

ALASKA LEGISLATURE

2279

HOUSE and SENATE FINANCE COMMITTEE FILES, 2001 - 2002

Comm + Econ Dev #1

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Community and Economic Development

Community Assistance and Economic Development

Community and Business Development

9.3	General Fund/Match
102.2	General Fund

These funds were taken out as part of the "unallocated" cut and the year three labor costs.

The reduction of these funds will cause the elimination of the Division's Deputy Director position, which, historically has been staffed by a person with a strong background in the Tourism industry.

This cut would reduce, by approximately 30%, the division's ability to provide direct assistance to residents of localities interested in developing tourism opportunities.

COMM+ ECON DEV #2

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Community and Economic Development

Community Assistance and Economic Development

International Trade and Market Development

90.0	General Fund
34.3	General Fund
11.9	General Fund/Program Receipts

These funds provide new contract trade representation in China, which would help open up opportunities for Alaska's companies and economy, and restore the year 3 labor costs and travel reductions for the division. China has one of the world's fastest growing economies and represents an excellent opportunity for Alaska to grow and diversify from our traditional markets.

Alaska's export community benefited from the state's early entry into Japan and Korea (representation in Japan began in 1965 - we exported \$30 million then, now it's \$1 billion. In 1985 in Korea we exported \$80 million - now it's \$450 million) Now is the time for China. Our exports are currently at \$100 million, and we are currently at the bottom of the curve.

The 34.3 and 11.9 (unallocated cuts) seriously decrease the division's ability to promote the export of Alaska's goods and services through trade shows, trade missions, seminars and other "door-opening" activities that lead to expanded business for Alaska companies. Particularly hard hit will be the division's ability to conduct promotions at venues such as hotels, department stores and supermarkets overseas on behalf of Alaska value-added product makers including food and beverages, gifts and other goods.

Comm & Econ DEV #3

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Community and Economic Development

Qualified Trade Association

Qualified Trade Association

500.0 General Fund

The state match to tourism marketing is 40%, meaning this 500.0 General Fund cut translates to a total cut of 1,250.0

Bookings in every sector (except cruise ships) have declined an average of 24%, with many hoping to "get through" the season.

When the Legislature passed legislation that consolidated marketing functions, the private sector agreed to increase its contributions. At the same time the plan called for a minimum base-level of \$4 million in state funds for FY03 and beyond.

This cuts the television budget by approximately half.

Loss of ads that would be viewed over 41 million times

Loss of 20 million households that would be exposed to the vacation planning website address through the TV ad.

Loss of approximately 20,000 requests for the state Vacation Planner, which is a primary marketing tool for small businesses.

Alaska ranks 36th in terms of state funding for tourism. The proposed reduction would put us at 45th out of 50 states, compared to 7th place a decade ago.

COMM + ECON DEV #4

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Community and Economic Development

Occupational Licensing

Occupational Licensing

21.9 General Fund/Program Receipts

These funds were taken out as part of the "unallocated" cut and the year three labor costs.

Without restoring these funds the division will have to make its Fairbanks Business License Office part-time.

Business licensing employees are range 8-10 administrative clerks, and they answer over 30,000 phone calls per year, from Alaskans requesting help with licensing and assist customers in the division's offices.

Without these funds the Fairbanks office will have to reduce its hours to the equivalent of two full days per week.

- How can the division reasonably be expected to keep the office open at all? A range 8-10 position is difficult to live on, at full time. By reducing it to part time, I would imagine they would have an incredibly difficult time keeping the office staffed - state wages are already not competitive with private sector jobs.

Comm + ECON DEV
#5

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Community and Economic Development

BRU: Rural Energy Programs

Component: Power Cost Equalization

<u>Fund Source</u>	<u>Amount</u>
1089 Power Cost Eq.	\$2,753,000

AMEND section 20(b) to read:

(b) The sum of \$4,533,000 [\$2,034,000] is appropriated from the general fund to the power cost equalization and rural electric capitalization fund (AS 42.45.100).

DESCRIPTION:

This two part amendment will fully fund the FY03 PCE program. Due to continuing increased fuel costs and updated projections, the PCE program is expected to cost \$18,453,000 is FY03 to operate the program at statutorily established levels.

Failed
Amended
COMM + ECON DEV
6

22-LS1295\P.1
 Utermohle
 3/14/02

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVES LANCASTER

TO: CSHB 403(FIN), Draft Version "P"

AND MOSES

1 Page 6, line 25:

2 Delete

	"APPROPRIATION	GENERAL	OTHER
	ALLOCATIONS	FUND	FUNDS
	ITEMS		
5 State Revenue Sharing	16,980,000		16,980,000"

6 Insert

	"APPROPRIATION	GENERAL	OTHER
	ALLOCATIONS	FUND	FUNDS
	ITEMS		
9 State Revenue Sharing	29,835,200	12,855,200	16,980,000
10 State Revenue Sharing	12,855,200"		

12 Page 6, following line 27:

13 Insert

	"APPROPRIATION	GENERAL	OTHER
	ALLOCATIONS	FUND	FUNDS
	ITEMS		
16 Safe Communities Program	16,775,500	16,775,500	
17 Safe Communities Program	16,775,500"		

Added
to 6

COMM + ECON DEV
6a (Amendment)

AMENDMENT TO

CROFT

COMM. & ECON. DEV. #6

REVENUE SHARING & SAFE COMMUNITIES

ADD:

THE APPROPRIATION IN THIS AMENDMENT
DOES NOT BECOME EFFECTIVE IF HB20
BECOMES LAW WITH A COMMUNITY
DIVIDEND RAISING AND DISTRIBUTING TO
MUNICIPALITIES AT LEAST \$50 MILLION.

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

6

MEMBER

YES

NO

MEMBER	YES	NO
LANCASTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MOSES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WHITAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BUNDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DAVIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FOSTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HARRIS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HUDSON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WILLIAMS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MULDER	<input type="checkbox"/>	<input checked="" type="checkbox"/>

CORRECTIONS

CORRECTIONS
#1

Amendment

Offered in House Finance

TO: CS HB 403/HB 404 (FIN) work draft

By _____

ADD:

Department: Corrections

BRU: Administration and Operations

Component: Southcentral Region Probation

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$471,200
PFD 1/7/	\$28,800

This funding would allow the department to implement the Dual Diagnosis and Parolees with Children.

This program addresses specialized caseloads for dual-diagnosed offenders (men and women with both mental illness and alcohol/drug abuse) with children to facilitate family reunification and stability.

Problems of trauma, self-esteem, parenting and other problems are inter-related with mental illness and substance abuse. Treatment and development of community support would help offenders care for themselves and their children.

The dual-diagnosis population, including felony DWI, is the fastest growing group of probation/parole offenders.

