

ALASKA LEGISLATURE 2224H
HOUSE and SENATE FINANCE COMMITTEE FILES, 2001 - 2002

SENATE FINANCE COMMITTEE
2001 COMMITTEE ACTION

43

Bill Number HB 103			
Amendment DNR#6			
Motion Adopt			
Motion by Hoffman			
Objection by Ward			
Removed			
Second Objection by			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Hoffman	✓		
Senator Leman			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
<u>MOTION</u>		FAIL	

DNR #6

Amendment

Offered in Senate Finance

By: Senator Hoffman

ADD

Department of Natural Resources

~~Division of Forestry~~ *Statewide Fire Suppression Program*

Fire Suppression

Fund Source

Amount

General Fund

\$350.0

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

<u>Appropriation/Allocation</u>	Agency: Department of Natural Resources									
	Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Gen Purpose	Gen Purpose	Gen Purpose
<u>Appropriation/Allocation</u>	H/SIntro	H/SIntro	H/SIntro	H/Sintro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose
Management and Administration										
Commissioner's Office	490.0	0.0	57.7	547.7	493.5	0.0	54.2	547.7	3.5	0.7 %
Administrative Services	1,552.6	0.0	588.5	2,141.1	1,564.6	0.0	576.5	2,141.1	12.0	0.8 %
Public Services Office	0.0	0.0	316.3	316.3	0.0	0.0	348.4	348.4	0.0	0.0 %
Trustee Council Projects	0.0	270.6	1,646.4	1,917.0	0.0	150.4	1,596.4	1,746.8	0.0	0.0 %
* Appropriation Total	2,042.6	270.6	2,608.9	4,922.1	2,058.1	150.4	2,575.5	4,784.0	15.5	0.8 %
Information/Data Management										
Recorder's Office/Uniform Commercial Code	2,326.8	0.0	67.4	2,394.2	2,392.2	0.0	0.0	2,392.2	65.4	2.8 %
Information Resource Management	1,646.7	60.6	350.6	2,057.9	1,657.4	30.6	589.9	2,277.9	10.7	0.6 %
Interdepartmental Data Processing Chargeback	540.2	0.0	266.0	806.2	541.3	0.0	264.9	806.2	1.1	0.2 %
* Appropriation Total	4,513.7	60.6	684.0	5,258.3	4,590.9	30.6	854.8	5,476.3	77.2	1.7 %
Resource Development										
Development - Special Projects	35.0	0.0	500.0	535.0	35.0	0.0	500.0	535.0	0.0	0.0 %
Emergency Firefighters Non-Emergency Projects	0.0	0.0	250.0	250.0	0.0	0.0	250.0	250.0	0.0	0.0 %
Mental Health Trust Lands Administration	0.0	0.0	958.2	958.2	0.0	0.0	983.2	983.2	0.0	0.0 %
* Appropriation Total	35.0	0.0	1,708.2	1,743.2	35.0	0.0	1,733.2	1,768.2	0.0	0.0 %
Forestry Management and Development										
Forestry Management and Development	6,971.4	1,161.9	402.2	8,535.5	7,020.1	1,161.9	753.7	8,935.7	48.7	0.7 %
* Appropriation Total	6,971.4	1,161.9	402.2	8,535.5	7,020.1	1,161.9	753.7	8,935.7	48.7	0.7 %

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections¹

Appropriation/Allocation					Agency: Department of Natural Resources					
	Gen Purpose	Fed Restricted	Other Funds		Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Gen Purpose	
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	
Oil and Gas Development										
Oil & Gas Development	3,185.2	140.3	1,125.9	4,451.4	3,220.3	140.3	1,915.8	5,276.4	35.1	1.1 %
Pipeline Coordinator	427.4	165.5	3,415.7	4,008.6	434.7	40.2	3,371.0	3,845.9	7.3	1.7 %
* Appropriation Total	3,612.6	305.8	4,541.6	8,460.0	3,655.0	180.5	5,286.8	9,122.3	42.4	1.2 %
Minerals, Land, and Water Development										
Geological Development	2,117.0	1,501.5	354.6	3,973.1	2,128.1	1,501.5	406.2	4,035.8	11.1	0.5 %
Water Development	801.2	21.6	189.8	1,012.6	1,108.7	29.6	122.3	1,260.6	307.5	38.4 %
Claims, Permits & Leases	5,594.3	711.2	567.0	6,872.5	4,991.1	711.2	1,170.2	6,872.5	-603.2	-10.8 %
Land Sales & Municipal Entitlements	0.0	51.7	2,423.2	2,474.9	0.0	51.7	2,653.3	2,705.0	0.0	0.0 %
Title Acquisition & Defense	975.3	0.0	137.0	1,112.3	982.8	0.0	99.5	1,082.3	7.5	0.8 %
Director's Office/Mining, Land, & Water	370.2	0.0	150.6	520.8	372.1	0.0	97.3	469.4	1.9	0.5 %
* Appropriation Total	9,858.0	2,286.0	3,822.2	15,966.2	9,582.8	2,294.0	4,548.8	16,425.6	-275.2	-2.8 %
Parks and Recreation Management										
State Historic Preservation Program	284.3	336.5	660.2	1,281.0	289.3	336.5	705.2	1,331.0	5.0	1.8 %
Parks Management	5,401.2	0.0	219.2	5,620.4	5,460.8	40.0	159.6	5,660.4	59.6	1.1 %
Parks & Recreation Access	0.0	23.4	2,018.1	2,041.5	0.0	23.4	2,048.1	2,071.5	0.0	0.0 %
* Appropriation Total	5,685.5	359.9	2,897.5	8,942.9	5,750.1	399.9	2,912.9	9,062.9	64.6	1.1 %
Agricultural Development										
Agricultural Development	1.5	205.4	953.8	1,165.7	1.5	205.4	1,021.1	1,228.0	0.0	0.0 %
North Latitude Plant Material Center	14.5	1,171.5	649.1	1,835.1	14.5	1,471.5	649.1	2,135.1	0.0	0.0 %
* Appropriation Total	16.0	1,376.9	1,602.9	3,000.8	16.0	1,676.9	1,670.2	3,363.1	0.0	0.0 %

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections¹

	Agency: Department of Natural Resources									
	Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Gen Purpose	Gen Purpose	Gen Purpose
<u>Appropriation/Allocation</u>	<u>H/SIntro</u>	<u>H/SIntro</u>	<u>H/SIntro</u>	<u>H/SIntro</u>	<u>Sen Sub</u>	<u>Sen Sub</u>	<u>Sen Sub</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	<u>Sen Sub</u>
Agricultural Revolving Loan Program Administration										
Agricultural Revolving Loan Program Administrator	0.0	0.0	707.9	707.9	0.0	0.0	707.9	707.9	0.0	0.0 %
* Appropriation Total	0.0	0.0	707.9	707.9	0.0	0.0	707.9	707.9	0.0	0.0 %
RS 2477/Navigability Assertions and Litigation Support										
RS 2477/Navigability Assertions and Litigation Support	115.0	0.0	0.0	115.0	115.0	0.0	0.0	115.0	0.0	0.0 %
* Appropriation Total	115.0	0.0	0.0	115.0	115.0	0.0	0.0	115.0	0.0	0.0 %
Facilities Maintenance										
Facilities Maintenance	0.0	0.0	1,100.0	1,100.0	0.0	0.0	1,100.0	1,100.0	0.0	0.0 %
Fairbanks Office Building Chargeback	103.6	0.0	0.0	103.6	0.0	0.0	103.6	103.6	-103.6	-100.0 %
DNR State Facilities Rent	1,268.6	0.0	0.0	1,268.6	1,268.6	0.0	3.2	1,271.8	0.0	0.0 %
* Appropriation Total	1,372.2	0.0	1,100.0	2,472.2	1,268.6	0.0	1,206.8	2,475.4	-103.6	-7.5 %
Fire Suppression										
Fire Suppression	3,184.1	5,321.0	11.8	8,516.9	3,195.9	7,321.0	0.0	10,516.9	11.8	0.4 %
* Appropriation Total	3,184.1	5,321.0	11.8	8,516.9	3,195.9	7,321.0	0.0	10,516.9	11.8	0.4 %
*** Agency Total	37,406.1	11,142.7	20,092.2	68,641.0	37,287.5	13,215.2	22,250.6	72,753.3	-118.6	-0.3 %

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Natural Resources

	<u>01MgtPIn</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
Totals for Agency	68,484.2	73,558.3	68,641.0	72,753.3	72,753.3	4,112.3	6.0 %
<u>Obiects of Expenditure:</u>							
Personal Services	43,527.7	46,006.5	43,649.5	45,458.7	45,458.7	1,809.2	4.1 %
Travel	1,398.4	1,423.0	1,398.4	1,389.5	1,389.5	-8.9	-0.6 %
Contractual	20,497.0	21,015.7	20,497.0	20,815.0	20,815.0	318.0	1.6 %
Commodities	2,469.9	2,533.6	2,469.9	2,519.1	2,519.1	49.2	2.0 %
Equipment	576.2	529.5	576.2	521.0	521.0	-55.2	-9.6 %
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0 %
Grants, Claims	15.0	15.0	15.0	15.0	15.0	0.0	0.0 %
Miscellaneous	0.0	2,035.0	35.0	2,035.0	2,035.0	2,000.0	>999 %
<u>Funding Sources:</u>							
1002 Fed Rcpts	11,132.2	13,215.2	11,142.7	13,215.2	13,215.2	2,072.5	18.6 %
1003 G/F Match	408.5	415.2	409.1	415.2	415.2	6.1	1.5 %
1004 Gen Fund	29,938.3	32,162.8	30,036.2	30,304.0	29,775.4	-260.8	-0.9 %
1005 GF/Prgm	6,950.0	7,096.9	6,960.8	7,096.9	7,096.9	136.1	2.0 %
1007 I/A Rcpts	4,647.6	4,694.5	4,647.3	4,694.5	4,694.5	47.2	1.0 %
1018 EVOSS	1,595.2	1,596.4	1,596.4	1,596.4	1,596.4	0.0	0.0 %
1021 Agric Loan	1,824.0	1,846.9	1,825.3	1,846.9	1,846.9	21.6	1.2 %
1053 Invst Loss	303.5	0.0	303.5	0.0	0.0	-303.5	-100.0 %
1055 IA/OIL HAZ	65.7	95.8	65.8	95.8	95.8	30.0	45.6 %
1061 CIP Rcpts	2,582.7	2,843.2	2,586.1	2,843.2	2,843.2	257.1	9.9 %
1092 MHTAAR	955.9	983.2	958.2	983.2	983.2	25.0	2.6 %
1105 PFund Rcpt	1,065.5	1,070.2	1,070.2	2,129.0	2,129.0	1,058.8	98.9 %
1108 Stat Desig	4,652.3	4,652.0	4,659.1	4,652.0	4,652.0	-7.1	-0.2 %

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Natural Resources

	<u>01MgtPln</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
1114 EVOS Rest	50.0	0.0	50.0	0.0	0.0	-50.0	-100.0 %
1139 AHFC Div	0.0	0.0	0.0	0.0	528.6	528.6	100.0 %
1153 State Land	2,312.8	2,606.0	2,330.3	2,601.0	2,601.0	270.7	11.6 %
1155 Timber Rcp	0.0	280.0	0.0	280.0	280.0	280.0	100.0 %
Positions:							
Perm Full Time	564.0	581.0	564.0	579.0	579.0	15.0	2.7 %
Perm Part Time	232.0	258.0	232.0	237.0	237.0	5.0	2.2 %
Temporary	99.0	93.0	99.0	93.0	93.0	-6.0	-6.1 %
Funding Summary:							
Gen Purpose	37,296.8	39,674.9	37,406.1	37,816.1	37,287.5	-118.6	-0.3 %
Fed Restricted	11,132.2	13,215.2	11,142.7	13,215.2	13,215.2	2,072.5	18.6 %
Other Funds	20,055.2	20,668.2	20,092.2	21,722.0	22,250.6	2,158.4	10.7 %

Senate Finance Subcommittee
On Department of Natural Resources
FY 02 Operating Budget

Senator Loren Leman, Chairman
Senator Randy Phillips
Senator John Torgerson
Senator Drue Pearce
Senator Georgianna Lincoln

The Senate Finance Subcommittee on the Department of Natural Resources closed out review of the budget at its March 27, 2001 meeting. The Subcommittee adopted the attached summary, and the Legislative Finance Reports. The subcommittee worked from SB 69/HB 103, which includes the FY01 Management Plan plus the FY 02 salary increases approved by the 21st Legislature.

