

ALASKA LEGISLATURE **1996**

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

funding is not identified, the lab will be unable to analyze convicted offender samples for inclusion in the DNA Identification System database and DNA evidence in criminal cases will experience increasing backlogs and will affect the Crime Lab's ability to meet court deadlines for trial. Toxicology/DWI analysis of blood and urine evidence for the presence of controlled substances still will not be provided to law enforcement agencies.

Program Area:	Dollar Amount(s):	Fund Source(s):
Statewide Support APSIN Smart Start Programmer	(90.6)	GF

Impact Analysis:

Failure to fund this request will eliminate funding for one new programmer position, dedicated to providing technical support for projects directly related to state and federal laws and programs to protect children. The position is needed to improve accessibility to comprehensive, up-to-date, automated records about sexual predators, domestic violence offenders, and others that pose risks to children. This will be accomplished by modifying and integrating existing information systems and designing new programs based on the latest technology.

Program Area:	Dollar Amount(s):	Fund Source(s):
Statewide Support AK Criminal Records & Identification Criminal History and Fingerprint Background Checks	(200.0)	Fee Based

Impact Analysis:

R&I cannot maintain the criminal history database and provide criminal records checks without authorization to receive and expend all of the revenues submitted as payments for R&I service. This will result in delayed processing of all three workload priorities, most significantly, criminal records checks for employment/licensing purposes (school bus drivers, school districts, child care). Unsuitable candidates may be placed in sensitive positions, potentially placing a vulnerable citizen at risk. Conversely, those without criminal history records may have hiring or licensing decisions delayed or not acted upon due to increased processing time.

**House Finance Subcommittee
Department of Public Safety
FY01 Operating Budget**

This narrative describes the effect of the budget allocations proposed for the Department of Public Safety on the attached report. The House Subcommittee on Public Safety closed out on February 29, 2000. The recommendations are within the budget allocation.

The subcommittee work is based on growth from the FY00 Management Plan. Changes to the Management Plan are addressed at the BRU level. Components not specifically mentioned are funded at the Management Plan level.

The FY01 Subcommittee recommendations reflect a maintenance budget. The Subcommittee realizes the importance of keeping Alaska State Troopers on the street fighting crime. They further appreciate the significance of Fish and Wildlife enforcement and provided for additional maintenance personnel to ensure that department aircraft is in safe condition for search and rescue missions and other trooper operations.

The Subcommittee allowed the transfer of the Highway Safety Planning Agency to DOT per the Governor's Executive Order #101. This transfer will promote greater efficiency and effectiveness in promoting safer highways.

In the Council and Domestic Violence and Sexual Assault BRU, the subcommittee allowed a fund switch of 500.0 from GF to PFD Fund. Since the Majority implemented the 5-year plan in FY97 to reduce state spending by 250.0 Million, the total CDVSA budget has grown by over 25%. The Subcommittee reduced the CDVSA budget for FY01 by 335.0 GF. The reduction included backing out a one time item of 125.0 GF for which funding had ended. The remainder of the reduction is being allocated to their travel budget and miscellaneous items.

**The Subcommittee's General-Purpose allocation for FY01 is \$77,418.9.
The Subcommittee's recommendations total \$77,292.1**

Agency Totals - FY01 Operating Budget

Agency: Department of Public Safety

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Totals for Agency	93,736.1	97,535.5	97,535.5	97,533.0	-1,002.5	-1.0%
<u>Objects of Expenditure:</u>						
Personal Services	51,914.7	54,851.1	54,809.0	53,205.2	-1,603.8	-2.9%
Travel	3,765.7	4,365.5	4,402.0	4,338.8	-63.2	-1.4%
Contractual	21,185.6	17,673.8	17,666.9	19,220.5	1,553.6	8.8%
Commodities	3,294.4	2,934.5	2,947.0	2,965.7	18.7	0.6%
Equipment	2,179.2	557.7	557.7	704.0	146.3	26.2%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	11,396.5	17,152.9	17,152.9	16,098.8	-1,054.1	-6.1%
Miscellaneous	0.0	-0.0	-0.0	-0.0	-0.0	%
<u>Funding Sources:</u>						
1002 Fed Rcpts	8,737.2	10,237.3	10,237.3	9,016.2	-1,221.1	-11.9%
1003 G/F Match	467.1	527.3	527.3	452.5	-74.8	-14.2%
1004 Gen Fund	74,794.7	75,539.3	75,539.3	74,987.3	-552.0	-0.7%
1005 GF/Prgm	1,954.2	1,852.3	1,852.3	1,852.3	-0.0	-0.0%
1007 I/A Rcpts	3,537.6	4,524.0	4,524.0	4,352.8	-171.2	-3.8%
1024 Fish/Game	1,135.7	1,060.7	1,060.7	919.2	-141.5	-13.3%
1050 PFD Fund	2,904.8	3,234.0	3,234.0	4,154.0	920.0	28.4%
1053 Invst Loss	83.1				0.0	%
1055 IA/OIL HAZ	41.9	49.3	49.3	49.3	0.0	0.0%
1108 Stat Desig	79.8	511.3	511.3	749.4	238.1	46.6%
<u>Positions:</u>						
Perm Full Time	768.0	740.0	743.0	717.0	-26.0	-3.5%
Perm Part Time	23.0	27.0	24.0	22.0	-2.0	-8.3%
Non-Perm	2.0	1.0	1.0	1.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	FY00Auth	00MgtPin	HouseSC	00MgtPin to HouseSC	
Fish and Wildlife Protection							
1	Enforcement/Investigative Svcs	11,074.8	11,143.1	11,143.1	11,140.5	-2.6	-0.0%
2	Director's Office	253.3	247.8	247.8	253.4	5.6	2.3%
3	Aircraft Section	2,028.3	1,629.8	1,629.8	1,813.4	183.6	11.3%
4	Marine Enforcement	2,859.4	2,928.0	2,928.0	3,058.2	130.2	4.4%
5	AK Fish & Wildlife Safeguard		15.0	15.0	0.0	-15.0	-100.0%
	* BRU Total	16,215.8	15,963.7	15,963.7	16,265.5	301.8	1.9%
Dalton Highway Protection							
6	Dalton Highway Protection	90.0	90.2	90.2	90.2	0.0	0.0%
	* BRU Total	90.0	90.2	90.2	90.2	0.0	0.0%
Fire Prevention							
7	Fire Prevention Operations	1,450.5	1,442.7	1,442.7	1,567.7	125.0	8.7%
8	Fire Service Training	568.1	643.3	643.3	743.3	100.0	15.5%
	* BRU Total	2,018.6	2,086.0	2,086.0	2,311.0	225.0	10.8%
Alaska Fire Standards Council							
9	AK Fire Standards Council				100.0	100.0	%
	* BRU Total	0.0	0.0	0.0	100.0	100.0	%
Highway Safety Planning Agency							
10	Hwy Safety Planning Operations	139.5	142.3	142.3	0.0	-142.3	-100.0%
11	Federal Grants	1,251.9	1,457.7	1,457.7	0.0	-1,457.7	-100.0%
	* BRU Total	1,391.4	1,600.0	1,600.0	0.0	-1,600.0	-100.0%
Alaska State Troopers							
12	Special Projects	1,308.3	1,385.3	1,385.3	2,039.5	654.2	47.2%
13	Criminal Investigations Bureau	3,047.8	3,136.3	3,136.3	3,061.1	-75.2	-2.4%
14	Director's Office	684.5	651.8	651.8	651.8	0.0	0.0%
15	Judicial Services-Anchorage	1,904.5	1,913.4	1,913.4	1,913.4	0.0	0.0%
16	Prisoner Transportation	1,423.0	1,476.7	1,476.7	1,476.7	0.0	0.0%
17	Search and Rescue	239.3	283.1	283.1	283.1	0.0	0.0%
18	Rural Trooper Housing	611.7	625.2	625.2	663.3	38.1	6.1%
19	Narcotics Task Force	2,950.3	3,224.9	3,224.9	3,224.9	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Alaska State Troopers							
20	Commercial Vehicle Enforcement	105.3	89.9	89.9	89.9	0.0	0.0%
	* BRU Total	12,274.7	12,786.6	12,786.6	13,403.7	617.1	4.8%
Alaska State Trooper Detachments							
21	AST Detachments	32,400.3	34,289.7	34,289.7	33,248.2	-1,041.5	-3.0%
	* BRU Total	32,400.3	34,289.7	34,289.7	33,248.2	-1,041.5	-3.0%
Village Public Safety Officer Program							
22	Contracts	5,273.0	5,523.5	5,523.5	5,523.5	0.0	0.0%
23	Support	1,645.2	1,721.0	1,721.0	1,771.0	50.0	2.9%
24	Administration	229.7	253.5	253.5	253.5	0.0	0.0%
	* BRU Total	7,147.9	7,498.0	7,498.0	7,548.0	50.0	0.7%
Alaska Police Standards Council							
25	Ak Police Standards Council	840.3	718.0	718.0	718.0	0.0	0.0%
	* BRU Total	840.3	718.0	718.0	718.0	0.0	0.0%
Violent Crimes Compensation Board							
26	Violent Crimes Comp Board	1,341.0	1,356.9	1,356.9	1,754.8	397.9	29.3%
	* BRU Total	1,341.0	1,356.9	1,356.9	1,754.8	397.9	29.3%
Council on Domestic Violence and Sexual Assault							
27	Domestic Viol/Sexual Assault	8,625.1	8,957.8	8,957.8	8,622.8	-335.0	-3.7%
	* BRU Total	8,625.1	8,957.8	8,957.8	8,622.8	-335.0	-3.7%
Batterer's Intervention Program							
28	Batterers Intervention Program	316.0	320.0	320.0	320.0	0.0	0.0%
	* BRU Total	316.0	320.0	320.0	320.0	0.0	0.0%
Statewide Support							
29	Commissioner's Office	640.7	632.6	632.6	632.6	0.0	0.0%
30	Training Academy	1,471.8	1,374.4	1,374.4	1,449.4	75.0	5.5%
31	Administrative Services	1,790.9	1,815.1	1,815.1	1,815.1	0.0	0.0%
32	Alaska Wing Civil Air Patrol	503.1	503.1	503.1	503.1	0.0	0.0%
33	Laboratory Services	2,168.6	2,103.0	2,103.0	2,249.5	146.5	7.0%

Component Summary - FY01 Operating Budget

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
	Statewide Support						
34	AP SIN	1,678.4	1,920.7	1,920.7	1,920.7	0.0	0.0%
35	Alaska Criminal Records and ID	2,721.5	2,760.9	2,760.9	2,821.6	60.7	2.2%
36	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	10,975.0	11,109.8	11,109.8	11,392.0	282.2	2.5%
	Facility Maintenance						
37	Facility Maintenance		608.8	608.8	608.8	0.0	0.0%
	* BRU Total	0.0	608.8	608.8	608.8	0.0	0.0%
	Victims for Justice						
38	Victims for Justice	100.0	150.0	150.0	150.0	0.0	0.0%
	* BRU Total	100.0	150.0	150.0	150.0	0.0	0.0%
	*** Total Agency Expenditure	93,736.1	97,535.5	97,535.5	96,533.0	-1,002.5	-1.0%
	Federal Restricted Funds	8,737.2	10,237.3	10,237.3	9,016.2	-1,221.1	-11.9%
	General Purpose Funds	77,299.1	77,918.9	77,918.9	77,292.1	-626.8	-0.8%
	Other Funds	7,699.8	9,379.3	9,379.3	10,224.7	845.4	9.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Public Safety