This will enable the agency to hire additional probation officers to reduce already high caseloads and create specialized caseloads for dual diagnosis probationers and parolees with children.

NOTE: LEG FINANCE ADVISES ALL PFD FELLOW FUNDS
ARE ALREADY OBLIGATED

CORRECTIONS

#2

Amendment

Offered in House Finance

TO: CS HB 403/HB 404 (FIN) work draft

By _____

ADD:

Department: Corrections

BRU: Administration and Operations

Component: Inmate Health Care

Fund Source

Amount

General Fund

\$1,000,000

The agency has implemented efficiencies throughout the program to save state funds and to get effective use of existing resources.

Preferred provider hospital contracts are savings hundreds of thousands of dollars, contractor costs are reduced, and partnerships are being developed with other state agencies.

The department anticipates double-digit medical care cost inflation, and the continued expanding need for services and medications to treat inmates' conditions, injuries and diseases.

Great strides have been made in reducing costs that are controllable through negotiations of contracts and by only providing absolutely necessary medical services.

The agency anticipates the need to submit a \$1.0 m. supplemental request in FY 2003 to address increasing health care needs of greater numbers of offenders incarcerated.

CORRECTIONS

#4

Amendment

Offered in House Finance

TO: CS HB 403/HB 404 (FIN) work draft

By _____

ADD

Department: Corrections

BRU: Administration and Operations

Component: Various

Fund Source

Amount

General Fund

\$7,195,500

This amendment will restore:

25 Correctional Officers and 7 Adult Probation Officers Statewide.

209 In-state Community Residential Center (CRC) Beds in Anchorage

Culturally Relevant and Behavioral Modification Services (culturally relevant services at community residential centers in Nome and Bethel, the statewide batterers program and the white bison program.

The Alaska Correctional Industries' Mt. McKinley Meats Program in Palmer including 3 oversight staff along with 1 Anchorage Central Office staff.

Administrative Services Accounting Staff.

20 beds at the Out-of-State Central Arizona Detention Center

CORRECTIONS

#3

Amendment

Offered in House Finance

TO: CS HB 403/HB 404 (FIN) work draft

By _____

ADD:

Department: Corrections

BRU: Administration and Operations

Component: Inmate Programs

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$250,000
PFD 1171	\$265,000

Children of incarcerated parents are frequently exposed to situation and behaviors prior to, during, and after their parents' incarceration that put them at risk of child abuse and neglect, as well as compromising their health.

The agency requests \$250,000 of General Funds and \$265,000 of felon dividend funds for a new program to assist incarcerated parents who have children with employment, housing, health care, substance abuse programs, and parent-child counseling during their incarceration to help them meet additional obstacles upon release.

LEG FINANCE NOTE

PFD 1171 \$10,100.6 already fully OBLIGATED

COURT SYSTEM

COURTS

#1

AMENDMENT

To: HB 403

By: Representative

ADD

Alaska Court System , <i>UNALLOCATED</i>	
<u> Fund Source</u>	<u> Amount</u>
General Fund	3,009,400

This amount would restore the Court System's budget to maintenance levels and fully fund pre-approved salary and retirement benefits increases and other costs already approved by the State Legislature.

The proposed budget reduction would mean that the court would have fewer resources to handle an increasing caseload, which will inevitably cause a slowdown in case processing. Under the constitution's Speedy Trial Rule, if a criminal case is delayed past a certain point, it must be dismissed. Last year only four felonies or misdemeanors were dismissed on this technicality, but this number can be expected to increase as courts attempt to juggle more cases with fewer judicial and clerical resources.

Statutes also require many types of civil cases to be heard first or within a certain timeframe; they cannot be legally delayed. The major category of civil case that does not have a statutory timeframe, and would therefore absorb the majority of the delays, is the family law area, including divorces, child custody, and visitation. These cases make up 25% of the superior court's caseload. Unfortunately, this is the category of civil case that is the most emotionally charged and is statistically the most violent. Substantial delays in this area can and will harm children and impact public safety.

One way to take the reduction would be for the court system to stop offering the program at certain locations. However, this would not stop the demand for services at those locations. For example, 10.3% of the statewide caseload is filed in Palmer, the state's third busiest court. Closing the Palmer Courthouse would save approximately \$1.5 million, less than half the proposed budget reduction. However, crimes would still be committed in the Mat-Su Valley and people would continue to dispute contracts and seek divorces. The cases generated by Mat-Su residents would simply shift to Anchorage, where the resources to handle them do not exist.

EDUC.+ EARLY DEV.

Alyeska Central School:

- Restores funding taken from Alyeska Central School (ACS). Under the Subcommittee's recommendation ACS would not be able to continue to provide distance ed. tuition courses to all school districts in the state.
- Tuition students are generally not home schooled, but are classroom students, who, for a variety of reasons cannot participate in their scheduled onsite classes.
- ACS provides the course materials and teaching services – at cost – and makes no revenue or profit from providing this service.
- Since the expense of development, services and materials provided is equal to the tuition charge, this does not affect the fiscal gap.

AK Vocational Technical Center:

- 130.0 from AK vocational Technical Center will eliminate the Certified Nurse Assistant Training Programs, this amendment restores the funding.
- All successful graduates are guaranteed employment making livable wages.
- Elimination of these programs will mean 166 Alaskans will not be trained with these certifications annually.
- A majority of the students enrolled in these programs are ATAP recipients and are moved from welfare to work upon graduation.
- AVTEC will lose more than \$300.0 in revenue as a result of the elimination of these programs.

Library Operations:

- SLED funding will be reduced without this amendment.
- SLED provides managed Internet access to libraries, schools and citizens reaching areas of the state still lacking commercial internet service and providing access for Alaskans who cannot afford access fees
- SLED will continue to provide services to the extent possible, under current contract with UAF and through the work of volunteer librarians and users from around the state.

EED #1

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Education and Early Development
K-12 Support
Community Schools
500.0 General Fund

ADD

Department of Education and Early Development
Education Special Projects; *Teaching & Learning Support*
Alaska Minerals/Energy Education
50.0 General Fund

ADD

Department of Education and Early Development
Alyeska Central School
Alyeska Central School
91.2 General Fund

ADD

Department of Education and Early Development
AK Vocational Technical Center *OPERATIONS*
AK Vocational Technical Center *OPERATIONS*
130.0 General Fund

ADD

Department of Education and Early Development
Alaska Library and Museums
Library Operations
50.0 General Fund

Community schools:

- Community schools program provides access to educational facilities after the school day for community education and other programs.
- The statutory allocation for this program would require a funding level in excess of \$3 million on an annual basis.
- Community schools has not been fully funded since the mid 1950's

Minerals Education:

- The Department will not be able to provide minerals and energy education materials, training, and technical support to school districts without this funding.

