Community Jails	4,751.8	4,766.6	4,718.7	4,718.7	0.0	0.0%
25	Community Corrections Director	668.5	701.9	556.9	556.9	0.0	0.0%
26	Northern Region Probation	2,380.7	2,449.4	2,449.4	2,449.4	0.0	0.0%
27	Southcentral Region Probation	4,630.8	4,532.0	4,677.0	4,677.0	0.0	0.0%
28	Southeast Region Probation	942.9	961.5	961.5	961.5	0.0	0.0%
29	Transp & Classification	1,485.3	1,140.4	1,188.3	1,188.3	0.0	0.0%
30	Electronic Monitoring				705.6	705.6	%
33	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	113,880.4	112,381.5	112,381.5	112,251.1	-130.4	-0.1%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Corrections

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Community Residential Centers							
34	Existing Commun Res Centers	11,392.5	12,475.2	12,475.2	11,925.2	-550.0	-4.4%
35	Nome Culturally Relevant CRC	0.2	740.2	740.2	740.2	0.0	0.0%
36	Bethel Culturally Relevant CRC	42.6	92.6	92.6	92.6	0.0	0.0%
37	CRC Offender Supervision	181.0	656.0	656.0	756.0	100.0	15.2%
	* BRU Total	11,616.3	13,964.0	13,964.0	13,514.0	-450.0	-3.2%
Out of State Contractual							
38	Out-of-State Contractual	15,295.3	17,180.4	17,180.4	16,180.4	-1,000.0	-5.8%
	* BRU Total	15,295.3	17,180.4	17,180.4	16,180.4	-1,000.0	-5.8%
Point MacKenzie Rehabilitation Program							
39	Point MacKenzie Rehab Program	1,992.1	2,122.9	2,122.9	2,122.9	0.0	0.0%
	* BRU Total	1,992.1	2,122.9	2,122.9	2,122.9	0.0	0.0%
Alternative Institutional Housing							
40	Alternative Housing	400.0	200.0	200.0	200.0	0.0	0.0%
	* BRU Total	400.0	200.0	200.0	200.0	0.0	0.0%
VPSO Parole Supervision Pilot Program							
42	VPSO Supervision Pilot Prgm	33.0				0.0	0.0%
	* BRU Total	33.0	0.0	0.0	0.0	0.0	0.0%
	*** Total Agency Expenditure	143,217.1	145,848.8	145,848.8	144,268.4	-1,580.4	-1.1%

**Commission on Judicial Conduct
Impact Statements in Response to
House Finance Subcommittee Budget Proposals
Date: March 1, 2000
Prepared by: Marla Greenstein**

Program Area:	Dollar Amount(s):	Fund Source(s):
Commission on Judicial Conduct		
Impact Analysis:	(25.6)	GF

Personal Services Underfunding – The Commission on Judicial Conduct operates with a staff of two (an executive director and an administrative assistant) on a full-time basis. Our budgetary funding has declined consistently over the past several years. We have responded by reclassifying the administrative assistant position downward from a range 14 to a range 10 position and by limiting our use of outside temporary secretarial services to only those times when no permanent staff are available in the office (e.g. during Commission meetings). In addition, the executive director now does all non-adversarial court filings for the Commission reducing outside attorney’s fees. Despite all these cost-saving measures we remain underfunded in personal services by \$25,000. Our request this year, recognizing the difficult budgetary decisions the legislature will make, is to help reduce this underfunding by granting an increment of \$15,000. This is even more crucial given the fact that the Commission received a \$10,000 budgetary reduction last year in conference after all budgets had closed out. This increment has not been recommended by the House subcommittee.

Copier Replacement - Our second request is a one-time item. We purchased our copier in 1990 and the replacement parts are becoming increasingly difficult to obtain. Our service provider has advised us that they will likely need to terminate the service contract by the end of next year. Consequently, we request a one-time appropriation of \$13,500 to purchase a replacement copier that we trust will last at least as long as our current one has. The \$15,000 request was not approved and the House subcommittee recommendation to add \$2,900 to go towards a copier will pay for a 6-month lease on the copier. Combined with our \$3,000 equipment line item, the \$2,900 will allow for an annual copier lease. Because the majority of our work is extremely confidential, it is necessary for us to do all copying and compilation of our Commission materials in our office. If we do not get this funding, the alternative will be to incorporate an \$8,000 annual copier rental fee into our permanent operating budget. Our assessment is that the outright purchase is financially more prudent.

Attorney Fees - Finally, it is important for the legislature to realize that with decreasing funds, we have a corresponding decrease in our ability to meaningfully proceed against judges. Our current operating budget allows roughly \$10,000 for outside attorney fees annually. Typically a disciplinary proceeding from formal investigation through a formal hearing costs \$80,000 in outside attorney fees and expenses. While Risk Management routinely covers judges’ attorneys’ fees, our fees must come out of our operating budget. We inevitably must request supplemental

appropriations to cover these expenses and, consequently, the attorneys who act as Special Counsel prosecuting the judges must wait up to a year to receive payment for their services. Ideally, we would have enough professional services funds to fully prosecute one complaint a year. However, the most essential point is that the Commission must be able to present a viable possibility of proceeding formally against judges to maintain its credibility and effectiveness.

**Alaska Court System
Impact Statements in Response to
House Finance Subcommittee Budget Proposals
Date: March 1, 2000
Prepared by: Rhonda McLeod**

Program Area:	Dollar Amount(s):	Fund Source(s):
Appellate Courts	(79.0)	GF

Impact Analysis:

Increased funding was not approved for replacement computers, software upgrades and workstations.

Program Area:	Dollar Amount(s):	Fund Source(s):
Administration	(297.2)	GF

Impact Analysis:

Increased funding was not approved for a Computer Support Specialist, Computer Programmer/Analyst, Computer Training Specialist or a Library Assistant I. Increased funding for computer and micrographic equipment was not approved.

Program Area:	Dollar Amount(s):	Fund Source(s):
Trial Courts	(3699.7)	GF

Impact Analysis:

The House Subcommittee approved funding for increased costs for operating and maintaining the new Fairbanks Courthouse. Increased funding was not approved for travel to improve judicial services in rural Alaska, an In-Court Clerk in Barrow, an In-Court Clerk in Palmer, an In-Court Clerk in St. Mary's or for a Library Assistant I in Juneau. Increased funding was not approved for equipment replacement, increased juror pay or for improved courthouse security.