The budget recommendations are consistent with the Chairman's vision of streamlined government and the Department's mission to develop Alaska's land, mineral and water resources. This budget *decreases* General Funds by \$118.6, and adds 15 non-GF full-time, and five part-time positions. The Subcommittee recommends the following:

- Approve all LITs, position adjustments, transfers in and transfers out, OTIs, and the FY01 salary increases.
- \$825.0 increase at the request of the Division of Oil and Gas to address vacancy, recruitment and retention of technical personnel
- Approve \$300.0 GF increment to Water Development as part of the solution to retool the water permitting program. *In anticipation of statutory and regulatory changes, language is recommended that will appropriate I/A Receipts from the Federal Non-Point Source pollution funds in DEC. This funding will relieve General Fund pressure in this division for FY02.*
- Authorizing \$248.0 from the State Land Disposal Income Fund to enable the Division of Mining, Land and Water to survey new subdivisions and offer new land sales.
- Authorizing \$280.0 in timber receipts to support value-added timber sales.
- Including language allowing DNR to receive federal receipts for fire suppression activities above the budgeted level, if necessary.
- Including language allowing DNR to attempt a pilot project in preparation for this year's fire season.
- Replacing \$103.6 of GF with AHFC Dividends in the Fairbanks Office Building Chargeback component.

For specific details on Senate Subcommittee action taken, please see the "Transaction 1-Way Comparison from HB 103/4 to Sen Sub" report.

**Department of Natural Resources
Impact Statements in Response to
Senate Finance Subcommittee Budget Proposals
Date: March 30, 2001
Prepared by: Mark Myers, Director, Oil & Gas**

Program Area: Oil and Gas Development	Dollar Amount(s): (\$425.0) \$425.0	Fund Source(s): General Fund AHFC Dividend
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Impact Analysis:

The division of oil and gas requested an amendment to the FY02 Operating budget for a \$425,000 general fund increment. The purpose of the request is to fund salary increases for specialized positions in the exempt service. Funding this increment will make the division's professional oil and gas salaries competitive with the salaries of its counterparts in the federal government, but still significantly less than those in the oil and gas industry.

The House funded the increment in full with general fund. The Senate Finance Subcommittee recommended funding this increment as a one-time-item from the Alaska Housing Finance Corporation Dividend. While this does not have any impact in FY2002, this one-time funding source will be backed out of the base budget amount in the FY03 budget preparation. This means that DNR will be required to go through the process of requesting a general fund increment again, to fund salary levels that will have been in place for one year.

Prepared by: Nico Bus, Administrative Services Manager

Program Area: Information Resource Management	Dollar Amount(s): (\$72.5)	Fund Source(s): General Fund
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Impact Analysis:

The Land Status Graphic Record system is used by the public and government agencies to access land status information. Although land status records are available on-line (www.dnr.state.ak.us/landrecords), this access is of limited use due to a 9-month backlog of updates.

Annually, the department receives an average of 15,000 land transactions that need to be entered in to the Land Status Graphic Record system. The existing average backlog of 9 months is unacceptable to both internal and external users who need records to be current within 30 days. The projected FY2002 backlog is over 11,000 pending actions.

By adding one additional cartographer, the backlog workload can be cut about 25% per year.

The primary users of the graphic land records include:

- Mining industry for managing mineral property rights;
- Oil and gas industry to assure public notification of leases, right-of-ways, water rights, and material sales;
- Forest products industry for state timber sales;
- Alaskans looking for land to purchase or lease;
- Agricultural industry for locating specially designated agriculture lands and agriculture land sales; and
- All resource managers, especially DNR managers and staff, who rely on plats for day-to-day permitting decision support and documentation.

Each of these important resource based user communities suffers when dependable land records are not available from the State.

Operating staff in the Status Graphic Unit was steadily reduced from 19 positions in 1990 to 10.2 in FY01. While automation has permitted fewer staff to accomplish more work, it cannot fully compensate for the staff reductions. Although each cartographer now produces 50% more output than 12 years ago, an additional cartographer is needed to reduce the backlog. A reduction in the backlog, resulting in more current land records, will have a direct and positive impact on permitting of economic development activities.

Program Area:	Dollar Amount(s):	Fund Source(s):
Interdepartmental Data Processing Chargeback	(\$57.5)	General Fund

Impact Analysis:

Technology changes are driving improvements in government business practices; technical expertise is essential for finding reliable solutions to problems identified by DNR staff and the public. Conversely, inadequate staffing means slow response times to solving users' network or computer issues which in turn cuts worker productivity and limits the value of DNR's services and information to the public. This funding would add one additional data processing technician.

This position is needed to assure an acceptable level of computer support for the Palmer and MatSu staff, especially during the high demand fire season. There are about 93 network devices in Palmer alone, about half of them are at the new Forestry fire facility, the others are in the Recorder's Office, State Parks, and the Division of Agriculture. Also, the Division of Agriculture's Plant Material Center is projected to increase their staffing due to an influx of federal monies and thus will require more computer support.

This increment request only addresses the demands that are critical for maintaining DNR's widely distributed computing and data communications network. DNR staff now supports an average of 192 network devices per technical person. An acceptable industry average is 75 devices per technical person. DNR network staff have 2.5 times

the industry average workload. Personal computers now have a central role in our office environments, 949 devices are supported across the department; 766 of these are covered by the Computer Information Center staff. One additional position will drop the ratio to only twice the industry average (vs. the current 2.5 times the industry average).

Without the requested position, the Anchorage staff will have to continue to support the MatSu/Palmer areas. This doesn't provide responsive action to the timing needs of the Palmer Offices and is an inefficient and cumbersome use of the Anchorage staff.

Prepared by: Bob Loeffler, Director, Mining, Land & Water

Program Area:	Dollar Amount(s):	Fund Source(s):
Mineral, Land and Water Development - BRU		
Water Development	(\$300.0) \$300.0	General Fund Interagency Receipts

Impact Analysis:

The Senate Finance Subcommittee (SFSC) proposes appropriating a \$300.0 general fund increment for the Water Management Unit (water rights) in conjunction with a \$300.0 fund switch in the Hydrologic Survey Unit (AHS) from general funds to interagency receipts from Department of Environmental Conservation (DEC) from federal EPA section 319 funds. This proposal raises the following issues:

40% GF Match Requirement for 319 Funds

Federal EPA section 319 funds require a 40% general fund match, or \$200.0. The reduction of \$300.0 in general funds in the AHS would leave only \$31.0 in general funds that could *potentially* be used for the match requirements *if the functions performed qualify*. Even if all remaining work qualifies, the AHS would be short \$169.0 in match requirements.

In administering the 319 funds pass through grants to other entities, DEC requires all grant recipients to provide and account for their match obligation. Funded projects must meet the scope of non-point water pollution control (the Alaska Nonpoint Source Pollution Control Strategy identifies the type of work that qualifies for these grants - it is available from DEC's web site in the Air & Water Quality Division under the hot link of Final Nonpoint Pollution Strategy).

SFSC's consideration of this fund source was based on a statement regarding discretionary use in the in the EPA Nonpoint Source Program and Grants Guidance for Fiscal Years 1997 and Future Years. On Page 21 of the guidance it states,

" . . . States may use up to 20% of their section 319(h) funds or \$250, 000, whichever is less, to update and refine their programs and assessments."

DEC just completed the program update that is referred to in this language. The Final Nonpoint Pollution Strategy as noted above was completed in September 2000. The recent program update was required by EPA in order for Alaska to continue to receive

319 grant funds. Nothing in the quoted sentence or the surrounding text speaks to a waiver of the match requirement for the \$250,000 or 20% amount.

AHS already relies on 319 funds

The AHS depends on IA and program receipts to fund its current workload requirements and has in the past obtained 319 funds under the competitive process. For FY02 the Hydrologic Survey Unit is submitting three 319 grant applications for a total of \$125.0 (\$75.0 in grant funding and \$50.0 in general fund match).

This creates an impossible funding scenario.

If AHS receives \$300.0 of 319 funds through legislative appropriations they will not likely receive any additional 319 funds under the competitive process.

If AHS received the 319 funds applied for it would not have the required 40% general fund match.

Existing Services would be redirected to functions required by 319 Grants.

If \$300.0 in general funds is replaced by 319 funds the AHS would be required to allocate all of its time to 319 nonpoint sources pollution projects or other IA/program receipt projects.

There would be no general funds remaining to provide technical assistance for the following:

Adjudication of applications for water rights

While the general fund increment to the water rights program is necessary to timely adjudicate water right and temporary water use applications, the technical assistance provided by AHS is mandatory for this process.

Land disposal program or material sales

Well log tracking

AHS would not be able to maintain the WELTS system that annually provides the 1400 of the public with hydrologic data research, retrieval and evaluation assistance. Over 3,750 records were entered in databases in FY00.

Alaska Clean Water Action Plan. Over the past year DNR, Department of Fish & Game, Division of Governmental Coordination, and DEC have cooperated in the development of the Alaska Clean Water Action Plan. This document was developed in part to address the allocation of federal funds, such as section 319 funds, to the highest priority water problems in the State. The identification of projects under the Alaska Clean Water Action Plan would assure that Alaska's highest needs are addressed first. Appropriating \$300.0 of these funds to DNR may supplant higher priority needs, though the precise needs cannot yet be identified.