E E D

#2

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Education and Early Development

Teaching and Learning Support

Quality Schools

770.0 General Fund

130.0 General Fund

770.0 is necessary to fully fund the contract with CTB McGraw/Hill for ongoing development and implementation of the High School Graduation Qualifying Exam (HSGQE). Changes in the focus of the exam and the requirements, per SB 133, have resulted in increasing costs with the test contractor. In addition, the legislature has implemented performance measures for the department directly related to student performance on the HSGQE.

The high stakes nature of the HSGQE adds dramatically to the cost of the developing and implementing the test. As a small state, Alaska will always have an economy of scale issue and testing a small number of students will be expensive.

The absence of this funding combined with the subcommittee's proposed unallocated reduction will have a serious impact on the state's ability to implement the statutory testing requirements and provide the data necessary to meet the performance measures established by the legislature.

The 130.0 restores funding approved by the legislature in FY02 for new statutory requirements under SB 133, which passed last year, that allow a child with a disability who does not pass the HSGQE, to complete an alternative assessment program developed by the student's individual education program in conformance with state performance standards. The legislature clearly intended for the department to establish the uniform standards for the alternative assessment through regulation and retain the capacity to work with school districts and IEP teams in meeting these requirements. In addition, these funds were included to support the portion of the law that requires establishing a waiver and appeal process for students of the HSGQE requirement under certain circumstances. This reduction eliminated the department's ability to comply with the statutory requirements.

EED #3

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Education and Early Development

Teaching and Learning Support

Quality Schools

730.0 General Fund

The Subcommittee's proposal does not fund the Education Funding Task Force recommendation to expand the state's capacity to collect, analyze, and report educational data that is critical to the state's school accountability system. Alaska statutes specifically require reporting of data and a designation of school performance based on the data collected and reported. While the statutory accountability requirements have continued to increase, the department's capacity has been diminished over time, due in large part to the erosion of general funds through unallocated cuts.

A consolidated data collection system and the personnel to use it effectively is critical to the school accountability system. We have access to a tremendous volume of data on students, teachers, and schools, but without the resources to capture, store, analyze, and report the information, local and state policy makers will not be able to utilize this data in their decision-making. The ability to utilize meaningful data will significantly improve our educational system.

EED

#4

AMENDMENT to CSHB 403

Offered By: Representative _____

ADD

Department of Education and Early Development

Early Development

Head Start Grants

850.0 General Fund

The Subcommittee's proposal does not allow continuation of \$350.0 of funding approved for FY02 and does not fund a requested increase of \$500.0 in additional state funds that will strengthen existing programs, expand services to additional children and families, and assist programs in meeting federal Head Start program performance requirements.

- Currently, Head Start programs are only able to serve approximately 23% of eligible children and families.
- Cuts to Head Start programs will eliminate the ability to expand services through increasing existing program capacity or developing new programs
- This will severely impact the ability to leverage approximately \$2.5 million in federal expansion funds, and efforts to increase the percentage of eligible children served by Head Start programs.
- Head Start dollars are matched on a 20/80 split, by federal dollars, providing excellent return on the money the state spends.

**HOUSE FINANCE
COMMITTEE**

DATE: _____

BILL NUMBER: _____

MEMBER

YES

NO

HUDSON		
LANCASTER		
MOSES		
WHITAKER		
BUNDE		
CROFT		
DAVIES		
FOSTER		
HARRIS		
MULDER		
WILLIAMS		

ENVIRON. CONS.

ENV CONSERV

1



Sealed

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Environmental Conservation

BRU: Environmental Health

Component: Food Safety and Sanitation

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$ 218,200
General Fund/Program Rcpts	<u>1,260,900</u>
Total	\$1,479,100

DESCRIPTION: Restore Food Preparation Inspections Program

This amendment restores the State's Food Preparation Inspections Program – the public health safety net for retail food and sanitation aimed at reducing the risk of food borne illnesses and resultant economic impacts to businesses and to the tourism and hospitality industries. This includes the State oversight of all restaurants, grocery stores, food booths, school kitchens, day care centers, tattoo parlors, and public accommodations.

The House Finance Subcommittee proposes elimination of the program and hopes that all communities statewide will step up to the plate to provide oversight. Right now, only Anchorage provides most of these services. We cannot compel other communities to provide these services. Each community must make a choice. For small communities with limited facilities, this will be an expensive choice. For example, Tenakee Springs has 4 of these facilities, Pelican – 8, Prince of Wales Island, – 15, Gulkana – 1, Delta Junction – 60, Tok – 71, all of the Haines Borough has just 75. Many of these are seasonal. Services provided by the state have an economy of scale, and ensure that Alaskans and our visitors are not faced with unnecessary public health risks in any Alaskan community.

Federal funding to the Department of Education and Early Development for child nutrition programs would be jeopardized if government (State or local) inspectors don't inspect the particular facilities' programs.

Oversight of commercially available food is a core governmental function done to protect public health – and is something that Alaska has done since before statehood. Whether the state or local governments should oversee retail food safety and sanitation of public facilities is a legitimate public policy debate. But the debate and the decision need to happen before these essential services are simply eliminated.

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

MEMBER

YES

NO

MEMBER	YES	NO
BUNDE		✓
CROFT	✓	
DAVIES	✓	
FOSTER		✓
HARRIS		✓
HUDSON		✓
LANCASTER		✓
MOSES	✓	
WHITAKER		✓
MULDER		✓
WILLIAMS		✓

- Increase water quality monitoring and inspections and conduct oil spill preparedness drills by establishing a full-time North Slope office of DEC. The initiative would also increase DEC's ability to work with industry on designs and technology that would reduce environmental impacts and make permitting more timely, consistent and predictable.
- Increase enforcement of electrical and occupational safety and health codes by the Department of Labor and Workforce Development to ensure a safe working environment.
- Increase fire and life safety inspections by the Fire Marshall's office within the Department of Public Safety to ensure worker and resource protection.
- Add support to ensure habitat restoration and protection of fish and wildlife by the Department of Fish and Game by working with industry on how best to undertake exploration, development, field closures and remediation.