<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>	
Fish and Wildlife Protection							
1	Enforcement/Investigative Svcs	10,376.2	10,554.8	10,554.8	10,568.7	13.9	0.1%
2	Director's Office	253.3	247.8	247.8	253.4	5.6	2.3%
3	Aircraft Section	1,465.5	1,427.3	1,427.3	1,575.6	148.3	10.4%
4	Marine Enforcement	2,458.3	2,526.9	2,526.9	2,657.1	130.2	5.2%
5	AK Fish & Wildlife Safeguard		15.0	15.0	0.0	-15.0	-100.0%
	* BRU Total	14,553.3	14,771.8	14,771.8	15,054.8	283.0	1.9%
Dalton Highway Protection							
6	Dalton Highway Protection	90.0	90.2	90.2	90.2	0.0	0.0%
	* BRU Total	90.0	90.2	90.2	90.2	0.0	0.0%
Fire Prevention							
7	Fire Prevention Operations	1,385.4	1,413.1	1,413.1	1,413.1	0.0	0.0%
8	Fire Service Training	383.9	375.5	375.5	375.5	0.0	0.0%
	* BRU Total	1,769.3	1,788.6	1,788.6	1,788.6	0.0	0.0%
Highway Safety Planning Agency							
10	Hwy Safety Planning Operations	73.3	74.8	74.8	0.0	-74.8	-100.0%
	* BRU Total	73.3	74.8	74.8	0.0	-74.8	-100.0%
Alaska State Troopers							
13	Criminal Investigations Bureau	2,954.6	3,061.1	3,061.1	3,061.1	0.0	0.0%
14	Director's Office	684.5	651.8	651.8	651.8	0.0	0.0%
15	Judicial Services-Anchorage	1,904.5	1,913.4	1,913.4	1,913.4	0.0	0.0%
16	Prisoner Transportation	1,423.0	1,476.7	1,476.7	1,476.7	0.0	0.0%
17	Search and Rescue	239.3	283.1	283.1	283.1	0.0	0.0%
18	Rural Trooper Housing	535.7	252.8	252.8	252.8	0.0	0.0%
19	Narcotics Task Force	393.8	439.6	439.6	439.6	0.0	0.0%
	* BRU Total	8,135.4	8,078.5	8,078.5	8,078.5	0.0	0.0%
Alaska State Trooper Detachments							
21	AST Detachments	32,268.9	32,773.3	32,773.3	32,773.3	0.0	0.0%
	* BRU Total	32,268.9	32,773.3	32,773.3	32,773.3	0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Village Public Safety Officer Program							
22	Contracts	5,253.0	5,523.5	5,523.5	5,523.5	0.0	0.0%
23	Support	1,623.0	1,721.0	1,721.0	1,721.0	0.0	0.0%
24	Administration	229.7	253.5	253.5	253.5	0.0	0.0%
	* BRU Total	7,105.7	7,498.0	7,498.0	7,498.0	0.0	0.0%
Alaska Police Standards Council							
25	Ak Police Standards Council	840.3	718.0	718.0	718.0	0.0	0.0%
	* BRU Total	840.3	718.0	718.0	718.0	0.0	0.0%
Violent Crimes Compensation Board							
26	Violent Crimes Comp Board	253.6				0.0	0.0%
	* BRU Total	253.6	0.0	0.0	0.0	0.0	0.0%
Council on Domestic Violence and Sexual Assault							
27	Domestic Viol/Sexual Assault	3,962.4	3,854.1	3,854.1	3,019.1	-835.0	-21.7%
	* BRU Total	3,962.4	3,854.1	3,854.1	3,019.1	-835.0	-21.7%
Batterer's Intervention Program							
28	Batterers Intervention Program	116.0				0.0	0.0%
	* BRU Total	116.0	0.0	0.0	0.0	0.0	0.0%
Statewide Support							
29	Commissioner's Office	640.7	632.6	632.6	632.6	0.0	0.0%
30	Training Academy	872.2	837.7	837.7	837.7	0.0	0.0%
31	Administrative Services	1,709.7	1,714.7	1,714.7	1,714.7	0.0	0.0%
32	Alaska Wing Civil Air Patrol	503.1	503.1	503.1	503.1	0.0	0.0%
33	Laboratory Services	1,956.3	1,965.3	1,965.3	1,965.3	0.0	0.0%
34	APSIN	895.6	978.7	978.7	978.7	0.0	0.0%
35	Alaska Criminal Records and ID	1,453.3	1,489.5	1,489.5	1,489.5	0.0	0.0%
36	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	8,030.9	8,121.6	8,121.6	8,121.6	0.0	0.0%
Victims for Justice							
38	Victims for Justice	100.0	150.0	150.0	150.0	0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Public Safety

<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>	
	Victims for Justice						
	* BRU Total	100.0	150.0	150.0	150.0	0.0	0.0%
	*** Total Agency Expenditure	77,299.1	77,918.9	77,918.9	77,292.1	-626.8	-0.8%

DEPT. OF
REVENUE

REV #1

NO OBJ

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE BUNDE

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

1 Page 25, lines 28 - 31:

2 Delete

	ALLOCATIONS	APPROPRIATION	OTHER
		ITEMS	FUNDS
3			
4			
5	"Permanent Fund Corporation	50,766,700	50,766,700
6	Permanent Fund Corporation	8,180,900	
7	PFC Custody and Management	42,585,800	
8	Fees"		

9 Insert

	ALLOCATIONS	APPROPRIATION	OTHER
		ITEMS	FUNDS
10			
11			
12	"Permanent Fund Corporation	8,180,900	8,180,900
13	Permanent Fund Corporation-	47,585,800	47,585,800
14	Custody and Management		
15	Fees"		

**Department of Revenue
Impact Statements in Response to
House Finance Subcommittee Budget Proposals
Date: March 1, 2000
Prepared by: Larry Persily, Deputy Commissioner**

Program Area:	Dollar Amount(s):	Fund Source(s):
Tax Division Reduction in contractual funds	(\$219.1)	General Fund

Impact Analysis:

If the legislature approves a pending FY2000 supplemental of \$150.0, the Tax Division will be able to take this decrement because the contractual expenses will be less than expected to defend the state's position in a property tax assessment challenge from BP. The supplemental appropriation for FY 2000 (which has an extended lapse date) will be used to pay the division's expenses in this and another property tax case in FY 2000 and FY 2001.

BP has stated its intent to challenge the state's property tax assessment of its oil and gas producing property at Prudhoe Bay. The company is expected to file its multimillion-dollar property tax assessment challenge in the fall of 2000, requiring the Tax Division to spend contractual money in FY 2001 to hire oil and gas property tax assessors and other experts to defend the state's position. Arco filed a similar challenge this year (FY 2000) to the state's assessment of the Kuparuk oil field. In negotiating this winter with Arco and BP, the Tax Division believes it has reached a framework for a settlement that will be applicable to both Kuparuk and Prudhoe.

The Tax Division believes its FY 2000 supplemental budget request of \$150.0 will be sufficient to handle its contractual needs for both the Arco/Kuparuk case and the BP/Prudhoe case, allowing the division to take this decrement in FY 2001 funding.

Program Area:	Amount(s):	Source(s):
Administrative Services Division Fund source switch	(\$100.0) \$100.0	General Fund Interagency Receipts

Impact Analysis:

Based on this winter's cost-allocation study prepared by the state's contractor, the Administrative Services Division will take a \$100.0 decrement in General Fund money and will replace it with \$100.0 in Interagency Receipts from the Permanent Fund Dividend Division. The cost-allocation study reported that the Dividend Division was not paying its fair share for support services at the Department of Revenue (data processing, payroll, personnel, etc.).

Program Area:	Amount(s):	Source(s):
Permanent Fund Dividend Division	\$100.0	Dividend Fund Receipts (Fund 1050)

Impact Analysis:

This winter's cost-allocation study prepared by the state's contractor determined that the Permanent Fund Dividend Division was not paying its fair share for support services at the Department of Revenue (data processing, payroll, personnel, etc.). Under AS 43.23.025(a)(1)(E), the Dividend Division is to use Permanent Fund earnings transferred each year to the Dividend Fund to pay for the administrative costs associated with the program. This budget entry will allow the Dividend Division to reimburse the Department of Revenue's Administrative Services Division for the full amount as determined in the cost-allocation study.

House Finance Subcommittee
Department of Revenue
FY01 Operating Budget

The House Finance Subcommittee for the Department of Revenue, working in concert with the Department of Revenue, approved the Department's budget 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 the department.

The FY01 subcommittee recommendations reflect approval of most non-general fund increments requested by the department, as well as, appropriate downward revisions to their requests for General Fund increases.

The subcommittee approved a General Fund decrement for the Tax Division of \$119.1. This decrement will allow the Child Support Enforcement Division (CSED) to retain an increment of \$119.1, which will attract 2-for-1 federal matching funds.

In addition to the approval of \$119.1 increment by the subcommittee for CSED. The subcommittee recommends approval \$150.0 in supplemental funds to allow the division to hire temporary employees to focus on bringing the divisions backlog of cases up to date.

The subcommittee also approved an increment of \$100.0 of non-General Fund money for the Permanent Fund Dividend Division. The approval of this money is based on a cost-allocation report that reflects a short fall in the amount the division should be paying for support services at the Commissioner's Office and the Administrative Services Division. Cost allocation is based on the level of service provided during the previous fiscal year.

The increment for the Permanent Fund Dividend Division will come from that portion of the Permanent Fund earnings reserve account transferred to the Dividend Fund solely for the payment of dividends and administrative and associated costs each year. The use of Permanent Fund earnings reserve funds is provided for under AS 43.23.045(a). In this budget scenario the use of Permanent Fund earnings translates into an increment from the Permanent Fund earnings reserve under AS 43.23.045 (a) to pay the cost of services and a corresponding decrement in General Fund expenditures.

The last item approved by the subcommittee to the Department of Revenue's budget is a General Fund decrement of \$100.0 in the Administrative Services division.

The subcommittee thanks the Department of Revenue for their hard work in helping the Legislature find ways to fund the necessary work of the Department while using less General Fund money.

Agency Totals - FY01 Operating Budget

Agency: Department of Revenue

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
Totals for Agency	128,560.3	147,729.1	147,729.1	155,303.7	7,574.6	5.1%
<u>Objects of Expenditure:</u>						
Personal Services	44,517.8	46,080.8	46,447.6	47,326.1	878.5	1.9%
Travel	1,321.9	1,678.2	1,678.2	1,782.0	103.8	6.2%
Contractual	78,324.5	96,671.4	96,304.6	102,552.4	6,247.8	6.5%
Commodities	1,881.2	1,684.0	1,684.0	2,303.1	619.1	36.8%
Equipment	1,514.9	999.7	999.7	725.1	-274.6	-27.5%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	1,000.0	615.0	615.0	615.0	0.0	0.0%
Miscellaneous	0.0	0.0	0.0	0.0	0.0	%
<u>Funding Sources:</u>						
1001 CBR Fund	460.0				0.0	%
1002 Fed Rcpts	27,403.3	28,686.7	28,686.7	29,703.8	1,017.1	3.5%
1003 G/F Match	1,792.0				0.0	%
1004 Gen Fund	7,341.8	7,461.6	7,461.6	7,242.5	-219.1	-2.9%
1005 GF/Prgm	1,859.5	4,141.7	4,141.7	4,260.8	119.1	2.9%
1007 I/A Rcpts	3,289.0	2,788.6	2,788.6	2,957.6	169.0	6.1%
1011 Educ Trust	19.2	19.2	19.2	28.5	9.3	48.4%
1016 Fed Incent	2,550.0	2,500.0	2,500.0	2,500.0	0.0	0.0%
1017 Ben Sys	99.5	105.5	105.5	99.0	-6.5	-6.2%
1027 Int Airprt	30.3	31.1	31.1	31.1	0.0	0.0%
1029 P/E Retire	17,232.7	20,919.8	20,919.8	21,062.3	142.5	0.7%
1034 Teach Ret	9,236.1	11,191.3	11,191.3	10,937.1	-254.2	-2.3%
1042 Jud Retire	127.7	157.6	157.6	193.4	35.8	22.7%
1045 Nat Guard	31.0	39.9	39.9	64.4	24.5	61.4%
1046 Stdnt Loan	21.6	22.2	22.2	22.2	0.0	0.0%
1050 PFD Fund	4,588.0	4,793.0	4,793.0	4,778.0	-15.0	-0.3%
1053 Invst Loss	31.1	17.3	17.3	17.3	0.0	0.0%
1061 CIP Rcpts	1,049.4	1,353.6	1,353.6	1,436.4	82.8	6.1%
1066 Pub School	67.7	67.7	67.7	153.6	85.9	126.9%
1094 MHT Admin	812.2	907.4	907.4	924.8	17.4	1.9%
1098 ChildTrErn	33.8	34.0	34.0	42.2	8.2	24.1%
1103 AHFC Rcpts	14,782.4	15,849.7	15,849.7	15,849.7	0.0	0.0%
1104 MBB Rcpts	339.5	462.4	462.4	462.4	0.0	0.0%
1105 PFund Rcpt	34,932.2	44,584.9	44,584.9	51,000.1	6,415.2	14.4%
1108 Stat Desig		491.6	491.6	491.6	0.0	0.0%
1133 IndCostRe	430.3	1,102.3	1,102.3	992.1	-110.2	-10.0%
1142 RHIF/MM				19.7	19.7	%

Agency Totals - FY01 Operating Budget

Agency: Department of Revenue

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPln to HouseSC</u>	
1143 RHIF/LTC				33.1	33.1	%
<u>Positions:</u>						
Perm Full Time	782.0	786.0	786.0	799.0	13.0	1.7%
Perm Part Time	32.0	30.0	30.0	26.0	-4.0	-13.3%
Non-Perm	56.0	58.0	58.0	55.0	-3.0	-5.2%

Component Summary - FY01 Operating Budget

Agency: Department of Revenue

<u>Page</u>	<u>Budget Component</u>	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPin</u>	<u>HouseSC</u>	<u>00MgtPin to HouseSC</u>	
Child Support Enforcement							
1	Child Support Enforcement	15,583.4	16,548.8	16,548.8	16,948.8	400.0	2.4%
	* BRU Total	15,583.4	16,548.8	16,548.8	16,948.8	400.0	2.4%
Alcohol Beverage Control Board							
2	Alcohol Beverage Control Board	635.8	636.2	636.2	636.2	0.0	0.0%
	* BRU Total	635.8	636.2	636.2	636.2	0.0	0.0%
Municipal Bond Bank Authority							
3	Municipal Bond Bank Authority	339.5	462.4	462.4	462.4	0.0	0.0%
	* BRU Total	339.5	462.4	462.4	462.4	0.0	0.0%
Permanent Fund Corporation							
4	Permanent Fund Corporation	6,905.7	7,866.2	7,866.2	8,180.9	314.7	4.0%
5	PFC Custody and Mgt Fees	28,026.5	36,485.3	36,485.3	42,585.8	6,100.5	16.7%
	* BRU Total	34,932.2	44,351.5	44,351.5	50,766.7	6,415.2	14.5%
Alaska Housing Finance Corporation							
6	Operations	14,432.9	33,679.0	33,679.0	34,447.1	768.1	2.3%
7	Anch State Office Bldg	1,984.7	1,984.7	1,984.7	1,984.7	0.0	0.0%
8	Rural Housing	3,910.4				0.0	0.0%
9	Public Housing	13,021.2				0.0	0.0%
	* BRU Total	33,349.2	35,663.7	35,663.7	36,431.8	768.1	2.2%
Alaska Mental Health Trust Authority							
10	Mental Health Trust Authority	812.2	907.4	907.4	924.8	17.4	1.9%
	* BRU Total	812.2	907.4	907.4	924.8	17.4	1.9%
Revenue Operations							
12	Treasury Management	2,814.1	2,817.5	2,817.5	2,954.0	136.5	4.8%
13	Ak State Pension Investment Bd	2,925.0	3,200.5	3,200.5	3,142.6	-57.9	-1.8%
14	ASPIB Custody and Mgt Fee	23,802.0	29,213.6	29,213.6	29,213.6	0.0	0.0%
11	Tax Division				6,611.0	6,611.0	%
16	Oil and Gas Audit	2,745.3	2,663.3	2,663.3	0.0	-2,663.3	-100.0%