**Alaska Judicial Council
Impact Statements in Response to
House Finance Subcommittee Budget Proposals
Date: March 1, 2000
Prepared by: William Cotton**

Program Area:	Dollar Amount(s):	Fund Source(s):
Alaska Judicial Council	(194.1)	GF

Impact Analysis:

The House subcommittee has approved funding of the Judicial Council at a continuation level. The subcommittee denied an increment to conduct a research project concerning the criminal justice process (specifically addressing why Alaska Native and other minorities are disproportionately represented in Alaska's incarcerated population).

The continuation level of funding approved will not in itself cover the Council's essential expenses. However, the Council expects to supplement this amount with federal grants and RSA's from other agencies. Given the State's current fiscal situation, this was the level of funding requested by the Council.

The denial of the increment will mean that the Council will not be able to conduct the proposed criminal justice study as recommended by the Court's Fairness and Access Committee, unless the Council is able to obtain a federal grant for the research. The Council is actively seeking such a grant and greatly appreciates the offers by finance subcommittee members to assist in that effort.

**House Finance Subcommittee
Alaska Court System
FY01 Operating Budget**

The House Finance Subcommittee for the Alaska Court System closed out at the February 17, 2000 meeting. The subcommittee worked from the FY00 Management Plan reflected in HB 312 and the budget recommendations are within the House Finance Committee's 49,720.9 allocation.

The Alaska Court System is funded through 3 BRUs; Alaska Court System; Commission on Judicial Conduct; and Judicial Council.

Budget Summary

The budget changes recommended by the subcommittee are reflected on the budget summary page.

1) The Alaska Court System needed 312.9 in additional funding to meet operating expenses for the New Fairbanks Courthouse.

The subcommittee was able to meet that need by using funding from one time expenditures such as the y2k funding and applying those funds and the 200.0 allocated increment to Trial Court maintenance and operations.

2) The Alaska Court System is adequately funded to maintain its current staffing level, if it maintains its current 30 day hiring freeze.

3) The Commission on Judicial Conduct had 2.9 added to equipment bringing the total of that line to 6.2 to help meet their need for a new copier.

Commission on Privatization Report Response

1) The Court System has two committees currently working on objectives and measures. One is working on Trial Court Time Standards the second is working on Appellant Delay. In addition there are various Constitutional and statutory evaluation requirements.

2) The Alaska Court System is supportive of the following intent language should the House Finance Committee adopt it.

"It is the intent of the legislature that the Alaska Court System examine the feasibility of moving its information technology network operations from the Department of Administration's Wide Area Network (WAN) to a network provided by commercial

carriers. The Alaska Court System shall use money appropriated to pay network charges to obtain services from the most cost beneficial network service provider."

FY 2000 Supplemental HB 343 and SB 250

The subcommittee supports the Commission on Judicial Conduct's 19.0 supplemental request for payment of attorney's fees. The Commission does not have judicial conduct cases every year, so this is not a regularly budgeted item. This is an unusual year since there have been two disciplinary cases.

House Finance Subcommittee
Alaska Court System
FY01 Operating Budget

Letter of Intent

"It is the intent of the legislature that the Alaska Court System examine the feasibility of moving its information technology network operations from the Department of Administration's Wide Area Network (WAN) to a network provided by commercial carriers.

The Alaska Court System shall use money appropriated to pay network charges to obtain services from the most cost beneficial network service provider."

Agency Totals - FY01 Operating Budget

Agency: Alaska Court System

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Totals for Agency	49,871.1	49,955.0	49,955.0	50,020.8	65.8	0.1%
<u>Objects of Expenditure:</u>						
Personal Services	38,225.9	38,164.3	38,154.8	38,071.1	-83.7	-0.2%
Travel	1,081.0	938.5	948.0	948.0	0.0	0.0%
Contractual	9,024.6	9,154.9	9,154.9	9,420.7	265.8	2.9%
Commodities	817.7	806.0	806.0	806.0	0.0	0.0%
Equipment	303.7	384.7	384.7	268.4	-116.3	-30.2%
Lands/Buildings	398.2	186.6	186.6	186.6	0.0	0.0%
Grants, Claims	20.0	320.0	320.0	320.0	0.0	0.0%
Miscellaneous	0.0	0.0	0.0	0.0	0.0	%
<u>Funding Sources:</u>						
1001 CBR Fund	63.3	119.2	119.2	0.0	-119.2	-100.0%
1002 Fed Rcpts	17.9	315.0	315.0	300.0	-15.0	-4.8%
1004 Gen Fund	49,480.0	49,441.5	49,441.5	49,641.5	200.0	0.4%
1007 I/A Rcpts	118.0				0.0	%
1037 GF/MH	79.3	79.3	79.3	79.3	0.0	0.0%
1053 Invst Loss	112.6				0.0	%
<u>Positions:</u>						
Perm Full Time	665.0	665.0	665.0	665.0	0.0	0.0%
Perm Part Time	50.0	50.0	50.0	50.0	0.0	0.0%
Non-Perm	26.0	26.0	26.0	26.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Alaska Court System

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC
Unallocated Reduction						
1	Unallocated Reduction		0.0	0.0	0.0	0.0%
	* BRU Total	0.0	0.0	0.0	0.0	0.0%
Alaska Court System						
2	Appellate Courts	3,953.3	3,975.7	3,975.7	3,975.4	-0.3 -0.0%
3	Trial Courts	38,552.8	38,631.5	38,631.5	38,869.3	237.8 0.6%
4	Administration and Support	6,284.1	6,276.0	6,276.0	6,275.2	-0.8 -0.0%
5	Y2K Appropriation	63.3	119.2	119.2	0.0	-119.2 -100.0%
	* BRU Total	48,853.5	49,002.4	49,002.4	49,119.9	117.5 0.2%
Commission on Judicial Conduct						
6	Commission on Judicial Conduct	243.3	218.3	218.3	219.2	0.9 0.4%
	* BRU Total	243.3	218.3	218.3	219.2	0.9 0.4%
Judicial Council						
7	Judicial Council	754.3	714.3	714.3	661.7	-52.6 -7.4%
8	Courtwatch	20.0	20.0	20.0	20.0	0.0 0.0%
	* BRU Total	774.3	734.3	734.3	681.7	-52.6 -7.2%
	*** Total Agency Expenditure	49,871.1	49,955.0	49,955.0	50,020.8	65.8 0.1%
	Federal Restricted Funds	17.9	315.0	315.0	300.0	-15.0 -4.8%
	General Purpose Funds	49,671.9	49,520.8	49,520.8	49,720.8	200.0 0.4%
	Other Funds	181.3	119.2	119.2	0.0	-119.2 -100.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Alaska Court System