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department of Environmental Conservation

BRU: ~~Statewide Public Services~~ ENVIRONMENTAL HEALTH

Component: Statewide Public Services

<u>Fund Source</u>	<u>Amount</u>
General Funds	125,000

BRU: Air and Water Quality

Component: Water Quality

<u>Fund Source</u>	<u>Amount</u>
General Funds	907,000
General Fund Program Receipts	36,800

BRU: Spill Prevention and Response

Component: Industry Preparedness and Pipeline Operations

<u>Fund Source</u>	<u>Amount</u>
General Funds	451,200

BRU: Spill Prevention and Response

Component: Prevention and Emergency Response

<u>Fund Source</u>	<u>Amount</u>
General Funds	244,000

Department of Natural Resources

BRU: Oil and Gas Development

Component: Oil and Gas Development

<u>Fund Source</u>	<u>Amount</u>
General Funds	250,000

BRU: Minerals, Land and Water Development

Component: Claims, Permits and Leases

<u>Fund Source</u>	<u>Amount</u>
General Funds	110,000

BRU: Minerals, Land and Water Development
Component: Title Acquisition and Defense
Fund Source Amount
General Funds 80,000

Department of Fish and Game
BRU: Habitat
Component: Habitat
Fund Source Amount
General Funds 222,600

Department of Public Safety
BRU: Fire Prevention
Component: Fire Prevention Operations
Fund Source Amount
General Funds 500,000

Department of Labor and Workforce Development
BRU: ~~Labor Safety and Standards~~ *office of the Commissioner*
Component: Occupational Safety and Health
Fund Source Amount
General Funds 222,700

DESCRIPTION:

The Governor's Oil Safety & Development initiative for environmental protection and regulatory efficiency is essential to future oil and gas development in the state. Along with streamlining the permitting process for future oil and gas development, this cross-department initiative will strengthen the level of monitoring of environmental and workplace safety at aging oil and gas production facilities on the North Slope and Cook Inlet.

The initiative focuses on actions that will directly benefit industry through faster processing, permitting and more collaborative decision making, and include provisions to

- Maximize revenue from oil and gas leasing and production, and assure that the state's economic interests are better protected. This increase will result in the state receiving over \$10 million in delayed or deferred lease bonuses and potentially millions of dollars of additional oil and gas royalty. The request will assure that the state's economic interest are better protected in Alaska's 42 oil and gas units; provide better onsite management of the state's oil & gas assets; increase promotional efforts for new explorers into Alaska; and provide support for opening ANWR.

FISH + GAME

FISH + GAME

#1

Amendment

Offered in House Finance Committee

By: Representative

To: CSHB 403

Department of Fish & Game

Commissioner's Office

Agency-wide Unallocated Reduction \$260,000 General Funds

This funding satisfies a 3:1 federal match requirement for wildlife conservation non-game programs and will result in the loss of \$780,000.

Goshawk research which occurred under this allocation avoided a 'spotted owl' situation on the Tongass National Forest. Had ADF&G not acted proactively, the entire timber program could have been shut down.

Additional projects in this category include study and management of bear viewing in Southeast and Southcentral Alaska.

FISH + GAME
2

Amendment

Offered in House Finance Committee

By: Representative

To: CSHB 403

ADD : Department of Fish & Game

Habitat and Restoration

\$525,100

General Funds

This cut will eliminate critical habitat projects.

- **Oil Safety and Development Initiative** (\$222,600). This funding is necessary to provide timely permitting and ensure fish and wildlife resources are not negatively impacted on the North Slope and in the Cook Inlet areas.
- **Mat-Su Permitting and Habitat Restoration Center** (\$202,500). This funding would establish a habitat permitting and restoration center in the Mat-Su Borough, similar to the one currently operating on the Kenai River. Based on the success of the Kenai River Center, the availability of staff to provide local technical assistance will help streamline the permitting process, develop sources of funding for and public confidence in habitat restoration techniques, and improve landowners' willingness to prevent damage or restore stream banks and fish habitat in the Mat-Su Valley.
- **Permit Application Review on the South Kenai Peninsula** (\$100,000). This funding adds an additional permitter at the Kenai River Center to specifically address explosive growth in the number of permit applications in the lower Kenai Peninsula. This will help the Department to prevent additional impacts to important fisheries resources supporting the Kenai Peninsula economy.

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

MEMBER

YES

NO

MOSES		
WHITAKER		
BUNDE		
CROFT		
DAVIES		
FOSTER		
HARRIS		
HUDSON		
LANCASTER		
MULDER		
WILLIAMS		

This amendment will allow the state to maintain dual management of subsistence with the federal government. Without the core of highly professional staff funded by general funds, the federal government would have no reason to contract with the state for services.

Subsistence is, by law, the priority use of fish and game in Alaska. The Division of Subsistence is the primary state agency charged with implementing that law and has been at the forefront of protecting the state's subsistence interests. Elimination of general funds for the division would mean most subsistence harvests would no longer be monitored. The 40% of Alaska that is state or private lands would have neither a state nor federal agency with staff dedicated to implementing the subsistence priority.

Without information provided by the Subsistence Division, the state fish and game boards would have only outdated or incomplete information; this would increase the likelihood of the boards either failing to provide adequate opportunity for subsistence or conversely, unnecessarily restricting other uses.

The Subsistence Division provides an essential liaison function for all the divisions in the department with the federal program. Without a strong state presence in dual management, federal managers may seriously consider or even adopt proposals for extreme or unnecessary actions, further diverging state and federal regulatory regimes. This would result in more confusion for the public and more opportunities for conflict.

Failed
4-7

FISH + GAME

#3

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

DELETE

Department of Fish and Game
BRU: Administration and Support
Component: State Subsistence

<u>Fund Source</u>	<u>Amount</u>
I/A Receipts	538,100
Federal Receipts	2,253,500
Statutory Designated Receipts	70,100
EVOSS	369,200

ADD

Department of Fish and Game
BRU: Subsistence
Component: Subsistence

<u>Fund Source</u>	<u>Amount</u>
General Funds	224,100

Component: Research and Monitoring

<u>Fund Source</u>	<u>Amount</u>
General Funds	924,000
I/A Receipts	497,500

Component: Subsistence Special Projects

<u>Fund Source</u>	<u>Amount</u>
Federal Funds	2,253,500
I/A Receipts	40,600
Statutory Designated Receipts	70,100

Component: Subsistence EVOS Restoration Projects

<u>Fund Source</u>	<u>Amount</u>
EVOSS	369,200

DESCRIPTION:

Restores all general funds to the Division of Subsistence, and transfers federal and other receipt authority from the Administration and Support BRU to the Subsistence BRU.

P192

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

MEMBER	YES	NO
WHITAKER		✓
BUNDE		✓
CROFT	✓	
DAVIES	✓	
FOSTER	✓	
HARRIS		✓
HUDSON		✓
LANCASTER		✓
MOSES	✓	
WILLIAMS		✓
MULDER		✓

4

7

HB

403/404

(File 2)

HFIN

FILE

GOVERNOR

GOVERNOR #1

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Governor

BRU: Executive Operations

Component: Executive Office

Fund Source

Amount

General Funds

147,500 and 2 PFT

DESCRIPTION:

Two positions and general funds were transferred from OMB to the Executive Office component to implement the Millennium Agreement. The House Finance Subcommittee accepted the transfer out, but did not approve the transfer to Executive Office.