Component Summary - FY01 Operating Budget

Agency: Department of Revenue

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Revenue Operations							
15	Income and Excise Audit	3,968.1	4,011.2	4,011.2	0.0	-4,011.2	-100.0%
	* BRU Total	36,254.5	41,906.1	41,906.1	41,921.2	15.1	0.0%
Administration and Support							
17	Commissioner's Office	929.6	1,340.4	1,347.2	1,347.2	0.0	0.0%
18	Administrative Services	1,099.8	1,083.5	1,076.7	1,034.6	-42.1	-3.9%
20	Unallocated Reduction		0.0	0.0	0.0	-0.0	0.0%
	* BRU Total	2,029.4	2,423.9	2,423.9	2,381.8	-42.1	-1.7%
Permanent Fund Dividend							
21	Permanent Fund Dividend	4,624.1	4,829.1	4,829.1	4,830.0	0.9	0.0%
	* BRU Total	4,624.1	4,829.1	4,829.1	4,830.0	0.9	0.0%
	*** Total Agency Expenditure	128,560.3	147,729.1	147,729.1	155,303.7	7,574.6	5.1%
	Federal Restricted Funds	30,383.6	32,289.0	32,289.0	33,195.9	906.9	2.8%
	General Purpose Funds	11,024.4	11,620.6	11,620.6	11,520.6	-100.0	-0.9%
	Other Funds	87,152.3	103,819.5	103,819.5	110,587.2	6,767.7	6.5%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Revenue

<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>	
Child Support Enforcement							
1	Child Support Enforcement	2,397.9	2,887.7	2,887.7	3,006.8	119.1	4.1%
	* BRU Total	2,397.9	2,887.7	2,887.7	3,006.8	119.1	4.1%
Alcohol Beverage Control Board							
2	Alcohol Beverage Control Board	635.8	636.2	636.2	636.2	0.0	0.0%
	* BRU Total	635.8	636.2	636.2	636.2	0.0	0.0%
Revenue Operations							
12	Treasury Management	635.6	1,116.1	1,116.1	1,116.1	0.0	0.0%
11	Tax Division				6,252.6	6,252.6	%
16	Oil and Gas Audit	2,727.6	2,411.7	2,411.7	0.0	-2,411.7	-100.0%
15	Income and Excise Audit	3,968.1	3,960.0	3,960.0	0.0	-3,960.0	-100.0%
	* BRU Total	7,331.3	7,487.8	7,487.8	7,368.7	-119.1	-1.6%
Administration and Support							
17	Commissioner's Office	161.1	141.3	144.0	144.0	0.0	0.0%
18	Administrative Services	498.3	467.6	464.9	364.9	-100.0	-21.5%
20	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	659.4	608.9	608.9	508.9	-100.0	-16.4%
	*** Total Agency Expenditure	11,024.4	11,620.6	11,620.6	11,520.6	-100.0	-0.9%

DEPT. OF

TRANSPORTATION

HOLD

DOT/PE # 1

AMENDMENT #

withdrawn

BY REPRESENTATIVE AUSTERMAN

DELETE

1.1
DEPARTMENT: Department of Transportation and Public Facilities
BRU: Administration and Support
Component: Commissioner's Office

Delete \$119.5 in general funds, Deputy, Commissioner Position

ADD

1.2
DEPARTMENT: Department of Transportation and Public Facilities
BRU: Highway and Aviation
Component: Central Region

Add \$100.0 in general funds for the Kalsin Bay Maintenance Station

Restores two heavy equipment operator maintenance positions. Two positions are required to safely and sufficiently operate this station. Restoration of these funds would allow for the adequate road maintenance on the Chiniak Highway from Middle Bay (Milepost 20) to Chiniak (Milepost 42). These positions would also restore service on the Pasagshak Highway from the "Y" (Milepost 00) to Narrow Cape Coast Guard Loran Station (Milepost 16). There are approximately 150-200 people living on these 2 road systems who are receiving limited service. There is very limited road maintenance serving the Kodiak Launch Complex at Narrow Cape. Lack of service and response time has created a hardship for the industry in the transportation of delicate equipment to the launch site. Many of the vital support services to residents and the launch complex have also been severely impacted. This says nothing of the time-loss residents are suffering from not being able to get to work.

1.3
ADD

DEPARTMENT: Department of Administration
BRU: Public Communication Services
Component: Public Broadcasting - Radio

Add \$19.5 in general funds for Public Radio

passed 7-4

DOT/PP #1/H
Replacement

AMENDMENT NO. _____

BY REPRESENTATIVE FOSTER

DELETE

DEPARTMENT: Department of Transportation and Public Facilities
BRU: Highways and Aviation
Component: Northern Highways and Aviation

Delete \$257.6 in general funds, Northern Highways and Aviation

ADD

DEPARTMENT: Department of Transportation and Public Facilities
BRU (New): Statewide Highways Snowplowing & Winter Maintenance
Component: Statewide Highways Snowplowing & Winter Maintenance

Add	Spring opening of Taylor Highway	\$132.0
	McCarthy Road	8.7
	Boundary Spur	10.5
	Nome/Teller Road	35.7
	Nome/Council Road	34.7
	Kougarok Road	36.0

This amendment moves funds currently in the recommended budget for Northern Region Highways and Aviation and places them into a separate BRU so that the funds cannot be used for another purpose. For the last two fiscal years spring opening for these and other roads has been eliminated so that funds can be used for other purposes. This has necessitated adding funds in the Supplemental Budget for the opening of these roads to meet the needs of the tourist and mining industries.

All of these route are of economic importance. The mining and tourist industries depend upon a scheduled opening of these roads for planning purposes. If roads are allowed to melt without some manual assistance, it is impossible to schedule tours or planned activities.

The economic impact of delayed openings is severe since both the mining and tourist industries have limited seasons. Shortening the season significantly reduces income for people dependent on these activities.

In the case of Nome, waiting for the roads to melt will completely eliminate much of the bird watching activity since it corresponds to the spring migrations of several species of birds that are normally found only in Asia.

DOT/PF# 1B

AMENDMENT NO. _____

withdrawn 3/7/00

BY REPRESENTATIVE FOSTER

AMEND: Letter of Intent
Department of Transportation and Public Facilities

Line 1 change (\$264.2) to \$257.6

Change designated roads and amounts to

Taylor Highway	\$132.0
Boundary Spur	10.5
McCarthy Road	8.7
Nome/Teller Road	35.7
Nome/Council Road	34.7
Kugarok Road	36.0

This amendment changes the estimated amounts in the subcommittee close-out to correspond to designated roads and estimated savings accruing from allowing these roads to melt open.

All of these routes are of economic importance. The mining and tourist industries depend upon a scheduled opening of these roads for planning purposes. If roads are allowed to melt without some manual assistance, it is impossible to schedule tours or planned activities.

The economic impact of delayed openings is severe since both the mining and tourist have limited seasons. Shortening the season significantly reduces income for people dependent on these activities.

In the case of Nome, waiting for the roads to melt will completely eliminate much of the bird watching activity since it corresponds to the spring migrations of several species of birds that are normally found only in Asia.

DOT/PF # 2

failed 3-7 3/7/00

Amendment #

TO: HB 312(Fin)

sponsored by Rep.

DELETE

Dept. of Transportation

APPROPRIATE BRU: Administration and Support

ALLOCATION Component: Southeast Region Support Services 2,103,000

ADD

Dept. of Transportation

APPROPRIATE BRU: Administration and Support

ALLOCATION Component: Southeast Region Support Services 2,135,000

DATE:

3/7/00

SUBJECT:

DOT # 2

MEMBER

YES

NO

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

TOTAL:

3	6
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PASSED

FAILED

Withdrawn

Amendment #

TO: HB 312(Fin)

sponsored by Rep.

DELETE

Dept. of Transportation

APPROP ~~BRTU~~: Administration and Support

ALLOCATION ~~Component~~: Northern Region Support Services 1,005,600

ADD

Dept. of Transportation

APPROP ~~BRTU~~: Administration and Support

ALLOCATION ~~Component~~: Northern Region Support Services 1,062,600 (CIP Receipts)

Dot/Pt # 7a
(3a)

adopted N/D 3/7/00

AMENDMENT ~~45~~

TO HB 312 (FIN)

SPONSORED BY REP. WILLIAMS

ADD

Department of Transportation

BRU: Regional Support Services

Component: Northern Region Support Services

30
~~206~~ CIP Receipts

DOT/PA # 1.c
no/obj

AMENDMENT TO HB 312

BY: Rep. *AUSTERMAN/DAVID*

*3/7/00
PM*

Delete:

Department of Corrections
Administration & Operations
Inmate programs

600,000 General funds

Add:

Department of Corrections
Administration & Operations
Inmate programs

600,000 PFD Funds

Add:

Department of Transportation & Public Facilities
BRU: Statewide Highways & Aviation
Component: Maintenance Needs

600,000 General Funds

Intent Language:

It is the intent of the legislature that these funds be used to open and maintain the Kalsin Bay Maintenance Station, maintain the Chitina Maintenance Station, the Circle Airport, Circle Hot Springs Airport, Wiseman Airport, the Ruby Poorman Road, and other roads and maintenance stations as this funding permits.

17

Whittier Tunnel

I have asked for additional information from the Department on a parking and a sewer/bathroom plan for the city of Whittier, but haven't received anything in writing. I haven't received an adequate spending plan from the department which explains why exactly they need the money which they are requesting.

Is the City of Whittier, with a population of 300, ready to have upwards of 1,000 vehicles per day come to their city? The clear answer is no. **There has been no overall plan to get the City of Whittier ready for the influx of people.** Whittier does not have the parking, bathroom, sewer, or solid waste facilities to handle a tripling of their population coming through their town every day.

Tolls- The department has decided not to charge any toll for using the tunnel until April 2001. Why was that decision made? The only word we've received from DOT is that they didn't want to impose a toll this year because tour operators didn't have the time to build the toll into their fees. It is my understanding (from talking to the Whittier city manager) that tour companies were charged \$700 per bus, plus \$20 per head (peak hours) to bring a bus through the tunnel on a train. Off peak charges were \$350 per bus and still \$20 per head. So peak hours would cost around \$1,000 to get a busload of tourists through the tunnel on the train. To my knowledge, tour companies have not lowered their price, and would get a substantial windfall by not having to pay to use the train or pay a toll to get to Whittier. So Mr. Chairman, from the information I have received, DOT's reasoning for not charging a toll this year is bogus.

According to the toll agreement between the fed. Highways and DOT (supplied by fed highways) toll revenues can be used:

1. For debt service (must not be needed this year because DOT is not proposing to charge a toll until next April)
2. For reasonable return on investment of any private person financing the project. (not applicable here—as far as I know)
3. For costs necessary for the proper operation and maintenance of the toll facility (the tunnel)
4. **DOT is entitled to use any toll revenues in excess of amounts required to accomplish the above 3 conditions, for any purpose for which federal funds may be obligated.**

Again, DOT must not need the tolls this year to satisfy the above 3 requirements because they have chosen not to impose them. If they start the toll this year, we would have more than \$1 million that could be used for any purpose for which federal funds may be obligated. (perhaps matching funds for the capital budget in 02.)

Remember, the first 2 years of o/m costs for the tunnel were to be taken care of by the contractor (per the design/build contract). So any tolls collected this year would be 'excess', and would be available for use to obligate other federal funds.

Tolls cannot be used to fund non-federally reimbursable activities, such as the o/m costs of the staging areas, according to fed highways (the \$702,000 request)

The department has told us verbally that they could possibly 'limp' through the year with \$450,000 for the staging areas for the tunnel (as opposed to \$702,000). We haven't seen a detailed description of what the \$450,000 would be spent on. I would recommend that the Committee not fund the request. If the department wants to open up the tunnel, they can find reductions in their budget and do it internally. I assume that they would then have incentive to do it as cheaply as possible.

***There are possible consequences to not maintaining the Whittier staging areas (remember the tunnel will be maintained for 2 years, per the contract with the design/builder). Title 23 of federal code state that if at any time the Secretary shall find that any project constructed...is not being properly maintained, he shall call such fact to the attention of the state transportation department. If, within 90 days after receipt of such notice, such project has not been put in proper condition of maintenance, the Secretary shall withhold approval of further projects of all types in the state highway district, municipality, county, other political or administrative subdivision of the state, or the entire state in which such project is located, whichever the secretary deems appropriate, until such project shall be put in proper condition of maintenance.

You can rightfully argue that the staging areas would not fall out of maintenance, because there will be no wear if the road is not opened. Further, the tunnel will receive maintenance per the contract (for the next 2 years).