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC
Unallocated Reduction						
1	Unallocated Reduction		0.0	0.0	0.0	0.0%
	* BRU Total	0.0	0.0	0.0	0.0	0.0%
Alaska Court System						
2	Appellate Courts	3,953.3	3,975.7	3,975.7	3,975.4	-0.3
3	Trial Courts	38,552.8	38,331.5	38,331.5	38,569.3	237.8
4	Administration and Support	6,284.1	6,276.0	6,276.0	6,275.2	-0.8
	* BRU Total	48,790.2	48,583.2	48,583.2	48,819.9	236.7
Commission on Judicial Conduct						
6	Commission on Judicial Conduct	243.3	218.3	218.3	219.2	0.9
	* BRU Total	243.3	218.3	218.3	219.2	0.9
Judicial Council						
7	Judicial Council	618.4	699.3	699.3	661.7	-37.6
8	Courtwatch	20.0	20.0	20.0	20.0	0.0
	* BRU Total	638.4	719.3	719.3	681.7	-37.6
	*** Total Agency Expenditure	49,671.9	49,520.8	49,520.8	49,720.8	200.0
						0.4%

DEPT. OF
EDUCATION

ED + E Dev #1

AMENDMENT TO HB 312

BY: Rep. Mulder

Delete:

Page 9, line 8
Department of Education
Early Development
Head Start Grants

75,000 General Funds

n/o 3/4/00 pm

Add:

Page 9, line 8
Department of Education
Early Development
Head Start Grants

75,000 I/A (TANF funds from H&SS)

Add:

Page 9, Line 20
Department of Education
Commissions & Boards
Alaska State Council on the Arts

75,000 General Funds

Explanation

Federal Funds can be used for Head Start Grants. This allows movement of general funds to restore 75,000 to the Arts Council

ED + E DEU # 1A

AMENDMENT TO HB 312

BY: Rep. Mulder

Delete:

Department of Education & Early Development
Alaska Postsecondary Education Commission
WWAMI Medical Education

1,444,200 P-sec Recpts

n/o
3/6/00
PM

Explanation

This is funded in the language section, Section 31(b). This change was made at request of the Commission so that net surplus funds would be used and there would be no net impact on the student loan program.

DEED

ED + E DEU #2

Failed
3-8
3/6/00
pm

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 312(FIN), Draft Version "D"

- 1 Page 8, line 8:
- 2 Delete "678,213,600"
- 3 Insert "685,765,900"
- 4 Delete "649,007,000"
- 5 Insert "656,559,300"

- 6 Page 8, line 9:
- 7 Delete "669,887,400"
- 8 Insert "677,439,700"

- 9 Increases allocation for Foundation Program by \$7,552,300 GF.

DATE: _____

SUBJECT: DEED - 2

MEMBER

YES

NO

MEMBER	YES	NO
AUSTERMAN		✓
BUNDE		✓
J. DAVIES	✓	
G. DAVIS		✓
FOSTER		✓
GRUSSENDORF	✓	
MOSES	✓	
PHILLIPS		✓
WILLIAMS		✓
TERRIAULT		✓
MULDER		✓

TOTAL:

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PASSED

FAILED

ED + E DEU # 3

AMENDMENT

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

Commissions & Boards BRU

Alaska State Council on the Arts Component

Add \$75.6 GF Match

W/D

ED + E DEV # 4

AMENDMENT

TO: CS HB 312 (FIN)

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

Alaska Postsecondary Education Commission BRU

WWAMI Medical Education component

Switch \$1,444.2 Corp Receipts to GF

3-5
Failed
3/6/00
PM

DATE:

SUBJECT:

DEED - 4

MEMBER

YES

NO

MEMBER	YES	NO
BUNDE		✓
J. DAVIES	✓	
G. DAVIS		
FOSTER		✓
GRUSSENDORF	✓	
MOSES	✓	
PHILLIPS		
WILLIAMS		✓
AUSTERMAN		✓
MULDER		✓
THERRIAULT		.

TOTAL:

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PASSED

FAILED

DEED

ED + E DEV # 5

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 312(FIN), Draft Version "D"

Failed
3-6
3/6/00

- 1 Page 8, line 15, in both places:
- 2 Delete "39,775,100"
- 3 Insert "44,855,000"

- 4 Increases the appropriation for Pupil Transportation by \$5,079,900 GF.

DATE:

SUBJECT:

DOE-5

MEMBER

YES

NO

J. DAVIES	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
G. DAVIS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FOSTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRUSSENDORF	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MOSES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PHILLIPS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>
AUSTERMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BUNDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TERRIAULT	<input type="checkbox"/>	<input type="checkbox"/>
MULDER	<input type="checkbox"/>	<input checked="" type="checkbox"/>

TOTAL:

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PASSED

FAILED

DEEP
ED + E DEU # 6

AMENDMENT

W/D

OFFERED IN THE HOUSE

TO: CSHB 312(FIN), Draft Version "D"

- 1 Page 8, line 28:
- 2 Delete "62,843,200"
- 3 Insert "68,251,600"
- 4 Delete "8,019,500"
- 5 Insert "13,427,900"

- 6 Page 8, line 30:
- 7 Delete "26,071,500"
- 8 Insert "31,479,900"

- 9 Increases allocation for Child Care Assistance and Licensing by \$5,408,400 GF.


ED + E DEV

DEEP
#7

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 312(FIN), Draft Version "D"

failed
3-8
3/6/00
pm


- 1 Page 8, line 28:
- 2 Delete "62,843,200"
- 3 Insert "64,843,200"
- 4 Delete "8,019,500"
- 5 Insert "10,019,500"

- 6 Page 9, line 8:
- 7 Delete "6,029,200"
- 8 Insert "8,029,200"

- 9 Increases allocation for Head Start Grants by \$2,000,000 GF.