GOVERNOR #2

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Governor

BRU: Agencywide Reductions

Component: Agency-wide Unallocated Reduction

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>700,400</u>
<u>General Fund Match</u>	<u>24,200</u>

DESCRIPTION:

The House Finance Subcommittee's proposal to levy an unallocated \$724,600 reduction to the Office of the Governor will reduce departmental employees by an estimated 10 full-time positions. This reduction will significantly reduce the resources available to a new governor in establishing the new administration and operations of the Governor's Office.

Governor #3

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Governor

BRU: Elections

Component: Elections

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>80,000</u>

DESCRIPTION:

The Voter Registration Election Management System (VREMS) is an outdated system that requires constant upgrades, programming and enhancements for daily data entry and election functions. Programmers with required experience for the system are difficult to find, forcing the division to contract for maintenance services. The current contract costs \$130,000 per year. The division has identified \$50,000 for this contact and is requesting the additional \$80,000. It is critical to have VREMS in good working condition in order to conduct election functions as well as business operations.

GOVERNOR

#4

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Governor

BRU: Executive Operations

Component: Tribal Affairs

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>390,000</u>

DESCRIPTION:

The requested increment will improve government-to-government relationships between the federally-recognized tribes and the state, and continue implementation of the Millennium Agreement. Funding of this request would provide sufficient resources to facilitate effective and respectful communication between tribal and state governments; assist in educational efforts to increase state employees' knowledge and appreciation of tribal cultures and governments; identify for proposed changes the statutory impediments to full coordination and cooperation between state and tribal governments; and facilitate joint state-tribal educational programs throughout the state.

S.
S.
+
H.

H+SS #1

Draft

AMENDMENT

CSHB 403 (Fin) work draft 3/11/02

Rep _____

Add

Agency: Health Education and Social Services

Bru: Commissioner's Office (Suicide Prevention Council)

Add 125.0 GF

Suicide prevention Council was created pursuant to Chapter 84, SLA 2001 to develop and implement a statewide plan to enhance suicide prevention services and programs in order to reduce suicides in the state.

- Alaska has the highest suicide rate in the nation. Alaska's rate of 23.7 per 100,000 is over twice the national average.
- Highest rate of suicide occurred in rural Alaska and highest among the native population at 197.5 per 100,000.
- From 1994 to 1998, 658 suicides occurred in Alaska

The suicide prevention council was the first major step toward addressing this critical issue. If this money isn't restored the newly formed Suicide Prevention Council will have to be substantially reduced or eliminated before it even gets started. We need to give this program the best shot we can and fully fund it so it has a chance of success.

H+SS #2



A M E N D M E N T

TO: CSHB 404 (Fin) work draft 3/11/02
Mental Health Budget

BY:

Department of Health & Social Services
Section 1

DELETE
Page 4, lines 13-22

13 It is the intent of the legislature that the amount appropriated in this appropriation is the full
14 amount that will be appropriated for Medical Assistance for the fiscal year ending June 30,
15 2003. If the amount appropriated in this appropriation is not sufficient to cover the costs of
16 Medical Assistance for all eligible persons, the department shall eliminate coverage for
17 optional medical services that have a federal match and optionally eligible groups of
18 individuals in accordance with AS 47.07.035. It is the intent of the Legislature that requests
19 for supplemental appropriations for Medical Assistance for the fiscal year ending June 30,
20 2003 will not be approved. This intent covers the budgeted reductions to Medicaid, but does
21 not apply to any loss of funds that may occur if the department's "Fair Share" funding
22 mechanism is not approved by the federal government.

TO: CSHB 403 (Fin) work draft 3/11/02
Department of Health and Social Services

DELETE
Page 18, lines 16-25
(same language as above)

- Reduction will require services to be reduced or eliminated in some areas resulting in a loss of jobs

Child Care Benefits 100.0GF

This program provides childcare to parents as part of the welfare to work program. The TANF block grant and the state MOE provide child care subsidies for ATAP families that are working. It is a key component in the state's efforts to move parents into full-time jobs and self-sufficiency by making child care affordable. Without these subsidies it would be impossible for most ATAP parents to stay in the work force and move off of welfare. The House proposed GF cut of 100.0 will result in the loss of approx. 300.0 in federal TANF block grant funding and penalties. These cuts will result in reduced services.

Public Assistance Data Processing 141.5 GF

Public Assistance data processing maintains the eligibility information system, which keeps data current regarding a variety of benefit programs. Public assistance workers in 14 communities rely upon the EIS system for determining eligibility for ATAP, Medicaid, Food stamps, Adult Public Assistance, Denali KidCare, General Relief Assistance, and Welfare to Work. EIS also supports the management and issuance of benefits for these programs. Failure to fund this increment will result in the following impacts:

- Eliminates four existing positions, which will result in an inability of field and administrative staff to perform work in a timely and efficient manner.
- 85,000 welfare recipients depend on the timely payment of benefits through the EIS system
- Cut of 141.5 GF results in lost federal funds of 88.9 , making a total loss in funding of 230.4

Tribal Assistance 709.2 GF

Tribal Assistance is a part of the federal Temporary Assistance to Needy Families (TANF) program. In 2000, the Legislature passed a bill authorizing state MOE funding for four Native organizations with federally approved Native TANF plans. The three organizations running Native TANF programs are Tanana Chiefs Conference, Tlingit and Haida, and the Association of Village Council Presidents. Through this component, the Department provides a fair and equitable proportion of state MOE to the Native programs. The 1,400 families served by the Native programs would otherwise be served through the state's ATAP program.

- The House proposed GF cut results in the loss of \$2.1 million in federal TANF block grant funding and penalties for failure to meet the state's required maintenance of effort (MOE).
- Services and the number of people that can be helped will be greatly reduced. Individuals, families and children will be put at risk.

Public Assistance Field Services 735.8 GF

- Public Assistance Field Services provides basic eligibility services for ATAP, Food Stamps, Medicaid, Adult Public Assistance, and General Relief from 17 locations statewide.
- Total financial impact from this reduction will be 1,193.0 due to additional loss of federal dollars
- Cuts will eliminate 26 existing positions that collectively manage an average caseload of 7,046 public assistance program cases
- Worker caseloads will be an unmanageable size this could result in federal penalties that could exceed 1.0 million.

Work Services 303.3 GF

Work services is a program to help recipients enter the work force. The program provides assistance in job readiness, job search, case management, job retention and advancement, basic education, training and transportation to work.