Program Area:	Dollar Amount(s):	Fund Source(s):
Claims, Permits & Leases	(\$160.0)	General Fund

Impact Analysis:

Results of recent geophysical exploration indicate the potential for a significant deposit of minerals in the Denali Block area. As the public became aware that DNR recently requested the entitlement of the eastern portion of the Denali Block area to be on BLM's conveyance priority list, the mining industry has communicated considerable interest in assuring that this conveyance occurs. That is, the industry has reinforced the importance of the area to upcoming exploration and expenditures.

The area has great archaeological importance and is used extensively for recreation and subsistence.

The Tangle Lakes Archaeological district, specifically the 226,660 acres between mileposts 17 and 37 along the Denali Highway, is rich in historic and prehistoric remains. The district contains more than 400 archaeological sites, making it one of the densest concentrations of archaeological resources in the North American Subarctic.

The area is also used very heavily for hunting, camping and recreation. It is a part of the range of the Nelchina Caribou herd and is important for sport hunting and subsistence.

With Ownership Comes Responsibility:

Because of the sensitivity of the Archaeological District, the state must manage the area so that use does not degrade the cultural resources or wildlife habitat, nor generally degrade the views and landscape that have made the area so valuable to Alaskans.

The anticipated mining exploration involves minimal disturbance and is expected to be done by a few large, reputable companies. Exploration requires planning to ensure that it occurs consistent with the cultural, wildlife, and recreational resources, but that activity is relatively easy to control. The recreation and hunting use is much more difficult. Unregulated public use will almost certainly result in impacts to the ubiquitous cultural resources. BLM has established strict regulations within the archaeological district to protect the resources. With ownership comes the responsibility for the state to protect those resources. That is, the state cannot replace BLM as the land manager without replacing the service that BLM has been able to provide Alaskans.

Our concerns were reinforced once we learned that BLM's regional solicitor was reviewing this conveyance against their cultural resource protection laws. It appears that they are looking to ensure that the state has the ability to accept conveyance in a manner that protects the cultural resources. If they are not satisfied, they may not complete the conveyance.

The impact of not receiving funding to provide the management presence needed is a delay in the conveyance of this property until oversight funding is received in a future year. Delay in the state receiving conveyance of this land results in a slow down of mineral exploration and associated economic development.

Program Area:
Parks Management

**Dollar
Amount(s):**
(\$160.0)

**Fund
Source(s):**
General Fund

Impact Analysis:

(\$100.0) for Wood-Tikchik State Park

America's largest state park, Wood-Tikchik, will continue to be staffed at an embarrassingly low level. Currently one staff person manages an area larger than the state of Delaware, 1.6 million acres. Park use in the past 10 years has steadily climbed and additional ranger staff, assigned to year-round responsibilities, is desperately needed. Without this new position, there will continue to be no routine patrolling in over half the park. This increment also included funds for maintenance of an aircraft (aircraft to be secured through the Department of Public Safety at no cost to Parks). Without an aircraft and a ranger/pilot, the upper lake systems will not see regular patrol. The increased conflicts between hunting guides, and between guides and private hunters will continue with no possibility of resolution. Recommendations from the revision of the park management plan to resolve the hunter conflicts and resource impacts from both guided and non-guided park visitors cannot be implemented without a field presence.

Search & Rescue needs will continue to increase without additional staff to make contact with an ever increasing number of non-guided visitors from the Lower 48, as well as Alaskans not experienced in wilderness travel. Publicity in national magazines (Outside and Alaska) has drawn attention to Wood-Tikchik as an easily accessible wilderness experience. Air taxi operators rent boats and gear, making travel by those with little or no wilderness experience easy. Contact with visitors before they get into trouble with wildlife, private property, or the weather is the cheapest form of insurance.

Three years ago, the native allotment issue in Wood-Tikchik was solved when conservation easements were offered to the over 100 park inholders. Virtually all the allotment holders took the easement, which allowed the Bureau of Land Management to move forward with conveying the land. Every month, additional patented private land is being conveyed and park staff has a dual responsibility regarding these lands. Many people assume all the land in the park is public land. It is important for many reasons that park visitors understand that there are over 100 parcels of private property averaging 80 acres each. It is also important to monitor the conservation easements to ensure that they are being implemented properly. This, in and of itself, would be a full time job for someone. But it is just one of the many responsibilities of our current sole park ranger.

Revenue generation opportunity at the new boat ramp at Lake Aleknagik will suffer without regular attention to fee compliance. With only one ranger, there will be far less time spent at the boat ramp than if there were two rangers. The boat ramp is the most heavily used facility in the park and ranger presence is needed to ensure smooth operation of a facility that can see upwards of 400 trucks and trailers on a busy weekend. With the needs of the boat ramp taking the current ranger's time and attention, there will be less backcountry patrol.

There is currently NO presence in the park during the winter months. Winter use in the park is growing as snowmachine use becomes more reliable and people discover the ease with which one can travel on a frozen lake. Ranger contact with these recreators

before they leave (most will leave from the boat launch) to ensure proper equipment and understanding of the weather and terrain could prevent most winter search and rescue operations. Winter activities, such as dog races, are starting to occur in the park and NO staff is available to administer these programs and permits. At risk are park resources.

By legislative direction, the management of Wood-Tikchik is by a management council consisting primarily of local residents. Without someone locally available to keep in touch with these management council members, it is difficult to secure a quorum for meetings. For each meeting held, at least four are cancelled because of quorum problems. This is a highly inefficient use of staff and volunteer time. A year-round staff person in Dillingham would increase the participation by the council through regular in-person contact.

With no staff at the boat launch in the winter, we expect vandalism. From our experience at other sites accessible in the winter, a year-round ranger presence would greatly deter vandalism.

(\$60.0) for Park Maintenance

The general condition of the state parks in Alaska is terrible and we are hearing that statement from the public regularly. State Parks has identified \$42 million in deferred maintenance needs in our 120 park units. Last year, one of the outhouses was so rotten a woman fell through and a park road was so bad it broke a motorhome axle. While we attempt to keep up with the worst situations, we are now unable to do so. All of the maintenance staff are seasonal. This funding would extend their seasons so they can address more of the maintenance needs of the park system. This increase in person months will be spread throughout the park system and will compliment a CIP request for Park Emergency Repairs. Without this increment, we will simply continue to defer maintenance needs with the hope that those needs involving health and safety don't result in a visitor injury. This increment does not address all of the park maintenance needs, but at this point, even a small amount of additional funding will be immediately put to good use on those problems that can cause the most injury to park visitors and the most liability to the state.

Prepared by: Jeff Jahnke, Director, Forestry

Program Area:	Dollar Amount(s):	Fund Source(s):
Fire Suppression	(\$350.0)	General Fund

Impact Analysis:

Not funding this increment request will have negative impacts on safe and cost effective suppression of wildland fires in Alaska. This increment is needed to supplement the Division's current staff of initial attack firefighters with a trained, qualified and mobile cadre of firefighters. The Division does not have adequate staffing in its forest technician series (initial attack firefighters) to meet its responsibility of suppressing wildland fires in the wildland-urban interface areas of the state. During periods of normal fire activity the Division currently relies on inexperienced emergency firefighters

(EFF) to routinely staff its initial attack engines and helicopters. These EFF are not as well-trained and experienced as forest technicians because they can only be hired when there are fires to fight. They do not have the opportunity to receive the same level of training and experience as forest technicians.

Trained and highly skilled firefighters have a much better chance of successfully and safely carrying out an initial attack on wildland fires and suppressing them at minimal acres burned and minimal cost. A typical wildland fire in the urban interface can cost anywhere from \$300 to \$5000 if the initial attack is successful. When a wildland fire escapes initial attack and becomes an extended attack or project fire, the costs to suppress them increase exponentially. The 2,777-acre Clear Fire (located near Nenana) that occurred last summer cost \$2.6 million to suppress. Large fires, like the Miller's Reach Fire in 1996 can easily cost \$500,000 to \$1,000,000 per day and can last two to three weeks. The suppression cost for the Miller's Reach Fire was \$15.0 million.

Wildland fire fighting is a dangerous profession and the use of minimally trained and inexperienced firefighters is ill advised. Consequently, when there is a shortage of firefighters and the Division is forced to rely on EFF, we are also forced to be less aggressive on initial attack because we will not compromise the safety of any firefighter on initial attack or any other related fire suppression operations. The end result of this fact is that there could be more escaped fires in the urban interface areas. An escaped fire can cost millions of dollars to suppress and result in significant potential loss of public and private property.

The population in Alaska continues to move into and develop the wildland-urban interface areas of the state. Currently the MatSu Valley is the fastest growing area of Alaska and a great deal of the valley has the potential for more costly urban interface fires like the Miller's Reach Fire in 1996, and Helmaur Road Fire in 1999. An added fire risk is the catastrophic spruce beetle infestation that has decimated timber stands in several areas in the state including the Anchorage Bowl and the Kenai Peninsula. These spruce beetle killed stands of timber overlap with the urban interface areas of the state thereby increasing the potential for a disastrous wildland fire should it escape initial attack.

Prepared by: Jeff Jahnke, Director, Forestry

Program Area:	Dollar Amount(s):	Fund Source(s):
Fire Suppression Language Section	none	none

This language section requires us to lease one or two CL-215 firefighting airplanes during the 2001 fire season (April 15-June 15), and report on initial attack effectiveness and suppression cost reductions. The project is to be funded from fire suppression not to exceed \$700,000.

This language section applies to the FY2002 budget yet the timeframe referenced is for FY2001. DNR's Fire Suppression budget for FY2001 has been exhausted and we would need to modify our supplemental request to include funds for the CL-215 funds. By the time these funds would be appropriated we will have only one month of the reference period left to lease these planes.

In terms of initial attack effectiveness and suppression cost reductions we have some information available through a review performed by the USDA Forest Service and the USDI Bureau of Land Management in September 1998. This report contains several cooperating agency evaluations on the aircraft that include the California Division of Forestry and the Los Angeles County Fire Department; a copy of the review has been provided to the Chairman of the DNR Senate Finance Subcommittee and is available for other legislators for their review.

The last pricing we received on this aircraft was in 1999, at that time the CL-215 was priced at \$9,958.82 per day of availability and \$1,298.00 per flight hour plus oil and fuel to haul 1400 gallons of water-foam-retardant. This compared to the current state contract for an air-tanker hauling 3,000 gallons of water-foam-retardant at \$3,000.00 per day of availability and \$1,200.00 per flight hour plus oil and fuel. At that time, the CL-215 was 3 times as expensive in availability. For the same price we could attack three different fires with our contracted air-tankers for the price of one CL-215.

Our Fire Suppression management will review the latest CL-215 pricing and availability information and get back with the Chairman of DNR's Senate Finance Subcommittee with this information in the next month before the budgets are finalized.

Prepared by: Nicc Bus, Administrative Services Manager

Program Area:	Dollar	Fund
Fire Suppression	Amount(s):	Source(s):

Impact Analysis: (There is no reduction in base funding for fire suppression. This statement is not a discussion of impact as a result of action taken by the Senate Finance Subcommittee, but rather an informational paper discussing the process of funding fire suppression).