DATE:

3/6/18 PM

SUBJECT:

DOE

MEMBER

YES

NO

G. DAVIS		✓
FOSTER		✓
GRUSSENDORF	✓	
MOSES	✓	
PHILLIPS		✓
WILLIAMS		✓
AUSTERMAN		✓
BUNDE		✓
J. DAVIES	✓	
MULDER		✓
THERRIAULT		✓

TOTAL:

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PASSED

FAILED

ED + E DFU #8

AMENDMENT

-withdrawn-

DEPARTMENT OF EDUCATION

K-12 Support BRU

Youth in Detention Component

Add \$300.0 GF

adopted No OBJ

ED + E DEV # 9

AMENDMENT TO HB 312

BY: Rep.

Grausman C
Mulder.

Delete:

Page 9, line 8
Department of Education
Early Development
Head Start Grants 20,000 General Funds

Add:

Page 9, line 8
Department of Education
Early Development
Head Start Grants 20,000 I/A (TANF funds from H&SS)

Add:

Page 9, Line 20
Department of Education
Museum Operations
Alaska Library and Museums 20,000 General Funds

Explanation

Federal Funds can be used for Head Start Grants. This allows movement of general funds to restore 20,000 to the Sheldon Jackson Museum. This combined with the new program receipts approximates the FY 00 funding.

**Education & Early Development
Impact Statements in Response to
House Finance Subcommittee Budget Proposals**

Date: March 1, 2000

Prepared by: Karen Rehfeld

	Dollar	Fund
Program Area:	Amount(s):	Source(s):
Public School Funding Program	(\$7,552.3)	General Fund

Impact Analysis:

The governor's FY2001 budget included funding for an increase in the Quality Schools Grant, which is a factor of the Public School Funding Program. Currently, school districts may apply for a grant equal to \$16 multiplied by the adjusted average daily membership of the district. The general fund increment of \$7,552,300 would provide for a grant of \$52 per adjusted average daily membership.

School districts apply to the department for Quality School Grants. The grants are awarded to districts offering programs designed to help students meet the requirements of the benchmark tests in reading, writing, and mathematics and to increase the number of students having the necessary educational opportunities to pass the High School Qualifying Examination. Local school districts determine what type of additional instructional opportunities will help students meet these new standards. Programs offered by districts may include, after school tutoring, reading programs, math classes, summer school classes, additional teacher aides etc.

A statutory change is necessary to increase the amount of the Quality Schools Grant. The Governor introduced HB336 and SB244 to increase the grant. The House Finance Subcommittee denied the \$7,552,300 general fund increment and indicated that the increased funding will be considered as a fiscal note to the Quality Schools Grant legislation.

	Dollar	Fund
Program Area:	Amount(s):	Source(s):
Youth in Detention	(\$500.0)	General Fund

Impact Analysis:

Youth in Detention funds are allocated to school districts in the state, which provide educational programs to incarcerated youth and wards of the state as directed under AS 14.07.020(5). Existing youth in detention facilities are located in the following school districts: Anchorage, Fairbanks, Juneau, Bethel, and Nome. The FY2001 budget request included a general fund increment of \$800,000. The House Finance Budget Subcommittee recommendation reduced the request by \$500,000.

The department identified an increase of \$400,000 to provide educational services to approximately 279 youth in detention facilities statewide. The Anchorage facility has recently expanded its capacity by 35 beds to 170. The Nome facility was recently opened and is currently able to serve 6. Two new youth in detention facilities in Ketchikan and Mat-Su and are scheduled to provide service in FY2001, Ketchikan with a capacity of 10 and Mat-Su with a capacity of 15.

The department also requested an increase of \$400,000 to serve youth in adult correctional institutions. The state has the responsibility to provide educational programs to school age youth, including youth incarcerated in adult correctional facilities. Approximately 344 youth under the age of 22 are incarcerated in adult correction facilities.

The subcommittee recommendation eliminates funds to provide educational programs for youth incarcerated in adult correctional facilities around the state. The \$300,000 included in the subcommittee recommendation will provide resources for expanded services in youth detention facilities, although it may not be sufficient if these facilities are at capacity. Recent experience indicates that additional capacity is needed to address youth in detention.

	Dollar	Fund
Program Area:	Amount(s):	Source(s):
Schools for the Handicapped	(\$200.0)	General Fund

Impact Analysis:

The department requested an increase of \$700,000 for the educational costs for seriously disturbed youth that are in state custody and are placed at out-of-state institutions. The current capacity for serving these students in Alaska is not sufficient to meet the demand. Costs associated with the out-of-state residential treatment programs are funded in the Department of Health & Social Services.

The number of these students requiring residential services has increased substantially over the last two years. In-state facilities do not have the capacity to serve the number of students and, in some cases, the complexities of the issues requiring treatment. Educational costs of these programs are not Medicaid-eligible. The Department of Health and Social Services and the Department of Education & Early Development have been working toward improving the coordination between the school district and the state in evaluating and providing services to these students.

The House subcommittee recommendation reduces the amount of funding for educational costs at out-of-state institutions. Additional efforts will be necessary to ensure that students are being appropriately served at the most efficient cost.

Program Area:	Dollar	Fund
Pupil Transportation	Amount(s): (\$5,079.9)	Source(s): General Fund

Impact Analysis:

The House Finance Budget Subcommittee recommended that the Pupil Transportation Program be held at the FY2000 authorization level. The \$5,079,900 increment necessary to fully reimburse school districts for the cost of district operated and contracted transportation was denied. This action will require school districts to fund the pupil transportation costs with existing resources.

The single largest factor influencing pupil transportation costs in Alaska is lack of competition. Since 1996, only one contractor has been providing service to four of the largest school districts, Anchorage, Fairbanks, Mat-Su, and Kenai. The department has been working with these districts to align contract renewal so that sufficient number of busses would go out for bid to entice additional competition. Three of these large districts will be seeking pupil transportation services in 2001.