- Proposed GF cut of 303.3 results in a loss of approx. 910.0 in federal TANF block grant funding and penalties
- Community based grantees and contractors deliver a majority of the services (25 in FY 02)

H & SS
#3



AMENDMENT

CSHB 403 (Fin) work draft 3/11/02

Rep _____

ADD

Agency: Health Education and Social Services

BRU: Medical and Public Assistance Services

Component: Alaska Temporary Assistance Program	1,000.0 GF
Tribal Assistance	709.2 GF
Public Assistance Field Services	735.8 GF
Work Services	303.3 GF
Child Care Benefits	100.0 GF
Public Assistance Data Processing	141.5 GF

Total 2,989.8 GF

Alaska Temporary Assistance Program 1,000.0 GF

ATAP is Alaska's version of the federal Temporary Assistance to Needy Families (TANF) Program. The purpose of ATAP is to provide temporary financial assistance to poor families and to help those families off assistance, out of poverty, and toward self-sufficiency through employment. Assistance payments are intended to help poor families with their basic living expenses such as rent, clothing, utilities and transportation.

Under TANF rules states are required to maintain state spending for TANF at a level no less than 80% of state spending under AFDC (old program) in federal fiscal year 1994. This is referred to as the Maintenance of Effort (MOE). States failing to meet the MOE are penalized by a dollar for dollar reduction in the annual federal grant and are required to replace lost federal dollars with state dollars. Additional penalties are assessed if additional state dollars are not provided.

- Alaska is currently at its MOE floor of \$44 million.
- The House proposed GF cut of 1.0 million means Alaska would lose approx. 3 million in federal TANF block grant funding and penalties.
- Reductions will reduce the numbers of individuals that can be helped. Unable to get needed assistance individuals, families and children will be placed at risk.

Failed
3-8

H+SS #4

AMENDMENT

CSHB 403 (Fin) draft 3/11/02

Rep _____

ADD

Agency: Health Education and Social Services
BRU: Family and Youth Services
Component: Front Line Social Workers

Add 977.5 GF

Social workers are the front line workers for the Department of Family and Youth Services. They provide services to abused and neglected children and their families trying to find the best solution for a child that has been removed from the home due to neglect or abuse. Alaska has one of the highest rates of child abuse and neglect in the nation. The cuts will result in the following:

- Lay off of 18 social workers statewide (Fbks., Palmer, Delta, Kodiak, Ft. Yukon, Haines, Wrangell, Petersburg, Sitka) Coupled with layoffs in other areas (Balloon project 14) a total of approx. 32 social workers could lose their jobs. This will increase the remaining social workers caseload by 5 cases. Social workers here already have one of the highest caseloads in the nation more than double the national standard of 15 cases in some areas. Could result in many leaving their jobs when the turn over rate is already high.
- Elimination of the Dual Trak project in Mat-Su. Under the Dual Trak program, the DFYS grantee provides services to clients determined to be at low risk. With this project DFYS is able to respond to 100% of legitimate reports of harm in the area.
- Increased caseload will effect the social workers ability to investigate reports of harm. They will be unable to investigate all reports of harm leaving some children in danger. Ability to investigate may be reduced by as much as 15 to 22% when all cuts are factored in.
- Increased caseloads will effect the social workers ability to perform crisis intervention, case planning, and other services that support children and families. Children will stay in foster care longer costing the state more money.

HOUSE FINANCE COMMITTEE

DATE: 3/14

BILL NUMBER: _____

MEMBER

YES

NO

MOSES	✓	
WHITAKER		✓
BUNDE		✓
CROFT	✓	
DAVIES	✓	
FOSTER		✓
HARRIS		✓
HUDSON		✓
LANCASTER		✓
MULDER		✓
WILLIAMS		✓

3

8

H+SS #5

AMENDMENT

CSHB 403 (Fin) draft 3/11/02

Rep _____

ADD

Agency: Health Education and Social Services
BRU: Family and Youth Services
Component: Residential Child Care

Add 666.6 GF

Residential childcare provides treatment and 24 hour facilities for Medicaid eligible children in state custody. These children are unable to remain at home and can't be placed in foster care due to severe and complex problems. These children require specialized professional treatment and 24-hour adult care.

- Proposed reduction will reduce the number of beds and services available to these children in emergency shelters, group home care, intensive residential treatment services and diagnostic treatment centers
- Will lose 22 residential care beds
- Without proper treatment, may increase number of children in juvenile facilities and eventually long term correctional center placement
- May result in closure of smaller residential care facilities
- Will shift children from treatment to simple crisis intervention on an emergency room basis with no hope of long term recovery. This is not in the long term best interest of Alaskans.

H+SS
#7

AMENDMENT

CSHB 403 (Fin) draft 3/11/02

Rep _____

ADD

Agency: Health Education and Social Services

BRU: ~~Balloon Project~~ FAMILY + YOUTH SERVICES
ADOPTION PLACEMENT PROGRAM

Add 1,649.2 GF

State and federal law requires that children placed in foster care for 15 of the past consecutive 22 months be placed in permanent homes. The Balloon project focused on this backlog of children in state custody and worked collaboratively with several agencies to place children in permanent homes. The project has been extremely successful.

- As of Dec. 15, 2001, Balloon project has placed 1,205 of the 1,603 targeted children in permanent homes resulting in a cost savings to the state
- Loss of 14 social workers and 4 attorney positions in Anch., Fbks., Nome, Palmer, Kenai, Bethel, and Juneau
- Will add 2 cases per caseworker when the average caseload already exceeds national averages (will be double the national average in some areas after ALL cuts to HESS)
- Will result in children staying in foster care longer which is more expensive, social workers will have less time to spend on investigating reports of harm, and will reduce actual cases that can be investigated
- Anticipate that a backlog of cases will reoccur within 6 to 8 months resulting in possible noncompliance with state and federal law
- When combined with other cuts children will be placed at risk and the state will fail in protecting them from harm

H + SS
#4

AMENDMENT

CSHB 403 (Fin) work draft 3/11/02

Rep _____

ADD

Agency: Health Education and Social Services

BRU: Family and Youth Services

Components: Foster Care Base Rate	Add 375.5 GF
Foster Care Augmented Rate	Add 173.9 GF
Foster Care Special Need	Add 728.2 GF

Total 1,277.6 GF

Foster Care Base Rate 375.5 GF

The foster care base rate program is designed to reimburse foster parents for the basic ongoing costs of raising a child including food, clothing, and shelter as authorized by AS 47.14. On a monthly basis approx. 1,100 children are in foster care. The current rate pays a foster parent an average payment of \$22.34 a day. The current foster care payment is based on 1993 federal poverty guidelines and does not reflect the 23.45% cost of living increase that has occurred. If the increment is not funded the following cuts will occur:

- Reduction in foster care rate further to approx. \$21.22 a day. This may cause a hardship on foster parents and result in the loss of foster care homes when there is already a shortage in many areas.
- Reduce the ability of the dept. to recruit for more foster homes. May require placement of children in more expensive settings like residential facilities.
- Potential loss of providers will impact the safety and security of children in state custody.