DOT/PF# 1-D

+ Davis

AMENDMENT TO HB 312

BY: Rep. AUSTERMAN

Add:

Department of Transportation & Public Facilities
Highways and Aviation
Central Region Highways and Aviation

no lobby
3/7/00
PM

350,000 SDPR

Explanation

This will allow the collection of tolls on the Whittier Road and their use for operations.

DOT/PF #4

WID

Amendment #

TO: HB 312(Fin)

sponsored by Rep.

DELETE

Dept. of Transportation

APPROP

BRU: Administration and Support

ALLOCATION
ADD

Component: Central Region Support Services

726,100 GF

Dept. of Transportation

APPROP

BRU: Administration and Support

ALLOCATION

Component: Central Region Support Services

778,100 GF

DOT/PF #5

Amendment

Offered in House Finance
To: CS for HB 312 (FIN)

By:

WTD

Add:

	ALLOCATIONS	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
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Page 28, line 20

Highways and Aviation		<u>75,009,600</u> [74,306,600]	<u>71,690,100</u> [70,987,100]	3,319,500
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Page 28, line 21

Central Region Highways and Aviation	<u>28,873,100</u> [28,405,100]			
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Page 28, line 25

Northern Region Highways and Aviation	<u>37,129,900</u> [36,954,900]			
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Page 28, line 32

Southeast Region Highways and Aviation	<u>9,006,600</u> [8,946,600]			
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This amendment restores subcommittee's reductions to Northern Region Highways and Aviation (\$175.0), Central Region Highways and Aviation (\$468.0), and Southeast Regional Highways and Aviation (\$60.0). This will allow the department to keep maintenance stations open, maintain adequate level of snow removal and hauling, and to provide safe roads for the traveling public.

Amendment

DOT/PF # 6

Offered in House Finance
To: CS for HB 312 (FIN)

By:

W/D

Add:

	ALLOCATIONS	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
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Page 28, line 20

Highways and Aviation		<u>74,756,600</u>	<u>71,437,100</u>	3,319,500
		[74,306,600]	[70,987,100]	

Page 28, line 21

Central Region Highways and Aviation	<u>28,855,100</u>
	[28,405,100]

The subcommittee failed to fund the maintenance of the Whittier Tunnel that is scheduled to open in June 2000. This amendment restores a portion of the department's request (\$100.0 of general fund and \$350,000 in fee supported program receipts to be received from toll revenues). The legislature funded the construction of the facility and it is now necessary to maintain the state's capital investment.

**Department of Transportation and Public Facilities
Impact Statements in Response to
House Finance Subcommittee Budget Proposals
Date: March 1, 2000
Prepared by: Kurt Parkan, Deputy Commissioner**

The department has experienced six straight years of budget cuts. The cuts in maintenance proposed by the subcommittee this year would create an impact to the public that will be mitigated by the department's response. Airports, which have remained whole for the past several years can no longer be held harmless. Additional maintenance stations will be closed.

Program Area:	Dollar Amount(s):	Fund Source(s):
Commissioner's Office	(100.0)	General Funds

Impact Analysis:

This is a 20% cut to the Commissioner's office general fund personal services. This small office oversees a department with over 3,400 authorized positions and a large number of diverse programs. This cut will result in the deletion of a permanent full-time (PFT) position and the reduction of a secretary position from full time to part time. The reduction will inhibit the Commissioner's ability to effectively manage a large construction program and a reduced maintenance program. The department's ability to issue timely responses to requests from the public or the legislature will also be reduced. Initiatives to increase communication and develop relationships with communities will be hampered.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Central Region Highways and Aviation	(365.9)	General Funds

Impact Analysis:

The department intends to respond to the legislative cuts in a manner that has the least impact to the travelling public. We respond as follows:

(221.4) Close Willow Maintenance Station

There are four people assigned to Willow, of which one fulltime and one seasonal equipment operator will be laid off. Some heavy equipment will be turned in (one grader and one truck), and supplies will be reduced. The remaining assets of the station will be transferred to the adjacent stations at Chulitna, Talkeetna and Palmer.

The impact of this action will be

1. Parks Highway MP 52 to MP 99 will be covered by crews from Chulitna traveling down to Willow and Palmer traveling up to Willow. Each of their distances traveled will be increased by 24 miles.
2. During the winter commercial truck traffic and the motoring public will be impacted, as the Parks Highway is the main highway between Anchorage and Fairbanks.
3. The people living on the side roads in Palmer and Chulitna will have to wait longer for equipment operators to work on their roads.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

(84.5) Close roadside airports

Flat, Goose Bay, Kasilof, Naknek, Ninilchik, Quartz Creek, Sheep Mountain, Whittier

With the exception of Flat, adjacent highway maintenance stations maintain the airports and the people will have access by highway to these communities. Local aviators, however, will not be able to operate during the winter or when the runways are soft and rough.

(60.0) Reduce maintenance in Anchorage area

Reduce one fulltime and one seasonal equipment operator from the Anchorage Maintenance Station. This will reduce crew sizes so overall response time to storms will be increased. It will be more difficult to perform snow hauls if we have people sick or on leave because we may not have the base blower, grader teams to support the contracted truck haul. Also, snow and ice will stay on the sidewalks longer.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
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Central Region Highways and Aviation (100.0) General Funds

Impact Analysis:

Reduce Anchorage snow haul contracts. The FY 00 budget reduced Anchorage Maintenance & Operations' private snow haul contracts from \$750.0 per year to \$600.0. The subcommittee's 20% reduction means the snow will be stored on the sidewalks longer, medians will not be cleared as often and sight distance at intersections will be reduced. During spring thaw more water will remain on roads longer, freezing at night and causing safety problems.

Program Area:	Dollar Amount(s):	Fund Source(s):
Northern Region Highways and Aviation	(175.0)	General Funds

Impact Analysis:

(60.0) Reduce One Operator Position at Fairbanks Maintenance Station

Snow removal and ice control operations will experience the largest impacts. With current staffing, it typically takes crews three days to plow open all highway facilities after a 2-3 inch snowfall. Fairbanks area lower priority roads will see an increase of up to 1/2 day response time after each snow event. Cleanup operations such as plowing turn pockets on urban streets and crossovers on the Richardson Highway and Steese Expressway will experience longer response times, as well as many of the ramps for the Richardson, Mitchell, and Johansen Expressways. Pedestrian facilities will also be impacted by longer response times after each snow event.

Summer maintenance operations such as sign repair, brush control, sweeping, drainage work and fence repair will feel impacts due to inadequate personnel to perform all the duties. Personnel from the asphalt patching crew will perform some of the duties above, as time and weather conditions allow. With current staffing levels, Fairbanks maintenance is unable to keep up with the summer workload and increasing public expectations. With this reduction to personnel we will expect more complaints from local bus companies, troopers, city police, residents along impacted roads, and commercial operators delivering goods and services.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

(56.0) Close rural airports.

The following six airports will be closed in the winter and will remain open and maintained during the summer in order to comply with FAA grant assurance requirements.

Clear Airport is located near the Clear Air Force Station, near the Parks Highway. It is only used occasionally by the Air Force and a few recreational pilots. Aviation traffic could be accommodated at Nenana airport.

Circle is located at the eastern end of the Steese Highway. Mail and supplies would need to be flown to Central and then transported approximately 30 miles by road to Circle.

Boundary Airport is near the Canadian border. It serves as an emergency landing field for flights to and from Dawson, YT. It is a very limited public use airport.

Chandalar Lake Airport is east of the Dalton Highway on the south side of the Brooks Range. The FAA maintains a presence on the airport as a weather station and brings in their supplies by air. There is a fairly moderate number of transient aircraft in the summer.

Dahl Creek Airport is connected by road 3 miles north of Kobuk. The Kobuk airport will continue to be maintained in the winter.

Circle Hot Springs Airport serves the Circle Hot Springs Lodge and surrounding area. There is mail service by air but no scheduled air carrier flights. Mail and routine aviation traffic would most likely use the Central Airport eight miles away.

The following five airports will not be maintained year around:

Chistochina Airport supports local village residents in the Copper River Basin. It is located near Chistochina Lodge, which provides services for hunting, fishing and sightseeing in the northern part of the Wrangell and southern part of the Mentasta Mountains.

Livengood Camp Airport is located near the junction of the Elliott and Steese Highways. There are no facilities or aircraft based at the airport.

Salmon Lake Airport is near Nome. The runway is used very seldom by recreational traffic.

Wiseman Airport is located along the Koyukuk River and Dalton Highway southwest of Chandalar Lake. There is one general aviation aircraft based at Wiseman. There is very limited transient aircraft activity.

Summit Airport (south of Cantwell) has no air taxi service and very little general aviation operation.

(59.0) Eliminate maintenance on Ruby-Poorman Road

Ruby-Poorman Road has numerous cabins and residences along the road south from Ruby on the Yukon River. Several mining operations are based along the road. The road would deteriorate rapidly without road maintenance.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Northern Region Highways and Aviation	(100.0)	General Funds

Impact Analysis:

Chitina Maintenance Station would be closed year round. Winter response times will be up to two hours slower because operators will need to travel 50 miles from Ernestine or Tazlina to sand and plow snow.

Each summer nearly 20,000 vehicles travel the 60 mile road from Chitina to McCarthy. This road is currently maintained out of the Chitina station. The level of service provided will be reduced resulting in poorer roadway conditions.

This station also maintains the Chitina Airport, which is used by the National Park Service to support operations in the Wrangell St. Elias National Park.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Southeast Highways and Aviation	(60.0)	General Funds

Impact Analysis:

One maintenance position in Juneau will not be filled. Summer and winter maintenance of the roads in Juneau would be affected. Snow and ice control for the outlying school bus routes would not be done timely and buses could be delayed up to one half hour. Avalanche control road closures could be extended by one hour. Summer brush and grass cutting would be reduced 10% allowing brush and grasses to obscure guardrail and create sight distance problems.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Central Region Highways and Aviation	+350.0	fee supported program receipts
	+100.0	General Funds

Impact Analysis:

The subcommittee recommended no maintenance funds for Whittier Access. The subcommittee intent is to not open the tunnel in FY01. The department believes it would be a waste of the construction investment not to provide access to Whittier this summer. The department's original request for the FY01 budget was \$702.0 GF, including an estimated \$350.0 for private contracting of maintenance on the Whittier side of the tunnel.

These amounts are estimates. The Whittier Tunnel area has lots of snow and high velocity winds. Drifting is very common in the winter. The contractor that is building the tunnel has had a constant battle keeping the road and staging areas open and useable. We will attempt to keep the road open year round for \$450.0.

The subcommittee has asked that the users of the tunnel pay for its operation. If the Finance Committee changed the fund source from \$450.0 GF to \$350.0 GF Program Receipts/\$100.0 GF we could implement this request to allow the use of tolls beginning April 1, 2001. The \$100.0 GF will be for that portion of the road ineligible for toll receipt funding.

Failure to fund will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
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Northern Region Facilities

(220.0)

General Funds

Impact Analysis:

NOTE: this is in the Northern Region Facilities component rather than Highways and Aviation. This cut would require Finance Committee action in addition to adopting the subcommittee's recommendations. We believe the impact of this reduction is less than additional maintenance station closures.

The Harborview Developmental Center and the Valdez Community Hospital occupy the same facility in Valdez. Since the developmental center was closed, appropriations of \$235,000 annually have been received from the legislature to maintain the unoccupied State side of the facility. This money has been used for utilities and minor maintenance to keep the facility open. The department has proposed a \$150.0 capital budget appropriation to mothball the unused portion of the building.

Program Area:	Dollar Amount(s):	Fund Source(s):
Marine Highway Stabilization	(200.0)	General Funds

Impact Analysis:

To offset the \$200.0 general fund reduction to the Marine Highway Stabilization Fund, the rate being paid to commission and travel agents would be reduced from 10% to 8% of sales. By doing this, revenues from commissioned sales would increase 2%, thus offsetting the general fund reduction.

The trend in the travel industry as a whole, especially airlines, is to reduce commissions paid to travel agents. A few years ago most airlines lowered commissions to 8%, and also set a ceiling on the maximum commission. This past year most airlines further lowered commissions to 5%. This reduction from 10% to 8% would be in keeping with the travel industry trend.

There are currently ticketing contracts with six terminal agents in Alaska as well as 2 contract travel agents. In addition, regular travel agencies receive 10% commissions. This change would result in lower commissions for these agents. We will need to renegotiate contracts with the eight contract agents in order to lower the commission rate.

Program Area:	Dollar Amount(s):	Fund Source(s):
Measurement Standards & CVE	(65.3)	Fee Supported PR

Impact Analysis:

Note: The subcommittee denied the department's request for the following:

The division will not be able to purchase equipment required to conduct commercial vehicle safety inspections as required under the Commercial Vehicle Safety Inspection Program (CVSP). The funding proposed in this increment request will provide one additional inspection vehicle and equipment which is required to achieve inspection thresholds established under the US Department of Transportation, Motor Carrier Safety Assistance Program.

The Metrology Lab will be unable to acquire equipment to perform precision measurements for the private sector and government.

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Statewide Administrative Services	(41.4)	General Funds

Impact Analysis:

This will result in the deletion of 1 PFT Accounting Technician I who is responsible for various special projects. One is responding to the Alaska International Airport System's audit management letter that requires the department to improve the accounting and reporting of fixed assets. If not responded to appropriately, it could result in further audit findings, qualified audit opinions and potentially reduced bond ratings. Other special activities such as payroll payment audits and over-payment recoveries will not be completed on time (a loss of money to the state).