The Senate Finance Subcommittee recommended \$3,195.9 in general funds for FY2002. The Governor's budget requested that amount as base funding, plus a \$350.0 increment.

The 15-year average annual general fund expenditure for fire suppression is \$11.4 million. General fund fixed costs for FY2002 are estimated at \$5.7 million. An initial appropriation of approximately \$3.2 million is typically requested by the Governor and approved by the legislature, with the intent that when that amount is expended or obligated, DNR requests the Governor declare a disaster emergency to allow access to additional funding as necessary to continue fire fighting activity. This practice of initially under-funding general fund for fire suppression has been in place for years.

This process of funding fire suppression follows a typical cycle:

1. Initial appropriation received July 1, in the middle of a fire season. Fixed costs and actual suppression costs typically exhaust the initial \$3.2 million

appropriation by the end of July or early August, depending on the fire season.

2. The Governor makes a "Declaration of Disaster Emergency" (see note below) to allow DNR access to funding to pay for the remaining fixed costs for the fiscal year as well as estimated costs of actual suppression activities for the remainder of the fire season (August/September). Costs of suppressing fires in the spring at the beginning of the next fire season are NOT included at this time.
3. The amount of general funds used under the "Declaration of Disaster Emergency" outlined in #2 are included in a supplemental funding request to the legislature in February.
4. Spring fire season starts in April/May; costs of actual suppression for the remainder of the fiscal year are estimated, and the Governor makes another "Declaration of Disaster Emergency". Actual suppression costs are determined after June 30, and the amount expended under the spring "Declaration" are included as a ratification item for a prior fiscal year in the supplemental funding request put forward to the legislature the following February.

Note: Current statute allows for a "Declaration of Disaster Emergency" to remain in effect for 30 days only (AS 26.23.020(c)). Due to the ongoing nature of fire suppression activities and fixed costs funded through the declaration process, once a declaration has been made, a "new" declaration must be prepared by the Governor every 30 days. New funding is typically not needed under these 30-day declarations, they are simply an extension of the original declaration, allowing DNR to continue funding fixed costs and suppression activities as necessary.

In summary, during each legislative session a supplemental funding bill is requested which includes a "supplemental" appropriation for the July through September fire season suppression and fixed costs incurred in the current fiscal year, and a "ratification" amount for the prior fiscal year's spring fire costs incurred after the legislature has adjourned the prior session.

While this funding mechanism works, it is administratively cumbersome and does not portray an accurate projection of the cost of fire suppression in the annual budget presentation.

- PUBLIC SAFETY

Senate Finance Committee
 OPERATING BUDGET
 AMENDMENTS
Public Safety

AMEND #	SPONSOR	TOPIC	MOVED	OBJECT	AMEND	VOTE	ADOPT
#1	Donley	Bathman's Intervention				NOT OFFERED	
#2	Olson	Criminal Investigators Bureau				NOT OFFERED	
#3		Search & Rescue				NOT OFFERED	
#4		Judicial Svcs	0	Austerman		1-7 (0)	
#5		\$3,725.9 GF					
#6		\$4,309.1 GF				NOT OFFERED	
#7		AST					
#8		\$100 GF	0	Austerman		2-7 (0, H)	
#9		\$142.7 GF	0	Green		2-7 (0, H)	
#10		\$838. GF	0	Austerman		2-7 (0, H)	
#11		\$1,280.1 GF	0	Donley		2-7 (0, H)	
#12		Cancel on Domestic & Sex. Assault	0	Austerman		2-6-1 * (0, H)	
#13		JPSO					
#14		\$604 GF				NOT OFFERED	
#15		\$828.5 GF	0	Donley		2-7 (0, H)	
#16		\$1,152.1 GF	0	Donley		2-7 (0, H)	
#17		F&W				NOT OFFERED	
#18	Green	AST Search & Rescue	G/G	Hoffman/		*	✓
#19	Austerman & Donley	F&W	A	none			✓

X

* Sen. Kelly absent

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number HB 103			
Amendment DPS #1			
Motion Adopt			
<u>Motion by</u>			
<u>Objection by</u>			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Senator Green			
Senator Hoffman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
MOTION NOT OFFERED			

4/3 HELD

DPS # 1

A M E N D M E N T

Offered By: Senator Donley

Page 28, line 33
DELETE

Agency: Department of Public Safety
BRU/Component: Council on Domestic Violence & Sexual Assault

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$ 50.0

Page 29, line 6
ADD

Agency: Department of Public Safety
BRU/Component: Batterer's Intervention Program

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$ 50.0

Explanation:

The CDVSA has received a 15% increase in funding over the last 2 years while the Batterers Intervention Program funding has remained level. This transfer of \$50.0 provides much needed funding for the additional grant requests being made by batterers intervention program. Without intervention, we cannot hope to do away with domestic violence.

Additionally, a recent audit of the CDVSA identifies serious issues regarding monitoring and evaluation and indicates that Batterers Intervention Programs are underfunded.

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

43

Bill Number HB 103			
Amendment DPS #2			
Motion Adopt			
<u>Motion by</u>			
<u>Objection by</u>			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Leman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
MOTION NOT OFFERED			

DPS#2

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Alaska State Troopers
Component: Criminal Investigations Bureau

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$89.9

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103		
Amendment DPS #3		
Motion Adopt		
<u>Motion by</u>		
<u>Objection by</u>		
Removed		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u> <u>N</u>
Senator Ward		
Senator Wilken		
Senator Austerman		
Senator Green		
Senator Hoffman		
Senator Leman		
Senator Olson		
Co-Chair Donley		
Co-Chair Kelly		
<u>Tally</u>		
Yea		
Nay		
Absent		
MOTION NOT OFFERED		

DPS# 3

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Alaska State Troopers
Component: Search and Rescue

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$350.0

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

43

Bill Number HB 103			
Amendment DPS #4			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Austerman			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman		-	
Senator Lemman			✓
Senator Olson	✓		
Senator Ward			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	1		
Nay	7		
Absent			
MOTION FAIL			

DPS#4

A M E N D M E N T

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

Dept: Department of Public Safety
BRU: Alaska State Troopers
Component: Judicial Services - Statewide (new)

Add: 3,725.9 GF

SENATE FINANCE COMMITTEE
4/3/2001 COMMITTEE ACTION

Bill Number HB 103			
Amendment DPS #5			
Motion Adopt			
<u>Motion by</u>		Ø	
<u>Objection by</u>		D	
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Lemman			
Senator Olson			
Senator Ward			
Senator Wilken			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
MOTION NOT OFFERED			

DPS#5

A M E N D M E N T

Offered in the Senate Finance Committee

BY: *Olsen*

ADD

Department of Public Safety
Alaska State Troopers
Judicial Services - Statewide (new)

Funding Source

Amount

General Fund

4,369.1

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS #6			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Austerman			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green			✓
Senator Hoffman	✓		
Senator Leman			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
<u>MOTION</u> FAIL			

DPS #6

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Alaska State Trooper Detachments
Component: Alaska State Trooper Detachments

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$100.0

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS #7			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Green			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Hoffman	✓		
Senator Leman			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
MOTION FAIL			

DPS#7

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Alaska State Trooper Detachments
Component: Alaska State Trooper Detachments

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$142.7

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS #8			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Austerman			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Leman			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
<u>MOTION</u>	FAIL		

DPS# 8

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator B/1024

ADD

Department: Public Safety
BRU: Alaska State Trooper Detachments
Component: Alaska State Trooper Detachments

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$838.0

SENATE FINANCE COMMITTEE
200 COMMITTEE ACTION

4/3

Bill Number	HB 103		
Amendment	DPS # 3		
Motion	Adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Donley		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Leman			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
MOTION	FAIL		

DPS #9

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Alaska State Trooper Detachments
Component: Alaska State Trooper Detachments

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$1,280.1

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS # b			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Austerman			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Lemman			✓
Senator Olson	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	6		
Absent	1		
<u>MOTION</u>	FAIL		

DPS#10

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Council on Domestic Violence and Sexual Assault
Component: Council on Domestic Violence and Sexual Assault

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$500.0

Explanation:
Add \$500.0 in general funds.

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103		
Amendment DPS #11		
Motion Adopt		
<u>Motion by</u>		
<u>Objection by</u>		
Removed		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u> <u>N</u>
Senator Wilken		
Senator Austerman		
Senator Green		
Senator Hoffman		
Senator Leman		
Senator Olson		
Senator Ward		
Co-Chair Donley		
Co-Chair Kelly		
<u>Tally</u>		
Yea		
Nay		
Absent		
MOTION NOT		

OFFERED

DPS# 11

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Village Public Safety Officers Program
Component: Support

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$60.4

SENATE FINANCE COMMITTEE
4 / 3 / 2001 COMMITTEE ACTION

Bill Number HB 103			
Amendment DPS #12			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Donley			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Austerman		✓	✓
Senator Green			✓
Senator Hoffman	✓		
Senator Lemman		✓	
Senator Olson	✓		
Senator Ward		✓	✓
Senator Wilken		✓	✓
Co-Chair Donley		✓	✓
Co-Chair Kelly		✓	✓
<u>Tally</u>			
Yea	2		
Nay	#		
Absent			
<u>MOTION</u> FAIL			

DPS#12

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator OLSON

ADD

Department: Public Safety
BRU: Village Public Safety Officer ~~Program~~
Component: Contracts

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$828.5

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS #13			
Motion Adopt			
<u>Motion by</u> Olson			
<u>Objection by</u> Donley			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green			✓
Senator Hoffman	✓		
Senator Leman			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
<u>MOTION</u>		FAIL	

DPS#13

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Olson

ADD

Department: Public Safety
BRU: Village Public Safety Officers Program
Component: Contracts

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$1,152.1

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

4/3

Bill Number HB 103		
Amendment DPS #14		
Motion Adopt		
<u>Motion by</u> Olson		
<u>Objection by</u> Austerman		
Removed		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u> <u>N</u>
Senator Hoffman		
Senator Leman		
Senator Olson		
Senator Ward		
Senator Wilken		
Senator Austerman		
Senator Green		
Co-Chair Donley		
Co-Chair Kelly		
<u>Tally</u>		
Yea		
Nay		
Absent		
MOTION W/draw		

NOT OFFERED

DPS #14

AMENDMENT

Offered in Senate Finance
To: CS HB 103(FIN)

Offered By: Senator Bison

ADD

Department: Public Safety
BRU: Fish and Wildlife Protection
Component: Enforcement ~~/~~ Investigative Services Unit

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$1,210.0

SENATE FINANCE COMMITTEE

2000 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DPS #15			
Motion Adopt			
<u>Motion by</u> G / G amended &			
<u>Objection by</u> H / none			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green			
Senator Hoffman			
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u> ADOPT			

4/3 afternoon
 motion to adopt w/drawn
 HELD

DPS#15

AMENDMENT TO SCS HB 103/104 ~~AMENDED~~

Offered By: Senator Green

ADD:

Agency Department of Public Safety

BRU Alaska State Troopers

Component Search and Rescue, ~~Avalanche Public Education~~

<u>Fund Source</u>	<u>Amount</u>
General Funds ACPE	100.0

Explanation:

Over the past several years a large number of Alaskans have been killed in avalanches in Alaska. This funding is to provide for necessary public education. The Governor requested 350.0. This would provide partial funding.