Foster Care Augmented Rate 173.9 GF

The Augmented foster care program reimburses foster care providers for extraordinary costs and for higher levels of supervision required for certain children with higher levels of disturbance that are not otherwise covered by the Foster Care Base rate program. If the increment is not funded the following cuts will occur:

- Prevent an estimated 24 foster children from receiving augmented benefits each month. This may cause a further financial hardship on foster parents and result in the loss of foster care homes when there is already a shortage in many areas, especially for children that are harder to care for.
- Reduce the ability of the dept. to recruit for more foster homes. May require placement of children in more expensive settings like residential facilities.
- Potential loss of providers will impact the safety and security of children in state custody.

Foster Care Special Needs 728.2 GF

The Foster Care Special Needs program is designed to reimburse foster care providers for "one-time" or "irregular" expenses authorized by AS 47.14 that are not covered by the base or augmented foster care programs. If the increment is not funded the following cuts will occur:

- DFYS will not be able to provide special needs benefits to approx. 57 children in foster care.
- Reduces the ability of the division to reimburse foster parents for expenses and to provide critical services to children. This will cause further financial hardship on foster parents and may result in the loss of foster care homes when there is already a shortage in many areas.
- Reduce the ability of the dept. to recruit for more foster homes. May require placement of children in more expensive settings like residential facilities.
- Potential loss of providers will impact the safety and security of children in state custody.

H+SS
#8

AMENDMENT

CSHB 403 (FIN)

Rep. _____

RESTORE HANDICAPPED CHILDREN'S PROGRAM

Agency: Health and Social Services
COMPONENT BRB: Maternal Child Family Health BRU: STATE HEALTH SERVICES

Fund Source: GF

Amount: 212.5

Background

This Section of Maternal, Child & Family Health (MCFH) works to develop systems of care for children, women and families. MCFH staff and grantees provide services through a variety of programs, as well as collecting and disseminating information regarding the health and well-being of women, children and families.

Impacts

- Elimination of rehabilitative and diagnostic services to 30 high risk children with special health care needs. None of these children are eligible for Medicaid and do not have any other coverage.

Public Health Labs: (226.9) Labs provide analytical and technical laboratory testing and information in support of state and national public health disease prevention programs, services and activities. Labs are the first line of defense in the rapid recognition and prevention of the spread of communicable diseases. The Anchorage lab provides bacterial testing and the Fairbanks lab provides viral testing capacity.

- Elimination of the alcohol and drugs of abuse lab will significantly hinder the Medical Examiner in establishing toxicological causes of death.
- Elimination of one full time microbiologist.
- **Loss of federal matching dollars** further erodes the ability of the lab to provide scientific and medical support for the legislatively mandated control of diseases such as tuberculosis, hepatitis and STDs.
- May jeopardize the federal bioterrorism funding.

Epidemiology: (365.2) Provides medical direction and consultation for infectious disease control, performs epidemiological investigation and follow-up on disease outbreaks of all kinds, and collects and analyzes disease reports to determine the best course of action for reducing the burden of disease and injury in Alaska.

- Reduced ability to control the spread of Tuberculosis (TB) and other diseases. (In FY 02 TB rates were over 2.5 the national rate).
- Professional staff will not be available to provide authoritative public health advice ("Is this food safe to eat?"), leverage resources from other agencies, or develop communication techniques.
- May jeopardize the federal bioterrorism funding.

Community Health Grants: (332.5) Provides aid for vision, hearing, and prematernal home services. These services are critical to the communities and residents served in rural areas.

- Alaskans currently benefiting from hearing, language, vision, and prematernal services, in rural Alaska may have to go without these services.

AMENDMENT

H... SS #9



CSHB 403 (FIN)

Rep. _____

RESTORE PUBLIC HEALTH SERVICES

Agency: Health and Social Services

BRU: ~~Public~~ Health Services

STATE

Fund Source: GF

Amount: 2,045.8

<u>Component:</u>	Public Health Nursing	1,121.2 GF
	Public Health Laboratories	226.9 GF
	Epidemiology	365.2 GF
	Community Health Grants	332.5 GF

Total 2,045.8 GF

Public Health Nursing (PHNs): (1,121.2) PHNs work to address public health concerns at the community level. They ensure children and adults are immunized, conduct communicable disease control investigations, help communities solve health problems such as injuries and family violence, and provide services not otherwise available (e.g., well-child exams in communities that do not have a local, private health care practitioner).

Ten nurses and three support staff eliminated from the Public Health Nursing program.

- Loss of federal matching funds through Medicaid (approx \$50,000 used for medical supplies, travel et cetera).
- Program will not be able to meet measures agreed upon with Legislature.
 1. Increase the immunization rate of two year olds.
 2. Reduce the spread of STD, tuberculosis, and hepatitis.
 3. Promote delayed initiation of sexual activity among teens in Alaska.
- Elimination of space for the Bethel Health Center result in a very substandard facility.
- Loss of seven nurses, who assist children in Foster Care in accessing the medical and health care services they need.
- May jeopardize the federal bioterrorism funding.

Pg 1 of 2

Services for Seriously Emotionally Disturbed Youth: (154.4) Provides aid to youth who are seriously emotionally disturbed or at high risk of becoming so and their families. Support services include evaluation and diagnosis, treatment planning, case management, life skills training, medication management, residential treatment options, psychosocial rehabilitation and education supports.

- Approximately 93 severely emotionally disturbed youth will lose services per year.

Alaska Psychiatric Institute: (1.201.4) Alaska Psychiatric Institute is a 74-bed hospital providing seven day a week, twenty-four hour inpatient care and treatment for Alaskans with severe and persistent psychiatric disorders or serious maladaptive behaviors. API serves adults and adolescents whose need for short-term, acute psychiatric services exceed the capacity of local community mental health service providers. API also provides longer-term care for organic or highly complex and difficult to place patients as well as performing court-ordered competency evaluations and treatment. Approximately 85 percent of API's clients are indigent with no third party payment resources.

- Requires API to decrease its treatment capacity by ten beds and eliminates at least 18 jobs at the hospital.
- API will have to refuse any patient that would exceed its new 64-bed capacity, diverting involuntary patients to local hospitals or local jails. (Neither hospitals nor jails are staffed, equipped, or trained to appropriately and safely manage persons experiencing a mental health crisis.)

Mental Health and Developmental Disabilities Admin-Safety Positions: (632.7) The MHDD program administers statewide community-based services for people who experience developmental disabilities. The persons responsible for coordinating this beneficial program are the Mental Health and Developmental Disabilities Administration.