School districts have no alternative to reducing the contract costs in FY2001. If this funding is prorated, the school districts will have to use operating funds to pay for this cost. This will dilute funding available for instruction. In FY 2001, school districts are required to spend at least 70% of their operating budget on instruction. This reduction will make that target even more difficult to achieve.

Program Area:	Dollar	Fund
Community Schools	Amount(s): \$100.0	Source(s): General Fund

Impact Analysis:

The \$100,000 increment will provide additional resources for districts to offer community access to school facilities. Through grants to local school districts, the department provides funding to make school facilities available for community use, when they are not needed for regular school activities. In many communities, the school is the center of local activities, providing a place for both youth and adults to attend classes. For many rural communities, the school is the only facility available for these activities.

AS 14.36 provides a formula for funding community schools. Fully funded, the program would cost over \$3.0 million. In FY2000, funding was reduced from \$500,000 to \$400,000. This action would restore community schools funding to the FY99 level. Although these grants are relatively small on a state-wide basis, they do provide an important source of funds for districts to operate community school programs.

Prepared by: Yvonne M. Chase

Program Area: Child Care Licensing	Dollar Amount(s): (\$700.0)	Fund Source(s): General Fund
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Impact Analysis:

The House subcommittee eliminates the \$700,000 general fund increment for childcare licensing. This reduction will leave the Department of Education & Early Development with only the three positions being transferred from the Department of Health and Social Services to operate a statewide program. This action eliminates the additional contractual funds through which EED had planned a design for service delivery, which maintains minimal state staffing while moving many of the preliminary licensing functions to community-based agencies.

The responsibility for licensing childcare centers and homes was transferred to EED with the passage of HB 40, effective July 1, 2000. Without this increment, EED will not have the resources to provide an adequate program for licensing childcare centers and homes across the state. This would seriously jeopardize the quality of childcare available in Alaska.

Program Area: Child Care Grant Fund	Dollar Amount(s): (\$917.0)	Fund Source(s): General Fund
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Impact Analysis:

The House subcommittee denied the increment that was intended to increase the amount of the childcare grant from \$22 to \$33 per child. The actual amount of the grant is dependent on the number of licensed providers applying for and receiving grant funds. This program is the only incentive program remaining for childcare facilities to be licensed. Licensing is one of the few ways to implement quality childcare standards across the state.

The lack of incentives has led to a reduction of 148 facilities in the past year to the current level (389 facilities). For small childcare facilities, the ChildCare Grant provides them the opportunity to have a small amount of flexible funding for educational materials, facility repair, etc.

Program Area: Child Care Subsidy	Dollar Amount(s): (\$3,788.2)	Fund Source(s): General Fund
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Impact Analysis:

The governor requested \$4,488,200 in the FY2001 budget to provide sufficient resources for families currently on the program, families transitioning from welfare to work, and families who are eligible for the program that are currently on a waitlist. The subcommittee retained \$700,000 of this request and targeted those funds to serving eligible children in after school programs. Overall, the funding level recommended by the subcommittee will significantly under-fund the state's child care subsidy program. Without these resources, success in transitioning from welfare to work will be hindered. Many low-income families may be forced back to the public assistance roles or unable to retain their employment due to their inability to afford the necessary childcare.

- 440 children currently on the program will be removed, effective June 30.
- The families and children who are waitlisted for the program (presently over 1,100 children; estimated to be over 2,000 by July 1) will be notified that waitlists will be discontinued for FY2001 and these families will not be served.
- Will force the removal of an equal number of existing participating PASS III families from the program to cover any growth in PASS II families (new families moving from welfare-to-work).

Program Area:	Dollar Amount(s):	Fund Source(s):
Head Start Grants	(\$2,000.0)	General Fund

Impact Analysis:

The governor's budget included an increase of \$2,000,000 to expand Head Start services to 400 children and their families. Head Start is an early childhood program with a 30-year track record for effectiveness. Currently, only 23% of eligible families are served through Head Start.

Head Start state funds are allocated out to grantees across the state. These grantees apply for and receive federal Head Start funds directly. The grantees are required to provide a 20% match for the federal funds and most use their state funds to comply with the federal matching requirements.

House Finance denial of the FY2001 request will:

- eliminate expansion of any state-funded programs, and
- restrict the individual Head Start programs' potential to bring in additional federal funds because of the 20% non-federal match required.

Prepared by: Helen Howarth

Program Area:	Dollar Amount(s):	Fund Source(s):
Arts Council	(\$75.6)	General Fund Match

Impact Analysis:

Replacing \$75,600 in General Fund Match with Art In Public Places (AIPP) Funds will result in program cuts for the Arts Council (ASCA). The AIPP Funds are designated by statute for public art acquisition and cannot be used to fund ASCA's ongoing programs or as match for ASCA's grant from the National Endowment for the Arts (NEA). The actual impact of this fund source change on our NEA grant is not known at this time but could result in a cut of \$75,600 to our Federal grant.

The Council has not met to evaluate the impact of this change, but cuts in the following program areas would likely be necessary depending, in part, on the NEA requirements.

Native Arts	Staff position cut to .5 FTE	(28,000)
Arts in Education	Eliminate AIE special projects	(20,000)
Grants/Program Administrator	Reduce position to .5 FTE	(27,600)
	Eliminate visual arts and Literature programs.	
Grants	Reduce grant awards	(75,600)

Prepared by: Sheila King

Program Area:	Dollar Amount(s):	Fund Source(s):
WWAMI (\$1,444.2) GF Receipts	\$1,444.2	Corp Receipts
Student Loan Operations (\$10.0) GF Receipts	10.0	Corp Receipts
Program Administration (\$10.0) GF PR	10.0	Corp Receipts

Impact Analysis:

The House subcommittee proposes to replace all general funds within the Alaska Commission on Postsecondary Education with corporate receipts. This fund source change, particularly as it relates to funding for the WWAMI program, will require careful scrutiny in relation to the corporation's bonding requirements and to ensure that it does not adversely effect the student loan borrowers.

WWAMI

The impact of the proposed House Finance Education Subcommittee budget amendment to fund the cost of WWAMI with corporate receipts will vary depending on the form of the payment. The cost of participation in the WWAMI program does not meet the definition of a "program expense" as defined under the corporation's bond indenture. Therefore, any funds

made available by the corporation can only be done so under the requirements of the indenture, which includes approval from the corporation's bond insurer, Ambac Assurance Corporation. If the removal of funds from the Trust prevents the corporation from meeting those requirements, funds would not be available.