DPS#15

AMENDMENT TO SCS HB 103/104

Offered By: Senator Green

ADD:

Agency Department of Public Safety

BRU Alaska State Troopers

Component Search and Rescue, ~~Avalanche Public Education~~

Fund Source
General Funds

Amount
100.0

Explanation:

Over the past several years a large number of Alaskans have been killed in avalanches in Alaska. This funding is to provide for necessary public education. The Governor requested 350.0. This would provide partial funding.

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	HB 103		
Amendment	DPS #16		
Motion	adpt		
<u>Motion by</u>	Austerman		
<u>Objection by</u>	none		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green			
Senator Hoffman			
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>	PASS		

DPS #16

AMENDMENT

Offered in Senate Finance
To: CS HB 103 (FIN)

By: Senator

AUSTERMAN +
DONLEY

DELETE

Department: Public Safety
BRU: Fish & Wildlife Protection
Component: Enforcement/Investigative Services

<u>Fund Source</u>	<u>Amount</u>
I/A Receipts	\$250.0

ADD

Department: Public Safety
BRU: Fish & Wildlife Protection
Component: Aircraft Section

<u>Fund Source</u>	<u>Amount</u>
I/A Receipts	\$250.0

DELETE

Department: Public Safety
BRU: Fish & Wildlife Protection
Component: Aircraft Section

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$250.0

ADD

Department: Public Safety
BRU: Fish & Wildlife Protection
Component: Enforcement/Investigative Services

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$250.0

This amendment corrects the action taken by the subcommittee that added I/A receipts to Enforcement/Investigative Services to partially fund 4 new troopers. The intent of the subcommittee was for the Governor's office to reimburse the department for the use of the department's aircraft. The first part of the amendment transfers the I/A from Enforcement/Investigative Services to the Aircraft Section which is responsible for the aircraft the Governor uses.

The second part of this amendment transfers general funds that were replaced with I/A Receipts in the Aircraft Section to Enforcement/Investigative Services to partially fund the 4 new troopers that were added by the subcommittee.

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

<u>Appropriation/Allocation</u>	Gen Purpose			Fed Restricted			Other Funds			Agency: Department of Public Safety	
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose
Fish and Wildlife Protection											
Enforcement and Investigative Services Unit	10,638.8	0.0	695.3	11,334.1	11,206.3	0.0	790.9	11,997.2	567.5	5.3 %	
Director's Office	258.7	0.0	1.7	260.4	260.4	0.0	0.0	260.4	1.7	0.7 %	
Aircraft Section	1,582.8	0.0	243.1	1,825.9	1,587.3	0.0	343.6	1,930.9	4.5	0.3 %	
Marine Enforcement	2,703.5	0.0	419.4	3,122.9	2,716.2	0.0	406.7	3,122.9	12.7	0.5 %	
* Appropriation Total	15,183.8	0.0	1,359.5	16,543.3	15,770.2	0.0	1,541.2	17,311.4	586.4	3.9 %	
Dalton Highway Protection											
Dalton Highway Protection	91.1	0.0	0.3	91.4	0.0	0.0	0.0	0.0	-91.1	-100.0 %	
* Appropriation Total	91.1	0.0	0.3	91.4	0.0	0.0	0.0	0.0	-91.1	-100.0 %	
Fire Prevention											
Fire Prevention Operations	1,233.2	0.0	505.5	1,738.7	1,245.1	0.0	779.4	2,024.5	11.9	1.0 %	
Fire Service Training	363.1	40.0	430.8	833.9	366.0	160.0	522.9	1,048.9	2.9	0.8 %	
* Appropriation Total	1,596.3	40.0	936.3	2,572.6	1,611.1	160.0	1,302.3	3,073.4	14.8	0.9 %	
Alaska Fire Standards Council											
Alaska Fire Standards Council	0.4	0.0	221.1	221.5	0.0	0.0	221.5	221.5	-0.4	-100.0 %	
* Appropriation Total	0.4	0.0	221.1	221.5	0.0	0.0	221.5	221.5	-0.4	-100.0 %	
Alaska State Troopers											
Special Projects	0.0	1,570.7	468.9	2,039.6	0.0	2,954.7	468.9	3,423.6	0.0	0.0 %	
Criminal Investigations Bureau	3,116.8	0.0	13.2	3,130.0	3,115.4	0.0	0.0	3,115.4	-1.4	0.0 %	
Director's Office	664.6	0.0	4.3	668.9	668.9	0.0	0.0	668.9	4.3	0.6 %	

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

<u>Appropriation /Allocation</u>	Gen Purpose	Fed Restricted	Other Funds	Gen Purpose	Fed Restricted	Other Funds	Agency: Department of Public Safety			
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose
Alaska State Troopers										
Judicial Services-Anchorage	1,881.7	0.0	61.8	1,943.5	1,893.4	0.0	53.0	1,946.4	11.7	0.6 %
Prisoner Transportation	1,476.7	0.0	0.0	1,476.7	1,476.7	0.0	0.0	1,476.7	0.0	0.0 %
Search and Rescue	283.1	0.0	0.0	283.1	283.1	0.0	0.0	283.1	0.0	0.0 %
Rural Trooper Housing	253.0	0.0	435.3	688.3	253.2	0.0	435.1	688.3	0.2	0.1 %
Narcotics Task Force	438.6	2,800.9	7.1	3,246.6	445.7	2,770.9	0.0	3,216.6	7.1	1.6 %
Commercial Vehicle Enforcement	0.0	0.0	91.0	91.0	0.0	0.0	90.4	90.4	0.0	0.0 %
* Appropriation Total	8,114.5	4,371.6	1,081.6	13,567.7	8,136.4	5,725.6	1,047.4	14,909.4	21.9	0.3 %
Alaska State Trooper Detachments										
Alaska State Trooper Detachments	33,104.6	14.0	714.5	33,833.1	33,714.5	30.0	789.2	34,533.7	609.9	1.8 %
* Appropriation Total	33,104.6	14.0	714.5	33,833.1	33,714.5	30.0	789.2	34,533.7	609.9	1.8 %
VI lage Public Safety Officer Program										
Contracts	5,523.5	0.0	0.0	5,523.5	5,523.5	0.0	95.0	5,618.5	0.0	0.0 %
Support	1,732.1	0.0	57.8	1,789.9	1,739.9	0.0	0.0	1,739.9	7.8	0.5 %
Administration	268.1	0.0	1.5	269.6	269.6	0.0	0.0	269.6	1.5	0.6 %
* Appropriation Total	7,523.7	0.0	59.3	7,583.0	7,533.0	0.0	95.0	7,628.0	9.3	0.1 %
Alaska Police Standards Council										
Alaska Police Standards Council	0.0	0.0	959.8	959.8	0.0	0.0	959.8	959.8	0.0	0.0 %
* Appropriation Total	0.0	0.0	959.8	959.8	0.0	0.0	959.8	959.8	0.0	0.0 %

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Appropriation/Allocation	Gen Purpose			Fed Restricted			Other Funds			Agency: Department of Public Safety	
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose	Gen Purpose
Violent Crimes Compensation Board											
Violent Crimes Compensation Board	0.0	408.4	1,170.7	1,579.1	0.0	408.4	1,170.7	1,579.1	0.0	0.0 %	
* Appropriation Total	0.0	408.4	1,170.7	1,579.1	0.0	408.4	1,170.7	1,579.1	0.0	0.0 %	
Council on Domestic Violence and Sexual Assault											
Council on Domestic Violence and Sexual Assault	1,237.4	2,836.2	5,061.2	9,134.8	558.9	3,486.2	5,665.9	9,711.0	-678.5	-54.8 %	
* Appropriation Total	1,237.4	2,836.2	5,061.2	9,134.8	558.9	3,486.2	5,665.9	9,711.0	-678.5	-54.8 %	
Batterers Intervention Program											
Batterers Intervention Program	120.0	0.0	200.0	320.0	120.0	0.0	200.0	320.0	0.0	0.0 %	
* Appropriation Total	120.0	0.0	200.0	320.0	120.0	0.0	200.0	320.0	0.0	0.0 %	
Statewide Support											
Commissioner's Office	642.3	0.0	2.9	645.2	645.2	0.0	0.0	645.2	2.9	0.5 %	
Training Academy	842.8	0.0	616.2	1,461.0	850.4	0.0	613.2	1,463.6	5.6	0.7 %	
Administrative Services	1,738.1	0.0	113.8	1,851.9	1,750.1	0.0	102.4	1,852.5	12.0	0.7 %	
Alaska Wing Civil Air Patrol	503.1	0.0	0.0	503.1	503.1	0.0	0.0	503.1	0.0	0.0 %	
Alaska Public Safety Information Network	987.8	131.7	826.2	1,945.7	991.8	131.7	922.2	2,045.7	4.0	0.4 %	
Alaska Criminal Records and Identification	977.1	997.2	1,081.2	3,055.5	982.8	997.2	1,115.5	3,095.5	5.7	0.6 %	
* Appropriation Total	5,693.2	1,128.9	2,640.3	9,462.4	5,723.4	1,128.9	2,753.3	9,605.6	30.2	0.5 %	
Laboratory Services											
Laboratory Services	2,111.8	238.5	58.9	2,409.2	2,375.0	80.7	51.6	2,507.3	263.2	12.5 %	
* Appropriation Total	2,111.8	238.5	58.9	2,409.2	2,375.0	80.7	51.6	2,507.3	263.2	12.5 %	

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

<u>Appropriation/Allocation</u>	Gen Purpose	Fed Restricted	Other Funds		Gen Purpose	Fed Restricted	Other Funds	Agency: Department of Public Safety			
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose	Gen Purpose
Facility Maintenance											
Facility Maintenance	0.0	0.0	608.8	608.8	0.0	0.0	608.8	608.8	0.0	0.0 %	
* Appropriation Total	0.0	0.0	608.8	608.8	0.0	0.0	608.8	608.8	0.0	0.0 %	
DPS State Facilities Rent											
DPS State Facilities Rent	88.7	0.0	0.0	88.7	113.0	0.0	0.0	113.0	24.3	27.4 %	
* Appropriation Total	88.7	0.0	0.0	88.7	113.0	0.0	0.0	113.0	24.3	27.4 %	
Victims for Justice											
Victims for Justice	246.0	0.0	0.0	246.0	246.0	0.0	0.0	246.0	0.0	0.0 %	
* Appropriation Total	246.0	0.0	0.0	246.0	246.0	0.0	0.0	246.0	0.0	0.0 %	
*** Agency Total	75,111.5	9,037.6	15,072.3	99,221.4	75,901.5	11,019.8	16,406.7	103,328.0	790.0	1.1 %	