This reduction will impact this component's performance as it relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Source(s):
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Statewide Information Systems

(24.5)

General Funds

Impact Analysis:

This cut ignores the critical importance of computer services in the work place. One full-time Analyst/Programmer III will be reduced to part-time. We will delay implementation of the automated purchasing system; be unable to improve financial monitoring of capital projects; and be unable to implement improvements to the federal financial systems supporting federal highway and aviation billings; and federal compliance reporting in human resources.

DOT&PF will suffer delays in developing new programs that provide essential information technology. The Information Systems staff will be left to maintain systems that will soon become obsolete in a rapidly changing industry. This component has been cut over 16% in the past four years.

Program Area:	Dollar Amount(s):	Fund Source(s):
Regional Administrative Services	(56.4)	General Funds

Impact Analysis:

This cut will result in an increase the time it takes to pay private sector vendors due to the inability to fill one fulltime Accounting Clerk II. The department has worked hard to achieve a goal to pay vendors within 29 days. This will change when we lose the clerk and service to the public will deteriorate as a result.

This reduction will impact this component's performance as it is relates to the proposed performance measures in SB 281.

Program Area:	Dollar Amount(s):	Fund Source(s):
Central Region Support Services	(52.0)	General Funds

Impact Analysis:

This represents approximately 15% reduction in procurement staff and will result in the layoff of one Administrative Clerk position, and reduced months for a supply position.

Reduced staffing for processing of the supporting stock requests for road, bridge and building materials for M&O would cause some projects to be delayed. Follow up actions

to the vendors to establish firm delivery timeframes would suffer and M&O project managers would not be able to firm up work schedules.

Preparation and sending of Delivery Orders to the vendors would be slowed which would result in late deliveries. Vendors would not get timely payments for orders received as the invoices and receiving documents would not be processed expeditiously. Late payments to the vendors could result in penalty payments being assessed.

Program Area:	Dollar Amount(s):	Fund Source(s):
Northern Region Support Services	(57.0)	1004 GF

Impact Analysis:

This represents a 17% reduction in procurement staff and will result in the layoff of one Administrative Clerk position, and reduced months for a supply position.

Reduced staffing for processing of the supporting stock requests for road, bridge and building materials for M&O would cause some projects to be delayed. Follow up actions to the vendors to establish firm delivery timeframes would suffer and M&O project managers would not be able to firm up work schedules.

Preparation and sending of Delivery Orders to the vendors would be slowed which would result in late deliveries. Vendors would not get timely payments for orders received as the invoices and receiving documents would not be processed expeditiously. Late payments to the vendors could result in penalty payments being assessed.

Program Area:	Dollar Amount(s):	Fund Source(s):
Southeast Region Support Services	(32.0)	General Funds

Impact Analysis:

This will result in the vacancy of one position.

Reduced staffing for processing of the supporting stock requests for road, bridge and building materials for M&O would cause some projects to be delayed. Follow up actions to the vendors to establish firm delivery timeframes would suffer and M&O project managers would not be able to firm up work schedules.

Preparation and sending of Delivery Orders to the vendors would be slowed which would result in late deliveries. Vendors would not get timely payments for orders received as the invoices and receiving documents would not be processed expeditiously. Late payments to the vendors could result in penalty payments being assessed.

Program Area:	Dollar Amount(s):	Fund Source(s):
Northern Region Support Services	(20.6)	CIP Receipts

Impact Analysis:

Note: The subcommittee denied the department's request for the following:

This will result in delayed procurement activities, which may have a major impact and force delays in Maintenance and Operations, design, construction, and Fairbanks International Airport projects. This reduction in staff will create inefficiencies and affect timeliness of federally funded capital construction projects. Payment to vendors will be delayed.

House Finance Subcommittee
Department of Transportation and Public Facilities
FY01 Operating Budget

The House Finance Subcommittee for the Department of Transportation and Public Facilities closed out on February 29, 2000. The Subcommittee worked from the FY00 Management Plan reflected in HB 312. The budget recommendations are within the allocation for DOT&PF.

In a continuing effort to assist the Marine Highway System in becoming more efficient and more business like, a marketing director position was approved for the system. The marketing director will concentrate on maximizing revenue and increasing ridership. In addition, a vessel construction manager position was added to help implement the Southeast Transportation Plan. As we move towards the SE Transportation Plan, operating costs should go down and service will be increased. The Subcommittee also directed AMHS to lower the commissions they pay to travel agents for bookings from 10% to 8%. Many airlines in the private sector have lowered commission rates to 5% or less.

The Subcommittee re-allocated funds from upper management (the Commissioner's office) and from Support Services to help open up rural roads in the spring of 2001.

In an effort to ensure safer roads, the Subcommittee approved CIP funds to increase commercial vehicle enforcement efforts throughout the state.

The Subcommittee also adopted the Department's recommendation to implement an overall Indirect Cost Allocation Plan (ICAP). Implementation of the new ICAP will eliminate 11 small plans and reduces paperwork and the extra administrative burden in tracking funds. As a result, Department staff should be freed from the burden of some paperwork and be able to invest their time in a more productive manner.

FY01 Operating Budget
Department of Transportation and Public Facilities
Letter of Intent

It is the intent of the Legislature that the \$264.2 general fund increment to Northern Region Highways and Aviation be used to open the following roads in the spring of 2001:

Taylor Highway	\$132,000
McCarthy	\$8,700
Teller	\$35,700
Nome Council	\$34,700
Glacier Stream	\$10,100
Kougarok	<u>\$43,000</u>
	\$264,200

ADOPTED 2/29/00

Agency Totals - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Totals for Agency	305,658.8	310,103.6	310,103.6	310,704.7	601.1	0.2%
<u>Objects of Expenditure:</u>						
Personal Services	201,960.6	207,349.7	207,527.8	206,520.3	-1,007.5	-0.5%
Travel	2,692.7	2,951.6	2,951.6	3,008.8	57.2	1.9%
Contractual	63,690.5	65,278.5	65,229.8	65,097.0	-132.8	-0.2%
Commodities	35,165.3	33,836.4	33,707.0	35,781.4	2,074.4	6.2%
Equipment	2,149.7	687.4	687.4	297.2	-390.2	-56.8%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	0.0	0.0	0.0	0.0	0.0	%
Miscellaneous	0.0	0.0	0.0	0.0	0.0	%
<u>Funding Sources:</u>						
1002 Fed Rcpts	1,130.2	1,962.9	1,962.9	1,678.2	-284.7	-14.5%
1003 G/F Match	176.3	74.8	74.8	74.8	0.0	0.0%
1004 Gen Fund	96,556.9	95,078.6	95,078.6	94,283.8	-794.8	-0.8%
1005 GF/Prgm	4,618.6	5,044.4	5,044.4	5,044.4	-0.0	-0.0%
1007 I/A Rcpts	14,309.1	1,911.0	4,911.0	4,040.4	-870.6	-17.7%
1026 Hwy Capitl	19,380.4	22,392.5	22,392.5	22,385.7	-6.8	-0.0%
1027 Int Airprt	39,455.8	41,292.0	41,292.0	42,457.8	1,165.8	2.8%
1052 Oil/Haz Fd		700.0	700.0	700.0	0.0	0.0%
1053 Invst Loss	65.6				0.0	%
1061 CIP Rcpts	55,838.2	63,085.0	63,085.0	64,130.0	1,045.0	1.7%
1076 Marine Hwy	73,883.9	74,714.2	74,714.2	74,752.9	38.7	0.1%
1108 Stat Desig	243.8	848.2	848.2	1,156.7	308.5	36.4%
<u>Positions:</u>						
Perm Full Time	2,798.0	2,816.0	2,822.0	2,837.0	15.0	0.5%
Perm Part Time	648.0	644.0	638.0	632.0	-6.0	-0.9%
Non-Perm	1.0	1.0	1.0	9.0	8.0	800.0%

Component Summary - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Administration and Support							
1	Commissioner's Office	989.4	840.3	840.3	740.3	-100.0	-11.9%
2	Contract, Procurement, Appeals		394.3	394.3	475.9	81.6	20.7%
4	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	989.4	1,234.6	1,234.6	1,216.2	-18.4	-1.5%
Equal Employment and Civil Rights							
5	Equal Emplmnt & Civil Rights	512.5	573.0	573.0	553.0	-20.0	-3.5%
	* BRU Total	512.5	573.0	573.0	553.0	-20.0	-3.5%
Internal Review							
6	Internal Review	604.3	684.2	684.2	709.7	25.5	3.7%
	* BRU Total	604.3	684.2	684.2	709.7	25.5	3.7%
Administrative Services							
7	Statewide Admin Services	1,931.5	1,807.1	1,807.1	1,704.1	-103.0	-5.7%
8	Statewide Information Systems	1,944.3	1,883.2	1,889.4	1,864.9	-24.5	-1.3%
9	State Equipment Fleet Admin	2,144.6	2,274.3	2,274.3	2,332.9	58.6	2.6%
10	Regional Admin Services	2,936.3	3,395.7	3,389.5	3,394.7	5.2	0.2%
	* BRU Total	8,956.7	9,360.3	9,360.3	9,296.6	-63.7	-0.7%
Regional Support Services							
11	Central Reg Support Services	775.3	778.1	778.1	726.1	-52.0	-6.7%
12	Northern Reg Support Services	1,088.2	1,062.6	1,062.6	1,005.6	-57.0	-5.4%
13	Southeast Reg Support Services	2,158.8	2,135.0	2,135.0	2,103.0	-32.0	-1.5%
	* BRU Total	4,022.3	3,975.7	3,975.7	3,834.7	-141.0	-3.5%
Statewide Aviation							
14	Statewide Aviation	626.5	630.6	630.6	660.1	29.5	4.7%
	* BRU Total	626.5	630.6	630.6	660.1	29.5	4.7%
Planning							
15	Statewide Planning	2,572.4	2,433.5	2,433.5	2,651.1	217.6	8.9%
16	Central Region Planning	1,111.6	1,148.3	1,148.3	1,183.3	35.0	3.0%

Component Summary - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Planning							
17	Northern Region Planning	1,036.0	1,162.0	1,162.0	1,162.0	0.0	0.0%
18	Southeast Region Planning	510.6	608.8	608.8	613.8	5.0	0.8%
	* BRU Total	4,730.6	5,352.6	5,352.6	5,610.2	257.6	4.8%
Design and Engineering Services							
19	Statewide Design & Eng Svcs		6,004.4	6,819.0	7,189.4	370.4	5.4%
20	Central Reg Design & Eng Svcs	11,985.7	10,476.2	9,661.6	9,937.6	276.0	2.9%
21	Northern Reg Design & Eng Svcs	8,056.6	9,320.3	9,320.3	9,144.3	-176.0	-1.9%
22	Southeast Reg Des & Eng Svcs	5,054.2	5,291.2	5,291.2	5,486.2	195.0	3.7%
23	HQ Design & Eng Svcs	5,477.7				0.0	0.0%
	* BRU Total	30,574.2	31,092.1	31,092.1	31,757.3	665.4	2.1%
Construction and Capital Improvement Program Support							
24	Central Reg Const & CIP	11,784.6	12,983.3	12,983.3	12,276.3	-707.0	-5.4%
25	Northern Reg Const & CIP	10,701.2	10,515.2	10,515.2	10,489.7	-25.5	-0.2%
26	Southeast Region Construction	3,653.8	3,858.4	3,858.4	4,108.4	250.0	6.5%
	* BRU Total	26,139.6	27,356.9	27,356.9	26,874.4	-482.5	-1.8%
Statewide Facility Maintenance and Operations							
27	Traffic Signal Management	1,183.0	1,183.0	1,183.0	1,183.0	0.0	0.0%
28	Central Region Facilities	3,320.6	3,492.0	3,492.0	3,515.5	23.5	0.7%
29	Northern Region Facilities	7,504.0	7,622.8	7,622.8	7,665.8	43.0	0.6%
30	Southeast Region Facilities	4,183.5	3,768.5	3,768.5	3,768.5	0.0	0.0%
31	Central Reg Leasing & Prop Mgt	564.3	582.9	582.9	582.9	0.0	0.0%
32	Northern Reg Lsg & Prop Mgmt	507.6	602.3	602.3	602.3	0.0	0.0%
33	Central Region M & O Admin	293.6				0.0	0.0%
34	Northern Region M & O Admin	564.7				0.0	0.0%
	* BRU Total	18,121.3	17,251.5	17,251.5	17,318.0	66.5	0.4%
State Equipment Fleet							
35	Central State Equipment Fleet	6,652.2	7,702.7	7,702.7	7,493.7	-209.0	-2.7%