Additionally, payment of this cost without a revenue offset will substantially slow the rate at which the corporation can reduce its cumulative deficit and will increase interest rates to prospective borrowers.

Appropriating the corporation's payment to the State, in the manner described in the Governor's proposed legislation (HB373/SB270), as corporation receipts to pay for the program would eliminate the impact on the corporation's ability to lower its deficit and would not increase the interest rates charged to borrowers. If, however, the cost of WWAMI exceeded the payment amount available to the State, the corporation could only provide the additional amount from the Trust if certain requirements under the corporation's bond indenture were met. The additional amount would be an expense to the corporation and therefore, would slow the corporation's progress in reducing its cumulative deficit. That would reduce the amount of money available to fund the Alaska Scholars Program and delay the reduction of interest rates paid by student loan borrowers prospectively.

Student Loan Operations - General Fund Receipts

These funds help to cover the cost of administration the WWAMI Loan Program. The proceeds from WWAMI loans currently revert back to the General Fund. This change has a minimal impact to the corporation.

Program Administration - GF Program Receipts

The Alaska Commission on Postsecondary Education is tasked with the responsibility of authorizing the operation of postsecondary institutions in Alaska. Currently fees paid by these institutions to help defray the cost revert to the General Fund. An appropriation to ACPE has been made each year to fund this function. The fees amount to less than \$20,000 each year. If the ACPE is able to retain these fees as corporate receipts there would be no impact from this change.

House Finance Subcommittee
Department of Education and Early Development
FY01 Operating Budget

The House Finance Subcommittee for the Department of Education and Early Development closed out at the February 25, 2000 meeting. The subcommittee worked from the FY00 Management Plan reflected in HB 312. The budget recommendations are within the allocations for this department.

The FY01 Subcommittee recommendations generally reflect a maintenance budget, with an increase to accommodate increased populations in youth detention and out of state placements. In addition, the Subcommittee increased the allocation for Child Care Assistance by \$700,000 to provide after school care for children of low income working families. This will assist in care of students between the time school ends and the workday ends by providing additional opportunity for learning, a healthy, safe environment for play, and prevents those children from being unsupervised during that time of day.

This budget reorganized the child nutrition program into one component to achieve better identity and more efficient operations. The subcommittee also recommended that the Department of Education & Early Development return the child care licensing function to the Department of Health and Social Services. This will maintain maximum efficiency by continuing to have it done with other certification functions in the Division of Family and Youth Services.

The subcommittee also eliminated a legislative liaison position, understanding it will require more legislative effort to work with the department. The Subcommittee also returned a newly created deputy commissioner position to its previous division director level. The Council on the Arts general fund allocation was modestly reduced in the amount of new AIPP funds. These savings were reallocated to direct child services.

In addition, the Subcommittee recommended a letter of intent supporting the use of the \$700,000 increase in childcare subsidies for after school care for children of low income working families.

House Finance Subcommittee
Department of Education and Early Development
FY01 Operating Budget

Letter of Intent

An additional \$700,000 in general funds was added to Child Care Assistance & Licensing in the Division of Early Development to provide resources for after school child care. Currently, approximately 1,150 or 34% of children in subsidized childcare per month are of school age, between the ages of 5 and 12. Care for children between the time the school day ends and the work day ends provides additional opportunity for learning, a healthy, safe environment for play, and prevents children of working low income families from being alone and unsupervised.

These funds would be targeted to serve approximately 500 additional eligible children between the ages of 5 and 12.

Agency Totals - FY01 Operating Budget

Agency: Department of Education and Early Development

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Totals for Agency	882,723.0	912,984.7	912,984.7	899,159.7	-13,825.0	-1.5%

Objects of Expenditure:

Personal Services	24,678.0	26,215.3	25,880.8	25,957.5	76.7	0.3%
Travel	1,238.7	1,280.8	1,269.5	1,455.0	185.5	14.6%
Contractual	16,795.0	23,696.6	24,051.8	25,740.9	1,689.1	7.0%
Commodities	2,702.5	2,975.0	2,972.6	2,885.3	-87.3	-2.9%
Equipment	835.5	215.1	215.1	258.1	43.0	20.0%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	836,473.3	858,601.9	858,594.9	842,862.9	-15,732.0	-1.8%
Miscellaneous	0.0	0.0	0.0	0.0	-0.0	%

Funding Sources:

1002 Fed Rcpts	91,785.1	102,328.9	102,328.9	113,583.3	11,254.4	11.0%
1003 G/F Match	792.4	827.4	827.4	3,854.8	3,027.4	365.9%
1004 Gen Fund	702,978.6	731,559.8	731,559.8	711,800.2	-19,759.6	-2.7%
1005 GF/Prgm	1,709.9	1,382.9	1,382.9	1,384.4	1.5	0.1%
1007 I/A Rcpts	32,148.7	38,421.0	38,421.0	27,587.6	-10,833.4	-28.2%
1014 Donat Comm	175.3	250.0	250.0	225.0	-25.0	-10.0%
1037 GF/MH	110.1	110.1	110.1	110.1	0.0	0.0%
1043 P/L 81-874	20,791.3	20,791.3	20,791.3	20,791.0	-0.3	-0.0%
1053 Invst Loss	17.2				0.0	%
1061 CIP Rcpts	122.1	179.3	179.3	128.9	-50.4	-28.1%
1066 Pub School	7,118.7	7,612.8	7,612.8	8,415.6	802.8	10.5%
1092 MHTAAR	49.0				0.0	%
1098 ChildTrErn	296.1	345.7	345.7	405.7	60.0	17.4%
1103 AHFC Rcpts	17,215.7				0.0	%
1106 P-Sec Rcpt	7,071.1	7,485.1	7,485.1	9,037.3	1,552.2	20.7%
1108 Stat Desig	341.7	1,690.4	1,690.4	1,760.2	69.8	4.1%
1145 AIPP Fund				75.6	75.6	%

Positions:

Perm Full Time	361.0	369.0	362.0	362.0	0.0	0.0%
Perm Part Time	104.0	107.0	108.0	108.0	0.0	0.0%
Non-Perm	4.0	5.0	2.0	2.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Education and Early Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
K-12 Support							
1	Foundation Program	672,916.8	689,054.3	689,054.3	669,887.4	-19,166.9	-2.8%
2	Tuition Students	1,921.2	2,225.0	2,225.0	2,225.0	0.0	0.0%
3	Boarding Home Grants	185.9	185.9	185.9	185.9	0.0	0.0%
4	Youth in Detention	800.0	800.0	800.0	1,100.0	300.0	37.5%
5	Schools for the Handicapped	3,801.7	3,840.5	3,840.5	4,315.3	474.8	12.4%
8	Community Schools	500.0	400.0	400.0	500.0	100.0	25.0%
	* BRU Total	680,125.6	696,505.7	696,505.7	678,213.6	-18,292.1	-2.6%
Pupil Transportation							
6	Pupil Transportation	39,775.1	39,775.1	39,775.1	39,775.1	0.0	0.0%
	* BRU Total	39,775.1	39,775.1	39,775.1	39,775.1	0.0	0.0%
Executive Administration							
14	State Board of Education	150.1	93.4	93.4	143.4	50.0	53.5%
15	Commissioner's Office		449.3	449.3	449.3	0.0	0.0%
16	Office of the Commissioner	475.2				0.0	0.0%
18	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
22	Donated Commodities	175.3	275.0	275.0	-0.0	-275.0	-100.0%
	* BRU Total	800.6	817.7	817.7	592.7	-225.0	-27.5%
Teaching and Learning Support							
9	Special & Supplemental Service	48,743.7	47,958.8	47,958.8	47,753.8	-205.0	-0.4%
10	Quality Schools	23,173.2	30,632.9	30,632.9	30,675.5	42.6	0.1%
11	Education Special Projects	555.0	592.3	592.3	672.3	80.0	13.5%
12	Teacher Certification	439.3	682.8	682.8	682.8	0.0	0.0%
13	Child Nutrition Administration	578.1	727.7	727.7	-0.0	-727.7	-100.0%
	* BRU Total	73,489.3	80,594.5	80,594.5	79,784.4	-810.1	-1.0%
Early Development							
7	Child Nutrition	24,639.1	26,000.0	26,000.0	26,952.7	952.7	3.7%
26	Child Care Assist & Licensing				26,071.5	26,071.5	%
25	Head Start Grants	5,941.5	6,029.2	6,029.2	6,029.2	0.0	0.0%
27	Special Programs				3,789.8	3,789.8	%

Component Summary - FY01 Operating Budget

Agency: Department of Education and Early Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Early Development							
23	Child Care	3,472.6	4,310.5	4,310.5	0.0	-4,310.5	-100.0%
24	Day Care Assistance Programs	20,321.2	20,185.1	20,185.1	0.0	-20,185.1	-100.0%
	* BRU Total	54,374.4	56,524.8	56,524.8	62,843.2	6,318.4	11.2%
Children's Trust Programs							
28	Children's Trust Programs	296.1	345.7	345.7	405.7	60.0	17.4%
	* BRU Total	296.1	345.7	345.7	405.7	60.0	17.4%
Education Support Services							
17	Administrative Services	1,300.8	1,220.8	1,220.8	1,170.8	-50.0	-4.1%
19	Information Services	673.2	744.8	744.8	643.6	-101.2	-13.6%
20	District Support Services	764.8	1,070.6	1,070.6	1,019.2	-51.4	-4.8%
21	Educational Facilities Support	674.7	685.6	685.6	685.6	0.0	0.0%
	* BRU Total	3,413.5	3,721.8	3,721.8	3,519.2	-202.6	-5.4%
Alyeska Central School							
29	Alyeska Central School	5,593.0	5,809.7	5,809.7	4,953.6	-856.1	-14.7%
	* BRU Total	5,593.0	5,809.7	5,809.7	4,953.6	-856.1	-14.7%
Commissions and Boards							
30	Prof Teaching Practices Comm	179.0	185.9	185.9	185.9	0.0	0.0%
31	Alaska State Council on the Arts	918.6	1,104.2	1,104.2	1,104.2	0.0	0.0%
	* BRU Total	1,097.6	1,290.1	1,290.1	1,290.1	0.0	0.0%
Kotzebue Technical Center Operations Grant							
32	Kotzebue Tech Operations Grant	634.0	609.0	609.0	609.0	0.0	0.0%
	* BRU Total	634.0	609.0	609.0	609.0	0.0	0.0%
Alaska Vocational Technical Center Operations							
33	AVTEC Operations	5,234.2	5,341.1	5,341.1	5,441.1	100.0	1.9%
	* BRU Total	5,234.2	5,341.1	5,341.1	5,441.1	100.0	1.9%
Mt. Edgecumbe Boarding School							
34	Mt. Edgecumbe Boarding School	4,488.7	4,350.7	4,350.7	4,409.0	58.3	1.3%

Component Summary - FY01 Operating Budget

Agency: Department of Education and Early Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
	Mt. Edgecumbe Boarding School						
	* BRU Total	4,488.7	4,350.7	4,350.7	4,409.0	58.3	1.3%
	State Facilities Maintenance						
36	State Facilities Maintenance		1,496.1	1,496.1	1,406.1	0.0	0.0%
	* BRU Total	0.0	1,496.1	1,496.1	1,496.1	0.0	0.0%
	Alaska Library and Museums						
37	Library Operations	4,503.3	4,620.7	4,620.7	4,620.7	0.0	0.0%
38	Archives	657.5	688.7	688.7	688.7	0.0	0.0%
39	Museum Operations	1,324.5	1,392.9	1,392.9	1,404.9	12.0	0.9%
40	Specific Cultural Programs	29.2				0.0	0.0%
	* BRU Total	6,514.5	6,702.3	6,702.3	6,714.3	12.0	0.2%
	Alaska Postsecondary Education Commission						
41	Program Administration	1,013.3	1,050.3	1,050.3	1,050.3	0.0	0.0%
42	Student Loan Operations	6,139.1	6,530.1	6,530.1	6,530.1	0.0	0.0%
43	WICHE Student Exchange Program	83.0	85.0	85.0	88.0	3.0	3.5%
44	WWAMI Medical Education	1,355.0	1,435.0	1,435.0	1,444.2	9.2	0.6%
	* BRU Total	8,590.4	9,100.4	9,100.4	9,112.6	12.2	0.1%
	*** Total Agency Expenditure	882,723.0	912,984.7	912,984.7	899,159.7	-13,825.0	-1.5%
	Federal Restricted Funds	112,751.7	123,370.2	123,370.2	134,599.3	11,229.1	9.1%
	General Purpose Funds	705,608.2	733,880.2	733,880.2	717,149.5	-16,730.7	-2.3%
	Other Funds	64,363.1	55,734.3	55,734.3	47,410.9	-8,323.4	-14.9%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Education and Early Development