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Public Safety

	<u>01MgtPln</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
Totals for Agency	99,287.5	109,359.7	99,221.4	102,688.0	103,328.0	4,106.6	4.1 %
<u>Objects of Expenditure:</u>							
Personal Services	54,926.5	58,126.0	54,860.4	56,242.8	56,576.0	1,715.6	3.1 %
Travel	4,381.8	4,882.8	4,381.8	4,657.4	4,699.0	317.2	7.2 %
Contractual	20,522.8	23,510.0	20,522.8	21,529.7	21,753.3	1,230.5	6.0 %
Commodities	3,017.7	3,706.6	3,017.7	3,164.4	3,206.0	188.3	6.2 %
Equipment	763.8	769.9	763.8	769.8	769.8	6.0	0.8 %
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0 %
Grants, Claims	15,674.9	18,334.5	15,674.9	16,323.9	16,323.9	649.0	4.1 %
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0 %
<u>Funding Sources:</u>							
1002 Fed Rcpts	9,048.2	10,819.8	9,037.6	11,019.8	11,019.8	1,982.2	21.9 %
1003 G/F Match	455.5	458.6	451.5	458.6	458.6	7.1	1.6 %
1004 Gen Fund	74,459.3	82,078.1	74,416.5	75,056.4	75,196.4	779.9	1.0 %
1005 GF/Prgm	244.7	246.5	243.5	246.5	246.5	3.0	1.2 %
1007 I/A Rcpts	5,659.3	6,102.1	5,653.2	6,102.1	6,602.1	948.9	16.8 %
1024 Fish/Game	8.3	0.0	8.3	0.0	0.0	-8.3	-100.0 %
1050 PFD Fund	4,877.0	5,375.5	4,875.5	5,375.5	5,375.5	500.0	10.3 %
1053 Invst Loss	332.5	0.0	332.5	0.0	0.0	-332.5	-100.0 %
1055 IA/OIL HAZ	50.1	49.0	50.1	49.0	49.0	-1.1	-2.2 %
1108 Stat Desig	858.0	754.2	857.6	754.2	754.2	-103.4	-12.1 %
1134 F&G CFP	989.9	848.3	990.0	998.3	998.3	8.3	0.8 %
1152 AFSC Rcpts	220.0	221.5	221.0	221.5	221.5	0.5	0.2 %
1156 Rcpt Svcs	2,084.7	2,406.1	2,084.1	2,406.1	2,406.1	322.0	15.5 %

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Public Safety

	<u>01MglPln</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
<u>Positions:</u>							
Perm Full Time	723.0	763.0	723.0	738.0	742.0	19.0	2.6 %
Perm Part Time	20.0	20.0	20.0	20.0	20.0	0.0	0.0 %
Temporary	3.0	1.0	3.0	1.0	1.0	-2.0	-66.7 %
<u>Funding Summary:</u>							
Gen Purpose	75,159.5	82,783.2	75,111.5	75,761.5	75,901.5	790.0	1.1 %
Fed Restricted	9,048.2	10,819.8	9,037.6	11,019.8	11,019.8	1,982.2	21.9 %
Other Funds	15,079.8	15,756.7	15,072.3	15,906.7	16,406.7	1,334.4	8.9 %

ALASKA STATE SENATE
Senate Finance Subcommittee
Department of Public Safety

Senator Alan Austerman, Chair
Senator Lyda Green, Vice-Chair
Senator John Cowdery
Senator Robin Taylor
Senator Georgianna Lincoln

FY02 Operating Budget Closeout

~ Approved March 29, 2001 ~

\$75,111.5(HB103\SB69)

\$82,783.2/FY02 Governor's Amended

\$ 7,671.7/Total GF Increase Requested

Included: \$4,288.0 GF and 30 positions
\$1,400.0 Fed Receipts and 5 positions
\$ 205.0 Receipt Services and 3 positions

Total Position Increase Requested=\$5,893.0 and 38 positions.

The subcommittee adopted the attached summary and transaction worksheets.
In addition, we worked from the FY01 Management Plan contained within HB 103.
There are three transactions that are different from the House Closeout.

- ◆ Under Alaska State Trooper Detachments \$250.0 was approved with I/A receipts from the Governor's budget.
- ◆ Under Fish and Wildlife Protection \$250.0 was approved with I/A receipts from the Governor's budget.
- ◆ An additional \$140.0 was approved from the GF to go towards funding another state trooper.

House Finance Allocation: \$75,761.5

Senate Finance Allocation: \$75,761.5 Senate Subcommittee Closeout: \$75,901.5

FY01 GF Funding: \$75,111.5

FY02 GF Funding: \$75,901.5

Difference \$ +790.0 [+1.05%]

**Department of Public Safety
Impact Statements in Response to
Senate Budget Subcommittee Proposals
Date: March 29, 2001
Prepared by: Kenneth Bischoff**

Program Area: Fish and Wildlife Protection	Dollar Amount	Fund Source
FWP State Troopers	(1,210.0) 250.0	General Fund Interagency Rcpts

Impact Analysis:

The subcommittee proposal would fund four of the ten FWP State Troopers requested by the Governor. However, \$250.0 of this additional funding is based on interagency receipts from the Office of the Governor, which has not received increment funding to pay Public Safety for these services. Unless additional General Funds are provided, realistically, 2.4 of the requested troopers are actually funded. Without approval of all ten FWP troopers, improving resource protection in important but minimally patrolled regions of the state will not be possible. Fundamental fish and game management objectives will not be achieved in those enforcement areas unable to be patrolled. Resource users will continue to access these areas without adequate patrol and user contact made by Fish and Wildlife Troopers. Locations where additional FWP enforcement is needed include Dillingham, Saint Marys, Ninilchik, Whittier, Nenana, Anchorage, Yakutat, Wrangell and Juneau.

Program Area: Alaska State Troopers	Dollar Amount	Fund Source
Alaska State Troopers	(1,370.0) 250.0	General Fund Interagency Rcpts
Constable Program	(838.0)	General Fund
Avalanche Public Education, Rescue Equipment	(350.0)	General Fund
Trooper Recruitment	(142.7)	General Fund
Trooper vehicles	(100.0)	General Fund

Impact Analysis:

The subcommittee proposal would fund three of the ten Alaska State Troopers requested by the Governor. However, \$250.0 of this additional funding is based on interagency receipts from the Office of the Governor, which has not received increment

funding to pay Public Safety for these services. Unless additional General Funds are provided, realistically 1.4 of the requested troopers are actually funded. Without approval of all ten troopers, the Alaska State Troopers field operations will continue as it has in the past, which is in a purely "reactive" mode. The new trooper positions would have allowed AST to become "proactive" and get involved in "community policing". This would have given AST a much better chance at crime reduction rather than just responding to crime.

Areas where these troopers are needed include Anchorage Criminal Investigations Bureau – Statewide Drug Enforcement Unit, Sitka, Bethel, King Salmon, McGrath, Galena, Talkeetna, Glennallen, Soldotna and Homer.

Recruiting an adequate supply of qualified trooper applicants is requiring more effort, resources and advertising. The Division requested an increment of \$150.0 to facilitate additional prime time advertising in news publications, television and radio.

The impact of reduction of \$838.0 GF provides no funding for eight new constables requested by the Governor. The intent of this increment request was to establish a local certified police officer presence in rural areas of AST jurisdiction. The Department of Public Safety has long advocated that successful law enforcement is dependent upon an effort that includes a traditional and regular law enforcement presence as well as other pro-active programs that address educational, social and community concerns. The constables, through their long-term residency in communities promote that concept. Education on important topics such as alcohol, drug and inhalant abuse, boating safety, search and rescue, and domestic violence help build an efficient and responsive public safety presence, thereby improving service and the relationships with individuals in these communities.

Failure to fund \$350.0 GF provides no funding for avalanche public education and training, search and rescue equipment, and a pilot avalanche information network system study. In the last 13 months, 9 people have been killed in avalanche incidents around the state. The lack of this funding will not allow the avalanche public education and training to expand.

The subcommittee proposal to reduce \$100.0 in GF will provide no funding to purchase 3 new trooper vehicles. These new vehicles were to help replace an aging emergency response vehicle fleet.

Program Area: Village Public Safety Officers	Dollar Amount	Fund Source
VPSO Salaries	(828.5)	General Fund
New VPSOs	(1152.1)	General Fund
VPSO Support Costs	(60.4)	General Fund

Impact Analysis:

The impact of this proposal is that there will be no salary increase for VPSOs and the number of funded VPSOs will continue at present levels. Turnover rates among VPSOs have been very high. Several actions are needed: (1) improved Trooper oversight; (2) better equipment; and (3) a much-needed salary increase. In the past few years, AST has beefed up "oversight" support of the VPSOs, offered more training, and has purchased better equipment for the current VPSOs. This has in part caused the turnover rate to drop from a rate of 41% in FY1998 to a rate of 29.6% in FY2000. A salary increase is needed to reduce this rate further.

Currently, there are 73 communities without a VPSO or an Alaska Police Standards Council (APSC) certified law enforcement officer. Without the 20 new VPSOs with support costs, up to 20 rural villages will not have the resident "first responder" to public safety emergencies.

Program Area: Council On Domestic Violence and Sexual Assault	Dollar Amount	Fund Source
Victim Services	500.0	PFD Fund
Violence Against Women Act	450.0	Federal Fund
Victim Services	(950.0)	General Fund
Victim Services	200.0	Federal Fund
Victim Services	270.0	General Fund

Impact Analysis:

The net result of the House budget proposal is that the Council is held to FY 2001 funding levels for victim services. Accordingly, CDVSA will be unable to provide an additional \$500.0 in direct victims services requested by the Governor.