Component Summary - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
State Equipment Fleet							
36	Northern State Equipment Fleet	9,158.8	10,723.4	10,723.4	10,206.3	-517.1	-4.8%
37	Southeast State Equipmnt Fleet	1,613.5	1,892.5	1,892.5	1,709.4	-183.1	-9.7%
	* BRU Total	17,424.5	20,318.6	20,318.6	19,409.4	-909.2	-4.5%
Measurement Standards and Commercial Vehicle Enforcement							
38	Measure Stnds & Comm Veh	3,623.8	3,754.3	3,754.3	4,083.8	329.5	8.8%
	* BRU Total	3,623.8	3,754.3	3,754.3	4,083.8	329.5	8.8%
Highways and Aviation							
40	Central Reg Hwys & Aviation	28,502.0	28,623.1	28,623.1	28,405.1	-218.0	-0.8%
41	Northern Reg Hwys & Aviation	39,526.5	36,865.7	36,865.7	36,954.9	89.2	0.2%
42	Southeast Reg Hwys & Aviation	10,264.4	9,006.6	9,006.6	8,946.6	-60.0	-0.7%
	* BRU Total	78,292.9	74,495.4	74,495.4	74,306.6	-188.8	-0.3%
International Airports							
43	International Airport Systems	380.2	295.7	295.7	295.7	0.0	0.0%
	* BRU Total	380.2	295.7	295.7	295.7	0.0	0.0%
Anchorage International Airport							
44	AIA Administration	5,586.3	5,855.0	5,785.4	6,365.1	579.7	10.0%
45	AIA Facilities				9,060.4	9,060.4	%
46	AIA Field & Equipment Maint.				8,462.0	8,462.0	%
47	AIA Operations	1,682.9	1,681.1	1,849.3	2,029.9	180.6	9.8%
48	AIA Safety	5,752.0	6,020.0	5,879.8	5,819.1	-60.7	-1.0%
49	AIA Field Maintenance	5,332.0	5,536.4	5,578.0	0.0	-5,578.0	-100.0%
50	AIA Building Maintenance	5,661.7	5,683.5	5,683.5	0.0	-5,683.5	-100.0%
51	AIA Custodial	3,299.7	3,232.7	3,232.7	0.0	-3,232.7	-100.0%
52	AIA Equipment Maintenance	2,056.9	2,414.2	2,414.2	0.0	-2,414.2	-100.0%
	* BRU Total	29,371.5	30,422.9	30,422.9	31,736.5	1,313.6	4.3%
Fairbanks International Airport							
53	FIA Administration	1,324.5	1,349.4	1,349.4	1,349.4	0.0	0.0%
54	FIA Facilities				2,187.5	2,187.5	%
55	FIA Field & Equipment Maint	2,349.7	2,494.4	2,494.4	2,494.4	0.0	0.0%

Component Summary - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
Fairbanks International Airport							
56	FIA Operations	921.4	967.4	967.4	1,052.4	85.0	8.8%
57	FIA Safety	2,318.2	2,349.3	2,349.3	2,349.3	0.0	0.0%
58	FIA Building Maintenance	1,376.4	1,376.3	1,376.3	0.0	-1,376.3	-100.0%
59	FIA Custodial	732.5	744.2	744.2	0.0	-744.2	-100.0%
	* BRU Total	9,022.7	9,281.0	9,281.0	9,433.0	152.0	1.6%
Marine Highway System							
60	Marine Engineering		1,784.1	1,784.1	1,872.0	87.9	4.9%
61	Overhaul	1,685.7	1,698.4	1,698.4	1,698.4	0.0	0.0%
62	CIP Program	748.6				0.0	0.0%
63	Engineering Management	290.2				0.0	0.0%
64	Vessel Operations Management	834.7	1,073.1	1,073.1	1,158.1	85.0	7.9%
65	Southeast Shore Operations	3,031.2	2,991.2	2,991.2	2,991.2	0.0	0.0%
66	Southwest Shore Operations	1,070.1	952.0	952.0	952.0	0.0	0.0%
67	Southwest Vessel Operations	9,229.8	9,574.1	9,574.1	9,574.1	0.0	0.0%
68	Reservations and Marketing	1,874.5	1,860.8	1,860.8	1,860.8	0.0	0.0%
69	Southeast Vessel Operations	40,673.2	53,502.7	53,502.7	53,502.7	0.0	0.0%
	* BRU Total	59,438.0	73,436.4	73,436.4	73,609.3	172.9	0.2%
Kennicott/Malaspina Vessel Operations							
70	Kennicott/Malaspina Operations	12,740.6				0.0	0.0%
	* BRU Total	12,740.6	0.0	0.0	0.0	0.0	0.0%
Y2K Supplemental							
3	Y2K Appropriation	87.2	587.8	587.8	-0.0	-587.8	-100.0%
	* BRU Total	87.2	587.8	587.8	-0.0	-587.8	-100.0%
	*** Total Agency Expenditure	305,658.8	310,103.6	310,103.6	310,704.7	601.1	0.2%
	Federal Restricted Funds	1,130.2	1,962.9	1,962.9	1,678.2	-284.7	-14.5%
	General Purpose Funds	101,417.4	100,197.8	100,197.8	99,403.0	-794.8	-0.8%
	Other Funds	203,111.2	207,942.9	207,942.9	209,623.5	1,680.6	0.8%

Component Summary - FY01 Operating Budget

Agency: Department of Transportation/Public Facilities

<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>
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Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Transportation/Public Facilities

<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							
1	Commissioner's Office	822.4	662.2	662.2	562.2	-100.0	-15.1%
2	Contract, Procurement, Appeals		266.0	266.0	266.0	0.0	0.0%
4	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	822.4	928.2	928.2	828.2	-100.0	-10.8%
Equal Employment and Civil Rights							
5	Equal Emplmnt & Civil Rights	299.4	301.1	301.1	301.1	0.0	0.0%
	* BRU Total	299.4	301.1	301.1	301.1	0.0	0.0%
Internal Review							
6	Internal Review	129.4	131.4	131.4	131.4	0.0	0.0%
	* BRU Total	129.4	131.4	131.4	131.4	0.0	0.0%
Administrative Services							
7	Statewide Admin Services	1,225.8	1,169.7	1,169.7	1,103.3	-66.4	-5.7%
8	Statewide Information Systems	1,441.8	1,314.9	1,321.1	1,296.6	-24.5	-1.9%
10	Regional Admin Services	1,392.7	1,517.4	1,511.2	1,479.8	-31.4	-2.1%
	* BRU Total	4,060.3	4,002.0	4,002.0	3,879.7	-122.3	-3.1%
Regional Support Services							
11	Central Reg Support Services	683.4	686.2	686.2	634.2	-52.0	-7.6%
12	Northern Reg Support Services	766.8	763.6	763.6	706.6	-57.0	-7.5%
13	Southeast Reg Support Services	418.7	464.7	464.7	432.7	-32.0	-6.9%
	* BRU Total	1,868.9	1,914.5	1,914.5	1,773.5	-141.0	-7.4%
Statewide Aviation							
14	Statewide Aviation	401.1	414.4	414.4	443.9	29.5	7.1%
	* BRU Total	401.1	414.4	414.4	443.9	29.5	7.1%
Planning							
15	Statewide Planning	96.9	96.3	96.3	103.6	7.3	7.6%
16	Central Region Planning	125.2	126.4	126.4	126.4	0.0	0.0%
17	Northern Region Planning	86.0	86.2	86.2	86.2	0.0	0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Transportation/Public Facilities

<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>	
Planning							
18	Southeast Region Planning	21.1	21.7	21.7	21.7	0.0	0.0%
	* BRU Total	329.2	330.6	330.6	337.9	7.3	2.2%
Design and Engineering Services							
19	Statewide Design & Eng Svcs		925.7	925.7	927.7	2.0	0.2%
20	Central Reg Design & Eng Svcs	335.8	404.5	404.5	404.5	0.0	0.0%
21	Northern Reg Design & Eng Svcs	290.1	261.6	261.6	261.6	0.0	0.0%
22	Southeast Reg Des & Eng Svcs	229.9	322.1	322.1	322.1	0.0	0.0%
23	HQ Design & Eng Svcs	1,000.9				0.0	0.0%
	* BRU Total	1,856.7	1,913.9	1,913.9	1,915.9	2.0	0.1%
Construction and Capital Improvement Program Support							
24	Central Reg Const & CIP	331.6	255.2	255.2	253.2	-2.0	-0.8%
25	Northern Reg Const & CIP	307.0	307.0	307.0	307.0	0.0	0.0%
26	Southeast Region Construction	174.4	174.4	174.4	174.4	0.0	0.0%
	* BRU Total	813.0	736.6	736.6	734.6	-2.0	-0.3%
Statewide Facility Maintenance and Operations							
27	Traffic Signal Management	1,183.0	1,183.0	1,183.0	1,183.0	0.0	0.0%
28	Central Region Facilities	2,710.0	2,790.1	2,790.1	2,810.1	20.0	0.7%
29	Northern Region Facilities	6,266.7	6,105.7	6,105.7	6,138.7	33.0	0.5%
30	Southeast Region Facilities	3,684.0	3,558.1	3,558.1	3,558.1	0.0	0.0%
31	Central Reg Leasing & Prop Mgt	500.6	512.7	512.7	512.7	0.0	0.0%
32	Northern Reg Lsg & Prop Mgmt	468.1	545.3	545.3	545.3	0.0	0.0%
33	Central Region M & O Admin	237.1				0.0	0.0%
34	Northern Region M & O Admin	548.9				0.0	0.0%
	* BRU Total	15,598.4	14,694.9	14,694.9	14,747.9	53.0	0.4%
Measurement Standards and Commercial Vehicle Enforcement							
38	Measure Stnds & Comm Veh	3,210.2	3,404.3	3,404.3	3,321.8	-82.5	-2.4%
	* BRU Total	3,210.2	3,404.3	3,404.3	3,321.8	-82.5	-2.4%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: Department of Transportation/Public Facilities

<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>	
	Highways and Aviation						
40	Central Reg Hwys & Aviation	27,039.5	26,804.4	26,804.4	26,336.4	-468.0	-1.7%
41	Northern Reg Hwys & Aviation	36,172.3	35,866.8	35,866.8	35,956.0	89.2	0.2%
42	Southeast Reg Hwys & Aviation	8,816.6	8,754.7	8,754.7	8,694.7	-60.0	-0.7%
	* BRU Total	72,028.4	71,425.9	71,425.9	70,987.1	-438.3	-0.6%
	*** Total Agency Expenditure	101,417.4	100,197.8	100,197.8	99,403.0	-794.8	-0.8%

UNIVERSITY

OF

ALASKA

37-00 U of A

Withdrawn

AMENDMENT #

Repliment #1

By Representative John Davies

Offered in House Finance

Delete

University of Alaska 172,143,300GF

ADD

University of Alaska 189,244,100GF

House Finance Subcommittee
University of Alaska
FY01 Operating Budget

The House Finance Subcommittee met three times primarily to develop Missions and Measures statements with the cooperation of the University President and Board of Regents Chair. The subcommittee did not receive an allocation to consider in the budget review process. The subcommittee did, however, adopt a "Sense of the Committee" supporting the Board of Regent's budget request and it is attached. The "Sense of the Committee" was supported by five of the six subcommittee members and the signed original copy is on file in Subcommittee Chairman Alan Austerman's office.

Sense of the committee

Offered in the House Finance Subcommittee
On the University of Alaska

BY REPRESENTATIVE JOHN DAVIES

The House Finance Subcommittee on the University of Alaska supports fully funding the request of the President of the University of Alaska and the Board of Regents for the FY 2001 Operating Budget.

Agency Totals - FY01 Operating Budget

Agency: University of Alaska

	<u>FY99 Act</u>	<u>FY00Auth</u>	<u>00MgtPln</u>	<u>HouseSC</u>	<u>00MgtPin to HouseSC</u>	
Totals for Agency	399,184.0	469,565.9	469,565.9	466,695.9	-2,870.0	-0.6%
<u>Objects of Expenditure:</u>						
Personal Services	222,284.8	243,842.8	243,551.3	243,266.0	-285.3	-0.1%
Travel	10,463.5	8,515.5	8,515.5	8,505.9	-9.6	-0.1%
Contractual	85,666.2	119,289.0	119,487.1	119,209.2	-277.9	-0.2%
Commodities	41,908.9	48,120.7	48,120.7	47,408.4	-712.3	-1.5%
Equipment	13,265.7	5,907.4	5,907.4	4,655.1	-1,252.3	-21.2%
Lands/Buildings	3,463.7	15.0	15.0	15.0	0.0	0.0%
Grants, Claims	13,582.8	11,304.8	11,304.8	11,304.8	0.0	0.0%
Miscellaneous	8,548.4	32,570.7	32,664.1	32,331.5	-332.6	-1.0%
<u>Funding Sources:</u>						
1001 CBR Fund	594.9	2,870.0	2,870.0	0.0	-2,870.0	-100.0%
1002 Fed Rcpts	49,522.9	63,434.2	63,434.2	63,434.2	0.0	0.0%
1003 G/F Match	2,777.3	2,777.3	2,777.3	2,777.3	0.0	0.0%
1004 Gen Fund	163,401.3	169,366.0	169,366.0	169,366.0	-0.0	-0.0%
1007 I/A Rcpts	29,388.4	34,564.9	34,564.9	34,564.9	0.0	0.0%
1010 UA/INT INC	2,208.3	3,833.7	3,833.7	3,833.7	0.0	0.0%
1015 UA/DFA SVC	29,136.8	33,395.3	33,395.3	33,395.3	0.0	0.0%
1025 Sci/Tech	2,630.0	2,630.0	2,630.0	2,630.0	0.0	0.0%
1037 GF/MH	200.8	200.8	200.8	200.8	0.0	0.0%
1038 UA/STF SVC	48,685.0	59,043.9	59,043.9	59,043.9	-0.0	-0.0%
1039 UA/ICR	14,646.7	19,382.2	19,382.2	19,382.2	0.0	0.0%
1048 Univ Rcpt	54,358.3	74,491.3	74,491.3	74,491.3	0.0	0.0%
1061 CIP Rcpts	1,633.3	3,576.3	3,576.3	3,576.3	0.0	0.0%
<u>Positions:</u>						
Perm Full Time	3,387.0	3,387.0	3,387.0	3,387.0	0.0	0.0%
Perm Part Time	233.0	233.0	233.0	233.0	0.0	0.0%
Non-Perm	0.0	0.0	0.0	0.0	0.0	%