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
K-12 Support							
1	Foundation Program	631,070.6	660,650.5	660,650.5	640,680.8	-19,969.7	-3.0%
2	Tuition Students	1,921.2	2,225.0	2,225.0	2,225.0	0.0	0.0%
3	Boarding Home Grants	185.9	185.9	185.9	185.9	0.0	0.0%
4	Youth in Detention	800.0	800.0	800.0	1,100.0	300.0	37.5%
5	Schools for the Handicapped	3,801.7	3,840.5	3,840.5	4,315.3	474.8	12.4%
8	Community Schools	500.0	400.0	400.0	500.0	100.0	25.0%
	* BRU Total	638,279.4	668,101.9	668,101.9	649,007.0	-19,094.9	-2.9%
Pupil Transportation							
6	Pupil Transportation	36,609.6	39,775.1	39,775.1	39,775.1	0.0	0.0%
	* BRU Total	36,609.6	39,775.1	39,775.1	39,775.1	0.0	0.0%
Executive Administration							
15	Commissioner's Office		174.9	174.9	123.8	-51.1	-29.2%
16	Office of the Commissioner	191.5				0.0	0.0%
18	Unallocated Reduction		0.0	0.0	0.0	-0.0	0.0%
	* BRU Total	191.5	174.9	174.9	123.8	-51.1	-29.2%
Teaching and Learning Support							
9	Special & Supplemental Service	1,860.7	123.9	123.9	123.9	0.0	0.0%
10	Quality Schools	1,656.8	4,577.4	4,577.4	4,577.4	0.0	0.0%
11	Education Special Projects	148.5	50.0	50.0	50.0	0.0	0.0%
12	Teacher Certification	425.7	666.4	666.4	666.4	0.0	0.0%
13	Child Nutrition Administration	45.1	45.1	45.1	-0.0	-45.1	-100.0%
	* BRU Total	4,136.8	5,462.8	5,462.8	5,417.7	-45.1	-0.8%
Early Development							
7	Child Nutrition				45.1	45.1	%
26	Child Care Assist & Licensing				4,496.9	4,496.9	%
25	Head Start Grants	5,747.5	3,400.0	3,400.0	3,400.0	0.0	0.0%
27	Special Programs				77.5	77.5	%
23	Child Care	1,780.3	525.5	525.5	0.0	-525.5	-100.0%
24	Day Care Assistance Programs	2,219.7				0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Education and Early Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Early Development							
	* BRU Total	9,747.5	3,925.5	3,925.5	8,019.5	4,094.0	104.3%
Education Support Services							
17	Administrative Services	743.2	718.9	718.9	718.9	0.0	0.0%
19	Information Services	390.4	369.7	369.7	369.7	0.0	0.0%
20	District Support Services	623.9	1,019.2	1,019.2	1,019.2	0.0	0.0%
21	Educational Facilities Support	132.6				0.0	0.0%
	* BRU Total	1,890.1	2,107.8	2,107.8	2,107.8	0.0	0.0%
Alyeska Central School							
29	Alyeska Central School	63.1	91.2	91.2	91.2	0.0	0.0%
	* BRU Total	63.1	91.2	91.2	91.2	0.0	0.0%
Commissions and Boards							
30	Prof Teaching Practices Comm	179.0	185.9	185.9	185.9	0.0	0.0%
31	Ak State Council on the Arts	462.8	461.1	461.1	385.5	-75.6	-16.4%
	* BRU Total	641.8	647.0	647.0	571.4	-75.6	-11.7%
Kotzebue Technical Center Operations Grant							
32	Kotzebue Tech Operations Grant	634.0	609.0	609.0	609.0	0.0	0.0%
	* BRU Total	634.0	609.0	609.0	609.0	0.0	0.0%
Alaska Vocational Technical Center Operations							
33	AVTEC Operations	4,060.8	3,320.7	3,320.7	3,320.7	0.0	0.0%
	* BRU Total	4,060.8	3,320.7	3,320.7	3,320.7	0.0	0.0%
Mt. Edgecumbe Boarding School							
34	Mt. Edgecumbe Boarding School	2,273.8	2,430.3	2,430.3	2,430.3	0.0	0.0%
	* BRU Total	2,273.8	2,430.3	2,430.3	2,430.3	0.0	0.0%
Alaska Library and Museums							
37	Library Operations	3,722.1	3,786.9	3,786.9	3,786.9	0.0	0.0%
38	Archives	551.3	554.3	554.3	554.3	0.0	0.0%
39	Museum Operations	1,319.2	1,352.8	1,352.8	1,334.8	-18.0	-1.3%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Education and Early Development

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Alaska Library and Museums							
40	Specific Cultural Programs	29.2				0.0	0.0%
	* BRU Total	5,621.8	5,694.0	5,694.0	5,676.0	-18.0	-0.3%
Alaska Postsecondary Education Commission							
41	Program Administration	10.0	10.0	10.0	0.0	-10.0	-100.0%
42	Student Loan Operations	10.0	10.0	10.0	0.0	-10.0	-100.0%
43	WICHE Student Exchange Program	83.0	85.0	85.0	0.0	-85.0	-100.0%
44	WWAMI Medical Education	1,355.0	1,435.0	1,435.0	-0.0	-1,435.0	-100.0%
	* BRU Total	1,458.0	1,540.0	1,540.0	-0.0	-1,540.0	-100.0%
	*** Total Agency Expenditure	705,608.2	733,880.2	733,880.2	717,149.5	-16,730.7	-2.3%