REVENUE

Senate Finance Committee
OPERATING BUDGET
AMENDMENTS
Revenue

AMEND #	SPONSOR	TOPIC	MOVED	OBJECT	AMEND	VOTE	ADOPT
<i>NO AMENDMENTS</i>							
X							

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

	Gen Purpose			Fed Restricted			Other Funds			Agency: Department of Revenue	
	H/SIntro	H/S'ntrc	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose	Gen Purpose
Child Support Enforcement											
Child Support Enforcement	3,139.0	15,136.6	47.3	18,322.9	3,047.6	15,027.6	0.0	18,075.2	-91.4	-2.9 %	
* Appropriation Total	3,139.0	15,136.6	47.3	18,322.9	3,047.6	15,027.6	0.0	18,075.2	-91.4	-2.9 %	
Alcohol Beverage Control Board											
Alcohol Beverage Control Board	682.1	0.0	13.9	696.0	696.0	0.0	0.0	696.0	13.9	2.0 %	
* Appropriation Total	682.1	0.0	13.9	696.0	696.0	0.0	0.0	696.0	13.9	2.0 %	
Municipal Bond Bank Authority											
Municipal Bond Bank Authority	0.0	0.0	-463.2	-463.2	0.0	0.0	463.2	463.2	0.0	0.0 %	
* Appropriation Total	0.0	0.0	-463.2	-463.2	0.0	0.0	463.2	463.2	0.0	0.0 %	
Permanent Fund Corporation											
Permanent Fund Corporation	0.0	0.0	8,150.9	8,150.9	0.0	0.0	7,691.4	7,691.4	0.0	0.0 %	
* Appropriation Total	0.0	0.0	8,150.9	8,150.9	0.0	0.0	7,691.4	7,691.4	0.0	0.0 %	
PFC Custody and Management Fees											
PFC Custody and Management Fees	0.0	0.0	47,585.8	47,585.8	0.0	0.0	47,585.8	47,585.8	0.0	0.0 %	
* Appropriation Total	0.0	0.0	47,585.8	47,585.8	0.0	0.0	47,585.8	47,585.8	0.0	0.0 %	
Alaska Housing Finance Corporation											
Alaska Housing Finance Corporation Operations	0.0	18,940.0	16,247.5	35,187.5	0.0	20,218.6	17,155.6	37,374.2	0.0	0.0 %	
Anchorage State Office Building	0.0	0.0	1,984.7	1,984.7	0.0	0.0	1,984.7	1,984.7	0.0	0.0 %	
* Appropriation Total	0.0	18,940.0	18,232.2	37,172.2	0.0	20,218.6	19,140.3	39,358.9	0.0	0.0 %	

Appropriation Summary w/Funding - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Appropriation/Allocation	Gen Purpose			Fed Restricted			Other Funds			Agency: Department of Revenue	
	H/SIntro	H/SIntro	H/SIntro	H/SIntro	Sen Sub	Sen Sub	Sen Sub	Sen Sub	H/SIntro to Sen Sub	Gen Purpose	Gen Purpose
Alaska Mental Health Trust Authority											
Alaska Mental Health Trust Authority	0.0	0.0	937.5	937.5	0.0	0.0	1,040.3	1,040.3	0.0	0.0 %	
* Appropriation Total	0.0	0.0	937.5	937.5	0.0	0.0	1,040.3	1,040.3	0.0	0.0 %	
Revenue Operations											
Treasur, Management	1,105.4	0.0	2,175.6	3,281.0	1,247.7	0.0	2,145.9	3,393.6	142.3	12.9 %	
Alaska State Pension Investment Board	0.0	0.0	3,195.5	3,195.5	0.0	0.0	3,195.5	3,195.5	0.0	0.0 %	
ASPIB Bank Custody and Management Fees	0.0	0.0	29,213.6	29,213.6	0.0	0.0	33,713.6	33,713.6	0.0	0.0 %	
Tax Division	6,436.4	0.0	499.9	6,936.3	6,236.3	0.0	365.1	6,601.4	-200.1	-3.1 %	
* Appropriation Total	7,541.8	0.0	35,004.6	12,626.4	7,484.0	0.0	39,420.1	46,904.1	-57.8	0.8 %	
Administration and Support											
Commissioner's Office	144.9	446.1	812.4	1,403.4	146.0	451.4	806.0	1,403.4	1.1	0.8 %	
Administrative Services	362.2	293.9	416.3	1,072.4	372.1	329.1	371.2	1,072.4	9.9	2.7 %	
REV State Facilities Rent	206.6	0.0	0.0	206.6	206.6	0.0	0.0	206.6	0.0	0.0 %	
* Appropriation Total	713.7	740.0	1,228.7	2,682.4	724.7	780.5	1,177.2	2,682.4	11.0	1.5 %	
Permanent Fund Dividend											
Permanent Fund Dividend	0.0	0.0	5,021.2	5,021.2	0.0	0.0	5,131.2	5,131.2	0.0	0.0 %	
* Appropriation Total	0.0	0.0	5,021.2	5,021.2	0.0	0.0	5,131.2	5,131.2	0.0	0.0 %	
*** Agency Total	12,076.6	34,816.6	116,765.3	163,658.5	11,952.3	36,026.7	121,649.5	169,628.5	-124.3	-1.0 %	

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Revenue

	<u>01/AgtPln</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
Totals for Agency	163,482.7	169,951.0	163,658.5	169,826.0	169,628.5	5,970.0	3.6 %
<u>Objects of Expenditure:</u>							
Personal Services	49,090.9	50,097.0	49,141.7	50,097.0	49,888.2	746.5	1.5 %
Travel	1,772.0	2,068.1	1,772.0	2,068.1	2,050.1	278.1	15.7 %
Contractual	108,957.1	113,249.5	108,957.1	113,249.5	113,157.4	4,200.3	3.9 %
Commodities	2,311.1	3,049.9	2,311.1	3,049.9	3,049.8	738.7	32.0 %
Equipment	736.6	731.5	736.6	731.5	728.0	-8.6	-1.2 %
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0 %
Grants, Claims	615.0	630.0	615.0	630.0	630.0	15.0	2.4 %
Miscellaneous	0.0	125.0	125.0	0.0	125.0	0.0	0.0 %
<u>Funding Sources:</u>							
1001 CBR Fund	125.0	125.0	250.0	0.0	125.0	-125.0	-50.0 %
1002 Fed Rcpts	31,216.1	32,407.2	31,237.6	32,407.2	32,407.2	1,169.6	3.7 %
1004 Gen Fund	7,646.8	7,561.4	7,622.1	7,561.4	7,561.4	-60.7	-0.8 %
1005 GF/Prgm	4,466.6	4,455.9	4,454.5	4,455.9	4,390.9	-63.6	-1.4 %
1007 I/A Rcpts	3,033.9	3,013.8	3,030.3	3,013.8	3,013.8	-16.5	-0.5 %
1011 Educ Trust	28.5	28.5	28.5	28.5	28.5	0.0	0.0 %
1016 Fed Incent	2,553.0	2,537.9	2,537.9	2,537.9	2,537.9	0.0	0.0 %
1017 Ben Sys	99.0	99.0	99.0	99.0	99.0	0.0	0.0 %
1027 Int Airprt	31.3	31.6	31.1	31.6	31.6	0.5	1.6 %
1029 P/E Retire	21,096.7	23,936.7	21,096.7	23,936.7	23,936.7	2,840.0	13.5 %
1034 Teach Ret	10,955.6	12,505.6	10,955.6	12,505.6	12,505.6	1,550.0	14.1 %
1042 Jud Retire	193.4	268.4	193.4	268.4	268.4	75.0	38.8 %
1045 Nat Guard	64.4	99.4	64.4	99.4	99.4	35.0	54.3 %

Agency Totals - FY 02 Operating Budget - Senate Structure

Numbers AND Language Sections!

Agency: Department of Revenue

	<u>01MgtPln</u>	<u>Gov Amd</u>	<u>H/SIntro</u>	<u>House</u>	<u>Sen Sub</u>	<u>H/SIntro to Sen Sub</u>	
1046 Stdnt Loan	22.2	22.5	22.2	22.5	22.5	0.3	1.4 %
1050 PFD Fund	4,979.7	5,105.7	4,969.2	5,105.7	5,099.2	130.0	2.6 %
1053 Invt Loss	131.7	17.6	131.7	17.6	17.6	-114.1	-86.6 %
1061 CIP Rcpts	1,470.0	1,513.8	1,484.6	1,513.8	1,513.8	29.2	2.0 %
1066 Pub School	154.0	154.6	154.0	154.6	154.6	0.6	0.4 %
1089 Power Cost	23.0	86.1	23.0	86.1	86.1	63.1	274.3 %
1094 MHT Admin	940.2	1,065.7	937.5	1,065.7	1,040.3	102.8	11.0 %
1098 ChildTrEm	42.5	43.2	42.6	43.2	43.2	0.6	1.4 %
1103 AHFC Rcpts	16,180.5	17,195.2	16,267.2	17,195.2	17,039.2	772.0	4.7 %
1104 MBB Rcpts	463.7	521.2	463.2	521.2	463.2	0.0	0.0 %
1105 PFund Rcpt	55,972.2	55,525.9	55,973.8	55,525.9	55,514.3	-459.5	-0.8 %
1108 Slat Desig	494.5	494.3	494.5	494.3	494.3	-0.2	0.0 %
1133 IndCostRe	1,045.4	1,081.6	1,041.1	1,081.6	1,081.6	40.5	3.9 %
1142 RHIF/MM	19.7	19.9	19.7	19.9	19.9	0.2	1.0 %
1143 RHIF/LTC	33.1	33.3	33.1	33.3	33.3	0.2	0.6 %
<u>Positions:</u>							
Perm Full Time	801.0	811.0	801.0	811.0	805.0	4.0	0.5 %
Perm Part Time	26.0	25.0	26.0	25.0	25.0	-1.0	-3.8 %
Temporary	55.0	57.0	55.0	57.0	56.0	1.0	1.8 %
<u>Funding Summary:</u>							
Gen Purpose	12,113.4	12,017.3	12,076.6	12,017.3	11,952.3	-124.3	-1.0 %
Fed Restricted	34,814.5	36,026.7	34,816.6	36,026.7	36,026.7	1,210.1	3.5 %
Other Funds	116,554.8	121,907.0	116,765.3	121,782.0	121,649.5	4,884.2	4.2 %

**Senate Finance Subcommittee
On Department of Revenue
FY 02 Operating Budget**

Senator Loren Leman, Chairman
Senator Randy Phillips
Senator Johnny Ellis

The Senate Finance Subcommittee on the Department of Revenue closed out review of the budget at its March 14, 2001 meeting. The Subcommittee adopted the attached summary and transaction sheets, and language amendments regarding CSED and Treasury Management. The subcommittee worked from the FY01 Management plan reflected in SB 69, which includes full funding of the salary increases approved by the 21st Legislature. The budget recommendations are consistent with the Chairman's vision of streamlined government.

The Subcommittee recommends a budget maintaining funding with the addition of 3 full-time and one part-time positions. The budget includes federal receipts to help Alaskans obtain affordable housing with new Section 8 vouchers. It supports the requested increases for fixed costs in several divisions. The subcommittee approved the increase requested for Child Support Enforcement to assist litigants involved in family proceedings.

Finally, the Subcommittee addressed a personnel shortage identified by the Mental Health Trust Board for a Deputy Director position.

Senate Finance Subcommittee
Department of Revenue
FY 02 Operating Budget

Chairman, Senator Leman
Senator Phillips
Senator Ellis

FY 01 Mgt Plan: \$12,113.4
Gov's FY 02 Request: \$12,017.3
House Subcommittee: \$12,017.3
Senate GF Allocation: \$11,952.3
Senate Subcommittee Recommendation of GF Allocation: \$11,952.3
Total Funds: \$169,635.0

Note: Constitutional Budget Reserve funds are not included in the general fund allocation amount.

Note: All budgets for Appropriations that remain unchanged from the FY01 Management Plan are approved as is.

Note: All Line item transfers and Transfers In and Out of Components are approved.