Component Summary - FY01 Operating Budget

Agency: University of Alaska

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC
University of Alaska						
1	Systemwide Reduction/Additions		400.0	125.0	125.0	0.0 0.0%
2	ACCFT Contract Provisions		0.0	0.0	0.0	0.0 0.0%
3	United Academics Contract Prov		0.0	0.0	0.0	0.0 0.0%
4	CEA Contract Provisions		-0.0	-0.0	-0.0	0.0 0.0%
5	Salary Adjust Non-Covered		-0.0	-0.0	-0.0	0.0 0.0%
6	United Academics - Adjuncts		0.0	0.0	0.0	0.0 0.0%
8	Library Materials	46.5				0.0 0.0%
9	Unalloc Reductions/Additions		-0.0	-0.0	-0.0	0.0 0.0%
	* BRU Total	46.5	400.0	125.0	125.0	0.0 0.0%
Statewide Programs and Services						
10	Statewide Services	16,018.8	21,011.6	21,206.4	21,206.4	0.0 0.0%
11	Statewide Networks	9,297.9	9,757.0	9,750.6	9,750.6	-0.0 -0.0%
	* BRU Total	25,316.7	30,768.6	30,957.0	30,957.0	-0.0 -0.0%
University of Alaska Anchorage						
12	Anchorage Campus	117,618.6	132,017.1	132,264.9	132,264.9	0.0 0.0%
13	Kenai Peninsula College	5,844.0	6,384.9	6,355.6	6,355.6	0.0 0.0%
14	Kodiak College	2,306.9	2,599.9	2,623.1	2,623.1	-0.0 -0.0%
15	Matanuska-Susitna College	4,361.7	4,618.1	4,595.9	4,595.9	0.0 0.0%
16	Prince Wm Sound Comm College	4,032.5	4,705.9	4,689.7	4,689.7	0.0 0.0%
	* BRU Total	134,163.7	150,325.9	150,529.2	150,529.2	-0.0 -0.0%
University of Alaska Fairbanks						
17	Alaska Cooperative Extension	5,553.0	6,170.0	6,149.4	6,149.4	0.0 0.0%
18	Bristol Bay Campus	1,087.6	1,210.3	1,204.8	1,204.8	0.0 0.0%
19	Chukchi Campus	630.1	942.9	667.1	667.1	0.0 0.0%
20	Fairbanks Campus	123,808.6	148,951.2	149,035.2	149,035.2	-0.0 -0.0%
21	Fairbanks Organized Research	68,976.9	84,210.4	84,099.6	84,099.6	0.0 0.0%
22	Interior-Aleutians Campus	2,024.1	1,751.2	1,740.8	1,740.8	0.0 0.0%
23	Kuskokwim Campus	3,019.3	3,438.9	3,420.4	3,420.4	0.0 0.0%

Component Summary - FY01 Operating Budget

Agency: University of Alaska

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC	
University of Alaska Fairbanks							
24	Northwest Campus	1,373.5	1,567.1	1,556.4	1,556.4	0.0	0.0%
25	Rural College	3,408.0	3,049.0	3,030.1	3,030.1	0.0	0.0%
26	Tanana Valley Campus	4,506.8	5,102.6	5,133.5	5,133.5	0.0	0.0%
	* BRU Total	214,387.9	256,393.6	256,037.3	256,037.3	-0.0	-0.0%
University of Alaska Southeast							
27	Juneau Campus	17,844.8	21,071.2	21,342.0	21,342.0	-0.0	-0.0%
28	Ketchikan Campus	2,557.8	2,830.9	2,815.2	2,815.2	0.0	0.0%
29	Sitka Campus	4,271.7	4,905.7	4,890.2	4,890.2	0.0	0.0%
	* BRU Total	24,674.3	28,807.8	29,047.4	29,047.4	-0.0	-0.0%
Y2K Supplemental							
7	Y2K Appropriation	594.9	2,870.0	2,870.0	0.0	-2,870.0	-100.0%
	* BRU Total	594.9	2,870.0	2,870.0	0.0	-2,870.0	-100.0%
	*** Total Agency Expenditure	399,184.0	469,565.9	469,565.9	466,695.9	-2,870.0	-0.6%
	Federal Restricted Funds	49,522.9	63,434.2	63,434.2	63,434.2	0.0	0.0%
	General Purpose Funds	166,379.4	172,344.1	172,344.1	172,344.1	-0.0	-0.0%
	Other Funds	183,281.7	233,787.6	233,787.6	230,917.6	-2,870.0	-1.2%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: University of Alaska

Page	Budget Component	FY99 Act	FY00Auth	00MgtPln	HouseSC	00MgtPln to HouseSC
University of Alaska						
1	Systemwide Reduction/Additions		400.0	125.0	125.0	0.0 0.0%
2	ACCFT Contract Provisions		0.0	0.0	0.0	0.0 0.0%
3	United Academics Contract Prov		0.0	0.0	0.0	0.0 0.0%
4	CEA Contract Provisions		-0.0	-0.0	-0.0	0.0 0.0%
5	Salary Adjust:Non-Covered		-0.0	-0.0	-0.0	0.0 0.0%
6	United Academics - Adjuncts		0.0	0.0	0.0	0.0 0.0%
8	Library Materials	46.5				0.0 0.0%
9	Unalloc Reductions/Additions		-0.0	-0.0	-0.0	0.0 0.0%
	* BRU Total	46.5	400.0	125.0	125.0	0.0 0.0%
Statewide Programs and Services						
10	Statewide Services	6,061.3	7,385.2	7,580.0	7,580.0	-0.0 -0.0%
11	Statewide Networks	4,634.2	4,332.0	4,325.6	4,325.6	0.0 0.0%
	* BRU Total	10,695.5	11,717.2	11,905.6	11,905.6	-0.0 -0.0%
University of Alaska Anchorage						
12	Anchorage Campus	50,878.7	52,569.7	52,817.5	52,817.5	0.0 0.0%
13	Kenai Peninsula College	3,354.6	3,423.8	3,394.5	3,394.5	0.0 0.0%
14	Kodiak College	1,707.6	1,744.0	1,767.2	1,767.2	0.0 0.0%
15	Matanuska-Susitna College	2,426.8	2,464.4	2,442.2	2,442.2	0.0 0.0%
16	Prince Wm Sound Comm College	1,557.9	1,590.6	1,574.4	1,574.4	0.0 0.0%
	* BRU Total	59,925.6	61,792.5	61,995.8	61,995.8	0.0 0.0%
University of Alaska Fairbanks						
17	Alaska Cooperative Extension	2,790.4	2,761.8	2,741.2	2,741.2	-0.0 -0.0%
18	Bristol Bay Campus	729.9	731.3	725.8	725.8	0.0 0.0%
19	Chukchi Campus	575.6	798.6	522.8	522.8	0.0 0.0%
20	Fairbanks Campus	61,940.6	61,650.0	61,734.0	61,734.0	0.0 0.0%
21	Fairbanks Organized Research	8,188.4	10,290.6	10,179.8	10,179.8	0.0 0.0%
22	Interior-Aleutians Campus	892.7	1,074.2	1,063.8	1,063.8	0.0 0.0%
23	Kuskokwim Campus	1,868.9	1,900.8	1,882.3	1,882.3	-0.0 -0.0%

Component Summary - FY01 Operating Budget

Gen Purpose fund group Only

Agency: University of Alaska

<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>	
University of Alaska Fairbanks							
24	Northwest Campus	1,174.4	1,294.0	1,283.3	1,283.3	0.0	0.0%
25	Rural College	2,004.7	2,072.1	2,053.2	2,053.2	-0.0	-0.0%
26	Tanana Valley Campus	2,059.2	2,025.8	2,056.7	2,056.7	0.0	0.0%
	* BRU Total	82,224.8	84,599.2	84,242.9	84,242.9	-0.0	-0.0%
University of Alaska Southeast							
27	Juneau Campus	10,237.8	10,538.3	10,809.1	10,809.1	0.0	0.0%
28	Ketchikan Campus	1,468.7	1,494.0	1,478.3	1,478.3	-0.0	-0.0%
29	Sitka Campus	1,780.5	1,802.9	1,787.4	1,787.4	0.0	0.0%
	* BRU Total	13,487.0	13,835.2	14,074.8	14,074.8	0.0	0.0%
	*** Total Agency Expenditure	166,379.4	172,344.1	172,344.1	172,344.1	0.0	0.0%

HB

312/313

(File 4)

HFIN

FILE

SEVERAL
SUBJECT
TESTIMONY

House Finance Committee Budget Hearings
4 March 2000
Comments by Carl S. Benson
1551 Farmers Loop, Fairbanks, Alaska 99709

In its goal to continue cutting the budget, the Legislature is philosophically on the wrong course. Worse yet, it is wasting its time. Cuts to the already decimated state budget will only hurt and cannot help. It is said that we have a shortfall of \$700 million. The proposed cuts, intended to yield \$30 million, will only meet 4% of this. It's as if I owe you \$1.00 and offer to pay you 4¢. You would tell me: "Get real, do something about raising the money you need to pay what you owe." Think about it; 4% is not much. Your body weight can vary 4% in a single day.

By means of this public hearing you have asked for my advice. Here it is. Take notes.

1. Reinstate our state income tax (the old one at 14% of the federal tax was fine).
2. Leave sales tax for local governments to administer (as before).
3. Leave property taxes for local governments to administer.
Stop consideration of a state-wide limit on property tax. This proposition could destroy some communities when combined with reduced revenue sharing from state to local governments. Alaskan property taxes are not high. For example, in the Fairbanks North Star Borough the 1999 dividend was almost three times more than the property tax (\$148.6 million in dividends and \$52 million in property tax).
4. Raise our state gasoline tax (now the lowest in the nation).
Don't worry, the overwhelming number of states, 45 out of 50, will still have higher gasoline taxes.
5. Raise our state vehicle registration fees (now the lowest in the nation).
When I tell people from other states about our vehicle registration fees they are astonished. Our fees are only \$35 per year for cars and \$40 for trucks, regardless of the age or cost of the vehicle. In most states, fees are about 5 times higher. And may add a whopping sales tax which can exceed two thousand dollars.
6. Use some of the EARNINGS from our Permanent Fund for their intended purpose of contributing to funding state government at the time when oil revenues decline.
That time is now!
7. Put an upper limit on the dividend.
The original plan was based on residency, paying \$50 per year up to a maximum of 20 years, or \$1,000. The residency part was struck down as unconstitutional, but the upper limit made sense and certainly did not violate the constitution. Indeed, this maximum value would still be \$1,000.00 more than the dividend in North Dakota and Montana.

8. Stop the witless counterproductive, cuts to state government.

Cuts to the already underfunded state government do no good toward solving the budget problem. Instead they become part of the problem. Our University of Alaska has been level funded for more than a decade in spite of growth and ever rising costs. This level funding has amounted to a cut of about \$50 million. It stifles the University's role as the primary engine for Alaska's economic development. Our Alaska State Troopers are operating with 73 fewer troopers than we had in 1987 when population and the associated problems were less. Our Alaska State Geological Survey is down by 80% of its strength a decade ago. It cannot meet its mandated requirements to monitor surface water and ground water. Similar examples can be cited for every state agency.

9. Stop using budget cuts vindictively.

The image of tight budgets (by ignoring our largest sources of income) has been used by some legislators as a basis for attacking programs they don't like. Cuts to Public Broadcasting and to the DEC were prime examples last year.

10 Try to keep in mind the size of our assets.

Our assets are enormous! With huge, income-producing savings accounts, and no debts, any of the other 49 states would trade financial places with Alaska in a heartbeat. The size of our Permanent Fund is beyond comprehension for most people, and its annual income is indeed the sustainable resource that the founders had in mind.

The income from the Permanent Fund last year was \$2,600 million. The income from the Constitutional Budget Reserve (CBR) was another \$300 million. The combined income from these two accounts exceeded the entire state general fund contribution to the budget by about \$1 billion. (In 1999 we paid about \$300 million in income tax to the IRS on dividends alone; that was roughly the same as the entire income of the CBR.)

11. Stop expecting the U.S. Federal Government to pay our way.

The federal component to the state budget (not counting the military expenditures in Alaska) exceeds what the state puts in from our general fund. Federal dollars have also exceeded state dollars in the University of Alaska budget for the past five years. The state must get back into the act. It can do this by raising revenues, using investment earnings, and by reducing the give-away binge, namely the unrestricted growth of the dividend. The dividend is now the biggest single item of our state expenditures.

Dear Legislator,

I am alarmed at how the legislature is dismantling everything of value in our state's infrastructure.

I voted against the permanent fund ballot issue last fall, not because I don't want the fund spent, but because I want more of the fund spent. There is plenty of money to provide for education, transportation, and other essential state services, if we stop pandering to a segment of our population that is motivated by personal greed, that wants "their" check, whether they've earned it or not. The dividend program is arguably the worst welfare program in the nation.

By refusing to spend money meant "for our future" on public education, which will significantly impact our future, the legislature is being short-sighted. We are told that we must implement state-wide quality standards, but the rug is pulled out from under our students, making it much more difficult to meet those standards. Here in Fairbanks, the school budget pinch is causing us to consider doing away with nurses, counselors, library services, instrumental music, increasing class sizes, and severe cutbacks in every other area.