The Senate Finance Subcommittee for the Department of Revenue recommends the following for SB 69:

BRU: Child Support Enforcement Division
Comp: Child Support Enforcement Division

Replace nonrepeatable fund source/FY01 labor	Inc
GF/Pgm Repts \$47.3	
Federal Access & Visitation Grant Inc.	Inc
Fed Repts \$ 59.3	
Alaska Court System Pro Se Project & KIDS Phone system	Inc
Fed Repts \$277.8	

Provision to fund minimum state required match for fed funds FrntSec

Language:

CHILD SUPPORT ENFORCEMENT: The minimum amount of program receipts received during the fiscal year ending June 30, 2002, by the child support enforcement division that is required to secure the federal funding appropriated for the child support enforcement program in Section 1 of this Act is appropriated to the Department of Revenue, child support enforcement division, for the fiscal year ending June 30, 2002.

BRU: Permanent Fund Corporation
Comp: Permanent Fund Corporation

APFC Operations Decrement Dec.
Move funding to meet FY02 spending plan - (\$459.5) PFund Rcpt

BRU: Alaska Housing Finance Corporation
Comp: Alaska Housing Finance Corporation Operations

Add Federal Rcpts for 370 new Section 8 vouchers Inc.
\$300.0 fed rcpts

Add Corporate funds for programs transferring from the Capital Inc.
AHFC Rcpts \$435.0

BRU: Alaska Mental Health Trust Authority
Comp: Alaska Mental Health Trust Authority

Add one intem, one permanent full-time employee & increased travel costs
\$11.0/MHT Admin Inc

Establish Range 23 Deputy Director position
\$91.8/MHT Inc

BRU: Revenue Operations

Comp: Treasury Management

Approve Compliance Monitoring position Inc

GF	\$ 16.4
I/A Rcpts	\$ 44.0
Int Airprt	\$ 0.5
Stdnt Loan	\$ 0.3
Invst Loss	\$ 0.3
Pub School	\$ 0.6
Pwer Cost	\$ 0.6
ChildTrEm	\$ 0.6
RHIF/MM	\$ 0.2
RHIF/LTC	<u>\$ 0.2</u>
	\$ 63.7

LANGUAGE

FrntSec

CONSTITUTIONAL BUDGET RESERVE FUND. (c) The sum of \$125,000 is appropriated from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) to the Department of Revenue, treasury division, for the fiscal year ending June 30, 2002, for investment management fees for the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

BRU: Municipal Bond Bank Authority

Comp: Municipal Bond Bank Authority

Disallow \$58.0 MMB Rcpts

BRU: Permanent Fund Division

Comp: Permanent Fund Division

\$110.0/PF Rcpts - tech support/fixed costs

Inc (Gov', AM)

Department of Revenue
Impact Statement in Response to
Senate Budget Proposal
Date: March 30, 2001
Prepared by: Larry Persily, Deputy Commissioner

Program Area:	Dollar	Fund
Treasury/Unclaimed Property	Amount(s):	Source(s):
	(\$65.0)	GF Program Receipts

Impact Analysis:

The Senate subcommittee budget denied an increment for one permanent full-time position in the Treasury Division, Unclaimed Property Section.

The Unclaimed Property program collects abandoned property from holders (financial institutions, public utilities, etc.), and actively seeks to return the property to its owner(s). Because not all unclaimed property owners can be located, excess amounts are transferred to the general fund annually. (FY99 - \$1.6M, FY00 - \$3.1M)

The department requested this new position to increase collections of unclaimed property from holders. The duties would include the following:

- Developing and implementing a comprehensive holder education program to increase awareness in the business community of the responsibility to remit unclaimed property to the state.
- Perform audits of in-state businesses to assure compliance.
- Increase the rate of identifying owners and returning property.

The department projected that the increased collections generated by this position would not only cover the position costs, but also would benefit Alaskans and increase revenue to the state.

Program Area:	Amount(s):	Source(s):
Alaska Housing Finance Corporation		
Operations – Internal Audit Positions	(\$129.0)	AHFC Corporate Receipts
Operations – Program Transfers	(\$27.0)	AHFC Corporate Receipts

- 1) Three caseworker positions related to the receipt of 370 new Section 8 Housing Choice Vouchers were deleted. Federal funding of \$300.0 was approved.
- 2) Two internal auditor positions related to compliance monitoring of federal programs were deleted. Corporate Receipt funding of \$129.0 was also deleted.

- 3) Reduce Corporate Receipt funding for the programs transferring from the Capital Budget to the Operating Budget by \$27.0

Impact Analysis:

- 1) The federal Low Income Housing Tax Credit (LIHTC) and HOME programs currently provide about **\$5 million annually** for the construction, renovation, and acquisition of low to moderate-income housing. Anywhere from 3 to 11 projects have come on-line each year since 1995, with 16 projects expected for completion over the next 18 months. AHFC is required to act as a monitoring agent. (Even if the monitoring functions were delegated to another entity, AHFC would still be required by the federal government to monitor the delegated authority.) Two internal auditor positions totaling \$129.0 Corporate Receipts are requested to provide compliance monitoring as these funds continue to expand the availability of affordable housing units across the State.

Non compliance or lack of monitoring results in the return or non-acceptance of the federal program dollars. All of these funds are otherwise made available by AHFC on a competitive basis to private housing development associations and firms that choose to offer quality and affordable housing to low income families.

- 2) AHFC has contracted with HUD to receive 370 new housing vouchers for families with incomes at or below 50% of median income. With three positions for these new vouchers, AHFC will be able to qualify applying families and allow the federal program dollars to be received. On average, each position would handle about 123 vouchers by assisting the family in the qualification process and getting them into privately owned housing units. The federal vouchers are estimated to bring **\$1,500,000 a year** into the state for assisting very low-income families living in private rental units

AHFC now has a total of 3,636 vouchers. An increase of 370 vouchers for Alaska is an increase of 10% in the total number being managed. Currently, each caseworker manages an average of 100-120 housing units. Absorbing an additional 10% workload would slow down the ability to keep vouchers leased to eligible families up to the total amount available. HUD will take back unused vouchers, along with the associated Housing Assistance Payments (HAP) and program income, and make them available for nationwide redistribution.

After an extensive review of all existing positions within AHFC departments, absorbing the responsibilities of the five new positions requested would hinder the Corporation's ability to fully capture and monitor available federal program housing dollars.

New PCN's are required to deal with the additional workloads related to additional Section 8 vouchers and the continual development of projects from the LIHTC and HCME programs.

- 3) AHFC has supported the operations of the AK Association of Housing Authorities (AAHA) since 1992 and has supported the Rural Alaska Sanitation Task Force since 1995. The reduction of \$27,000 would be allocated between them.

Program Area: Alaska Mental Health Trust Authority Administration	Dollar Amount(s): (25.4)	Fund Source(s): MHT Admin
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Impact Analysis:

The Senate subcommittee deleted one non-perm position and reduced funding for the new Deputy Director's salary. This reduction will impact the Trust's personal services line item and may reduce our ability to provide various reports to state agencies related to mental health funding issues or the comprehensive integrated mental health program. The Trust will also reduce the travel, contractual, commodities and equipment line items associated with the Deputy Director's position.

Program Area: Alaska Permanent Fund Corporation	Dollar Amount(s) (\$11.6)	Fund Source(s): Permanent Fund Corporate Receipts
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Impact Analysis:

APFC's initial budget request proposed a reduction of \$447.9. The subcommittee increased this decrement by \$11.6. No significant impact can be determined at this time. APFC Board and management submitted a budget that they determined was necessary to meet the program needs. The intent of management is to deliver program services cost effectively, the legislative reduction will be incorporated into the plans for FY02 and FY03.

• TRANSPORTATION
+
PUBLIC
UTILITIES

Senate Finance Committee
 OPERATING BUDGET
 AMENDMENTS

Transportation Public Facilities

AMEND #	SPONSOR	TOPIC	MOVED	OBJECT	AMEND	VOTE	ADOPT	
#1	Austerman	MHS	A	Ward		3-6 (A, O, H)		
#2	Hoffman	Regional Support Svcs	H			2-7 (O, H)		
#3	↓	Centrl Rza. Hkys. & Aviation	H	Ward		2-7 (O, H)		
#4		Admin & Support	H			2-7 (O, H)		
#5		MHS		NOT OFFERED				
#6		Donley	MHS		none			✓

X

SENATE FINANCE COMMITTEE
2006 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DOT #1			
Motion Adopt			
<u>Motion by</u> Austerman			
<u>Objection by</u> Ward			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Lemam			✓
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman	✓		
Senator Green			✓
Senator Hoffman	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	3		
Nay	0		
Absent			
<u>MOTION</u>	FAIL		

AMENDMENT

DOT # 1

Offered in Senate Finance
To: SCS CS HB 103 (FIN)

Offered By: Senator Austerman

AMEND

Sec. 15. MARINE HIGHWAY SYSTEM FUND. The sum of **\$29,019,500** [\$27,909,700] is appropriated from the general fund to the Alaska marine highway system fund (AS 19.65.060).

Explanation:**Maintain Baseline Service- \$819.8 GF**

The Marine Highway Stabilization Component requires additional GF in FY02 in order to maintain baseline service to the public. Without this increase, AMHS would have to reduce service. Current projections indicate the fund balance will reach zero during FY02 unless additional GF is appropriated or service is reduced. Funding of this increment will allow AMHS to continue service uninterrupted through the end of FY02 – a projected total of 293.1 weeks of service.

In addition to the GF contribution to the fund needed to maintain services, additional GF is requested to offset Marine Highway Fund increments which have been recommended by the Senate Finance Subcommittee for the following purposes. Without the additional GF, the deficit will be higher than estimated and further vessel service reductions will be necessary.

Kennicott Longshoring Expenses- \$60.0 GF

Because the AMHS operates from several privately owned facilities and municipal piers in Southwest Alaska and Prince William Sound, state or contract employees are not allowed to handle lines due to a statewide longshoring agreement. The longshoring costs for M/V Kennicott are quadruple that of the M/V Tustumena. In the winter of 2002, the Kennicott will be providing the only service to Cordova and Kodiak for five months due to a scheduled overhaul of the M/V Tustumena.

Seasonal Whittier Terminal Position- \$30.0 GF

With the opening of the Whittier Tunnel in May 2000, AMHS has increased staffing needs at the terminal. Two positions must be available to meet and tie up incoming Marine Highway vessels. This request would fund one seasonal position, from May to September, to assist an existing position.

AMHS Marketing Effort- \$200.0 GF

A recently completed AMHS marketing and pricing study shows that the lack of marketing is the major cause of customer decline. An active marketing program directed at the 80,000 potential customers identified in the study would increase revenue and significantly reduce the AMHS annual operating deficit.

SENATE FINANCE COMMITTEE
2009 COMMITTEE ACTION

4/3

Bill Number HB 103			
Amendment DOT.#2			
Motion Adopt			
<u>Motion by</u> Hoffman			
<u>Objection by</u>			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Leman			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	7		
Absent			
<u>MOTION</u>	FAIL		