We are told that the burden is being shifted to local governments, but then you take away our ability to tax segments of our population, like the 65 and over crowd, who stand to benefit greatly from the services that can be provided by an educated populace, but who are excluded from paying a dime for those benefits.

You tell us we have to provide busing for our students, but then you refuse to pay the cost.

What economic growth can we expect in the future? What light or heavy industry will want to locate in Alaska if we can't offer the families of potential employees a quality public education? Or if we can't offer the resource of a continuing supply of well educated high school grads to work in those industries?

I do vote in every election. I will reflect my displeasure at the ballot box if the state legislature refuses to adequately support public education on the one hand, and continue to insist on unfunded mandates on the other. You are doing a grave disservice not only to the state's children, but to everyone else, yourselves included.

Liz Engle
521 Hagelbarger Ave.
Fairbanks, AK. 99712
(907)457-3564

DON IAN GRAY
399 HILLSIDE DRIVE
FAIRBANKS, ALASKA 99712
TEL. (907) 457-5737

Saturday, March 4, 2000

Testimony on the Alaska FY2001 Operating Budget (proposed):

Gentlemen & Ladies of the Committee,

We often wear many hats, figuratively, as Alaskans. In the brief time allotted, I urge you to do four things in this next operating budget.

one: As President of the Friends of the University of Alaska Museum, do follow the recommendations of the statewide president of University of Alaska, Mark Hamilton, and the UA Statewide Board of Regents, (as well as the Friend Board of Directors) and fund the University of Alaska maintenance budget along with the operating budget. The deterioration cannot continue and it does impact the number of employee labor hours to merely continue operations. If you fund the repairs and maintenance to the UA Museum, private dollars will take care of the long-postponed completion of this Jewel of the North.

two: Speaking as a public member of the State of Alaska Mental Health Board, which serves both the Governor and your good offices as citizen advisory on mental health issues including Alaska Psychiatric Institute, the Chronically Mentally Ill, and related areas: Please do not cut the proposed amounts for grants serving the chronically mentally ill living in community-based settings instead of higher cost hospitalization or incarceration. Don't cut grants for child care assistance; this affects many Alaskans struggling to maintain jobs and independence. You choose NOT to use Draconian measures against alcohol abuse like mandatory fines and confiscation of vehicles for first offense DWI driving offenses involving alcohol, but something must be done for this major Alaskan problem, (i.e. Driving While Intoxicated). Please fully fund alcohol and drug abuse grants to address the 58,000 Alaskans who suffer directly from abuse problems. All these are vital for a safer, healthier Alaska.

three: Speaking as an Interior resident who is concerned with the quality of community life here, please do not cut our intellectual lifeline: Public Broadcasting. One measure of government is its capacity to serve its citizens as a body what we cannot do individually. Public radio informs, enlightens and entertains us in ways that commercial radio chooses not to. Public television lifts Alaskans beyond trivial game shows, situation comedies or violent crime dramas, and allows all of us to watch, learn and be informed without paying subscriber fees that would exclude many. The quality of Alaskan society is greatly enhanced by public radio and TV. Without them we suffer as a people.

lastly: As a parent of grown children who received excellent public educations in our local schools, please fully fund the school budget foundation formula and schools related items in this operating budget. Looking to the future, I want coming generations to learn to be civil in their public lives, to be competent in their careers, and to be courageous in their commitment to a fair, just and prosperous democracy. Years in the future, I want the certified nurses assistant who helps me in my sickness or infirmity to be accurate and efficient, but also caring and responsible. I want the streets safe from madmen who barrel through red lights without a concern for the rights of others. Schools help kids, our society's future, learn compassion and competence. And they require our money. You have a heavy responsibility to put our dreams into reality using our collective resources as a people. You make the laws, you pass the budgets. I thank you for your efforts, please be bold, be leaders, not whiners.



Alaska State Legislature

PUB. BROAD &
TOBACCO SETTLE

Please enter into the record my testimony to the House Finance
committee name
committee on Operativy Budget dated 3/4/07
bill/subject

#1 I DO HOPE YOU CONTINUE TO FUND
PUBLIC RADIO FOR ALASKA. IT IS A
PUBLIC SERVICE FOR ALL ALASKIANS THAT
IS TRUELY NEEDED ACROSS THE BOARD.
ANY CUT WOULD BE DEVASTATING..

#2 REGARDING THE TOBACCO SETTLEMENT;
I STRONGLY URGE YOU APPROPRIATE THE FULL
\$2,800,000 FOR FY01. AS YOU REALIZE,
THESE FUNDS WOULD BE USED FOR PROGRAMS
SUCH AS CESSATION PROJECTS, PUBLIC EDUCATION,
SCHOOL BASED DEMONSTRATION PROJECTS AND MORE.
HELP MAKE ALASKA'S FUTURE A HEALTHY AND
TOBACCO-FREE STATE.

Signed: Perry Merikel - PERRY MERIKEL
Testifier

#1 APT1 AND 2) AMER CANCER SOCIETY - ANCH DIV.
Representing (Optional)

821 WEST 14TH AVE ANCH AK 99501
Address

562-2326
Phone No.

Andree McLeod
3721 Young Street
Anchorage, AK 99508
(907) 561-8595
email: mcleodak@alaska.net

My name is Andree McLeod and I would like to speak about the budget process and how we do business, in general.

I was involved with the Commission on Privatization and Delivery of Government Services as a staff member as well as being a volunteer on both the Office of the Governor and Department of Administration subcommittees.

What the various subcommittees discovered was that the costs of performing specific state services is not available in the budget. One reason for that is because the State of Alaska Accounting System (AKSAS) is not programmed to effectively differentiate between direct and overhead costs for the various state programs in any standardized manner.

Alaskans are fortunate in that the Commissioner of Administration, Bob Poe, is one of the original Price Waterhouse program designers of AKSAS. With that kind of expertise on hand, I've no doubt that through a bipartisan effort on everyone's part, our accounting system can be programmed to its fullest potential to capture the full costs of providing services.

May I suggest combining the Office of Management and Budget and the Department of Administration, Finance division (home of AKSAS), so sound business accounting practices can be injected into the budget process. The result would be more reliable cost data to bring about a more efficient and cost-effective government, as well help you in making the hard decisions about the budget.

ANDRÉE McLEOD *Appendix J*

Commission on Privatization and Delivery of Government Services Department of Administration Subcommittee

Recommendation:

Establish a cost accounting system that identifies all costs associated with tasks performed by state employees.

Rationale:

Direct and indirect costs for specific services can be tracked by the State of Alaska Accounting System (AKSAS), as long as the accounting structure is set up in such a way that the "right data falls into the right buckets." At this time, only DOT/PF uses the AKSAS, Time and Equipment monitoring system. Decision-makers must know the real costs of services. It's impossible to determine efficiency, cost effectiveness or cost benefit without accurate, factual, quantifiable, and verifiable information.

Barriers:

Non-standardized use of AKSAS accounting structures by various departments. Presently, each department has the option of defining accounting structures.

The State of Alaska Accounting system (AKSAS), Time and Equipment (T&E) automated system calculates the costs related to hours worked, equipment usage and other work units reported on timesheets, and distributes the cost through the AKSAS reporting structures according to the timesheet financial coding.

Labor costs are calculated for hours worked based on the payroll rates maintained in the statewide payroll system master file. In addition to the base wage rate (hourly salary), overhead rates can be established for benefits, insurance, etc.

Equipment costs are calculated for equipment use based on the applicable rate for the individual piece of equipment, in the equipment master file, which is maintained in AKSAS. Equipment master file records are created and maintained through on-line equipment maintenance by the agency.

Through management reporting, statistical and performance reports can be created using T&E data. Hours and other work units are maintained in AKSAS where they are available for display and for performing calculations.

Experienced governments have reported that detailed cost analyses are more time consuming and costly, but the payoff comes in their ability to better evaluate competing proposals and identify cost savings.

ANDREE McLEOD

YOU MAY NOW SLUG THE BRIDE.



...TO MARRY ON THE JERRY SPRINGER SHOW?

Healthy activities for the next proposed expansion will be dollars. There is no way in lose on this effort.

— John C. Fleming Anchorage

nt rates quitters

For the Daily News story aid smokers, pro-tobacco (March 2) points out a classic. The story deals with ef- Philip Morris to fend smoking ban in Anchorage by tion options."

Philip Morris isn't try- Their true motive was re- ternal document: "Smoking st challenge we have ever es from 5% to 21% when onsmoking environment." nnows that most smokers en forbid that they actual- tter that they smoke until ncer, heart disease or em- ad about the nonsmokers reathe toxic air on the job). been lying to the American about smoking and second Options" program and the business owners and loca- med to achieve the compa- to keep smoking rates a- ere is no other motive.

— Anne Marie Holer Alaska Native Health Board

enefits Alaskans

Since long before the Fund was established. ears, our lawmakers have nto the Fund, and eventu-

ally they are going to succeed. Recently the Daily News published a story about a \$25,000 final payment being introduced into the Legislature ("\$25,000 dividend payment gets cool reception before House committee," March 2). This payout is equal to half of the Fund's value, \$27 billion. I agree. I think the idea is great, for several reasons.

There are many people who have come up here from other places specifically because of the Permanent Fund dividend. If they were to receive a lump sum, they would be headed back south to buy the farm or whatever they always wanted but could not afford. This would decrease our population, our welfare, and our school enrollment, thus saving the taxpayers millions of dollars.

I think the disbursement should be 75 percent of the Fund to the people of Alaska. Let the lawmakers have the rest and then sit back and watch them haggle over what they are going to spend it on and how fast they will spend it. It would be interesting.

— Terry N. Clark Wasilla

3/4/2000

Privatization article biased

State government cannot explain how much it costs to deliver government services. That's what I expected beneath the Feb. 28, front-page headline "Fatal flaws claimed in state study."

The most glaring fact emanating from the Commission on Privatization and Delivery of Governmental Services' report is that government cannot assess actual costs to specific services provided.

The commission gleaned that government doesn't account for direct and indirect costs (overhead) in its accounting for services. The privatization concept infers those costs be associated to specific services. That discipline alone brings about efficiency and cost savings

before any managed competition takes place. The reporter decided to taint the many volunteers' work by ignoring the merits of the report and recommendations, and by deciding to provide the critics yet another opportunity to continue undermining the progress of this commission with their vicious prattle. Having been involved, the only sweetheart deal observed was the empowering of average Alaskans as they stepped up to the plate and gratuitously contributed to the process of their government.

You'd think it's important to report that our state government cannot account for the services provided or how inefficiently it collects and spends our money. Maybe then topics like taxes can be taken seriously.

— Andree McLeod Anchorage

Governor ignores science

Gov. Tony Knowles says wolf management must be based on science. Gov. Knowles says wolf harvests outside of Denali threaten wolf populations in Denali. Gov. Knowles wants to outlaw wolf harvests outside Denali.

Layne Adams is a federal biologist who has studied Denali's wolves for years. Layne Adams' science says wolf populations in Denali are not threatened by wolf harvests outside Denali. Gov. Knowles thumbs his nose at science. Gov. Knowles is playing politics. Please stop pretending, Gov. Knowles.

— Tom Lessard Chugiak

Wolves not ours to manage

In his 1978 work "Of Wolves and Men," Barry Lopez gives a chilling account of the history between wolves and Caucasians: we have persecuted, tortured and systematically executed wolves in massive numbers, leaving Alaska with some of the last healthy wolf populations in the world.

In Lopez's words, "we do not understand our place in the universe and have not the courage to admit it." Native Americans, on the other hand, have coexisted with wolves for thousands of years. They understand wolves perhaps more deeply than any biologist ever can, and they have historically respected, learned from, and dwelled among wolves.

At the Alaska Wildlife Alliance's March 2 wolf rally, a man who described himself as one of "The First People" spoke from the audience. Among many valuable points, he stated that the wolf control debate centers around money -- and therefore around our interests. This is a critical point. We sincerely believe that the wolves are "ours" and that the real question centers around how we will manage them.

I believe the real issue is not how to manage wolves, but how to manage ourselves and recognize our place in this world. We users would do well to learn from history and from the wisdom of "The First People" who understand their own place in this world, as well as the place of wolves.

— Amy Crawford Anchorage

Child Care | Public Radio



Alaska State Legislature

Please enter into the record my testimony to the Finance Committee
 Public Radio
 committee name
 committee on Bill #312 Child Care dated 3/3
 bill/subject

My name is Anne Marie Moylan. I am a single mom whose child is enrolled in the Child Care Assistance Program run by the Education and Early Development Department. I feel very fortunate that this program has enabled me to work full time and afford the best possible care for my daughter.

I was feeling doubly-rewarded by having a job in public broadcasting — specifically as the development director, in charge of fundraising and membership at KBPSI and KDL. However, at this time it feels more like double jeopardy.

I urge you to reinstate the over \$400,000 you are proposing to cut from public radio's budget. The cutbacks we have already endured over the past 5 years have forced us to creatively restructure, but further cuts leave us — NO WHERE TO GO EXCEPT TO LOSE SERVICE TO RURAL COMMUNITIES.

I also ask you to STOP CUTTING CHILD CARE PROGRAMS, FOR, IN MY COMMUNITY ALONE, WAIT LISTS MEAN CRISIS FOR FAMILIES AND FEAR OF BEING CUT OFF FROM THE PROGRAM, HAS EVEN BROADENED FAMILIARITY. Thank you for allowing me this opportunity.

Signed: Anne Marie Moylan
 Testifier

Anne Marie Moylan

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