- Stop adequate licensing, monitoring and investigation of the Assisted Living Homes serving our MH and DD consumers.

AMENDMENT

H+SS
#10

CSHB 403 (FIN)

Rep. _____

RESTORE MENTAL HEALTH SERVICES

Agency: Health and Social Services

BRU: ~~Mental Health Services~~ *SUBSTANCE ABUSE and DEVELOPMENTAL DISABILITIES ADMINISTRATION*

Fund Source: GF/Mental Health

Amount: 3,374.9

<u>Component:</u> Community Mental Health <i>GRANTS</i>	548.1
Psychiatric Emergency Services	508.8
Services for <i>for</i> the Chronically mentally Ill	329.5
Services for the <i>for</i> Seriously Emotionally Disturbed Children <i>YOUTH</i>	154.4
Alaska Psychiatric Institute	1,201.4
MHDD Admin- Safety Positions	632.7

Total 3,374.9

General Community Mental Health: (548.1) Alaska's Community Mental Health Program provides an array of community-based outpatient, residential, and locally provided inpatient mental health services.

- Estimated loss of mental health services to over 9,720 adults and youth per year.

Psychiatric Emergency Services: (508.8) This service provides aid to adults and youth in psychiatric crisis. Services include crisis intervention, respite, and brief therapeutic intervention to help stabilize the client.

- Eliminates three formerly general mental health grants transferred to this component terminating the capabilities for after crisis follow-up services.

Services for the Chronically Mentally Ill: (329.5) Serves adults with severe and persistent mental illnesses. Support services include evaluation and diagnosis, treatment planning, case management, life skills training, medication management, psychiatric and nursing services, vocational skills training, residential treatment options, psychosocial rehabilitation and education supports.

- Approximately 527 chronically mentally ill adults will lose their mental health services per year.

failed

HSS # 11

AMENDMENT

CSHB 403(FIN)

Rep. _____

RESTORE COMMUNITY DEVELOPMENTAL DISABILITIES GRANTS

Agency: Health and Social Services

BRU: Substance Abuse and Mental Health Developmental Disabilities Services

BRU: Community Developmental Disabilities Grants
Comp

Fund Source: GF/MH

Amount: 1072.2

Background

This program administers statewide community-based services for people who experience developmental disabilities (DD).

Impacts

- Approximately 133-167 individuals and 300-358 families will lose services.
- For one DD grantee agency in a rural area, 25 families will lose respite care.
- Cuts to vocational programs would cause two job coaches to be laid off, resulting in the **loss of jobs for 10 individuals with DD.** (Job coaches assist people with DD in maintaining paying jobs in the community).
- The number of people on the DD waitlist will rise to an all time estimated high of 2,500. (People will remain on the list until someone dies or moves to another state. Only 22 people in FY 01 came off the DD Waitlist as a result of death or someone leaving the state.)
- A 5.7 percent reduction to the small rural program in Nome would translate to a **reduction of 1,140 hours of direct care and support services to consumers,** many of who have no primary caregiver beyond overburdened family members.

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

MEMBER	YES	NO
HUDSON		✓
LANCASTER		✓
MOSES	✓	
WHITAKER		✓
BUNDE		✓
CROFT	✓	
DAVIES	✓	
FOSTER		✓
HARRIS		✓
MULDER		✓
WILLIAMS		✓

LABOR +
WORKFORCE
DEV.

ADOPT

LABOR #1

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By:

Representative

Bill Hudson

ADD

Department: Labor and Workforce Development

BRU: ~~Labor Standards and Safety~~ *office of The Commissioner*

Component: Occupational Safety & Health

Fund Source

Amount

Federal Receipts

50,000

Workers' Safety Account

23,000

DESCRIPTION:

This non-general funded increase was inadvertently excluded from the Finance Subcommittee budget proposal. This amendment would restore the additional matching funds to allow the Occupational Safety and Health component to fill an existing Industrial Hygienist position that has been held vacant for lack of sufficient state match for existing federal funds. Currently, the compliance assistance program has a two-month backlog on health consultation requests from Alaskan businesses.

Consultation visits to workplaces are an important tool to help employers avoid unnecessary workplace risks to their employees and possible health and safety violations that could result in enforcement actions or even lawsuits. Without filling this position, the program will be unable to improve on this backlog, or to implement several new and proposed partnership agreements. The program will also be unable to improve on its federally mandated annual objective of enrolling new employers in the Voluntary Protection Program and the Safety and Health Achievement Recognition Program.

LABOR #2

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

Department: Labor and Workforce Development

BRU: Labor Standards and Safety

Component: Mechanical Inspection

ADD: Intent language as follows:

“It is the intent of the Legislature to assure the safety of the public and reduce the backlog of statutorily required mechanical inspections. Upon passage of HB 262, the Mechanical Inspection allocation shall be 137.7 General funds, 1,275.8 Building Safety Account, and 229.2 Interagency receipts for a total allocation of 1,643.1. The Labor Standards and Safety appropriation roll-up will be changed to reflect the passage of HB 262 accordingly.”

DESCRIPTION:

This language would ensure funding is commensurate with the legislative intent of restoring three positions (which fund themselves through the collection of fees, with no increase in the current fee charges) that would address the current boiler/pressure vessel and elevator inspection backlogs. It would enable the department to fund two new Boiler/Pressure vessel inspectors and one new Elevator inspector to address a backlog of over 6,000 boiler/ pressure vessel and 300 elevator inspections that pose a clear and immediate risk to life and property.

LABOR

#3

X [REDACTED]



Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Labor and Workforce Development

BRU: ~~Labor Standards and Safety~~ *office of The Commissioner*

Component: Mechanical Inspection

<u>Fund Source</u>	<u>Amount</u>
General Funds	<u>92,000</u>

DESCRIPTION:

This amendment provides funding for one new electrical inspector position in the Mechanical inspection program to provide a dedicated electrical inspector for the northern region. Currently the division has two inspectors to cover the entire state. Given the size of the state, and the climate difficulties, this can lead to issues with availability of inspectors and with timely inspections of new buildings. Communities with sufficient workload to support municipal inspection programs (Anchorage, Fairbanks, Juneau (residential only)) are doing so already. Electrical inspectors report they are only able to inspect approximately 40% of the electrical work being performed in their jurisdictions. This means there are a large number of projects being performed across the state, particularly in the bush that are completed without being inspected. This creates a very real potential for injury or death to unsuspecting consumers due to substandard and/or non-code electrical work.

The addition of one inspector will enhance compliance with Certificate of Fitness (CF) requirements. Major projects such as missile defense will also generate additional CF fees.

LABOR

Amendment to CS HB 403/HB 404 (FIN) work draft

#4



Offered By: Representative _____

ADD

Department: Labor and Workforce Development

BRU: ~~Labor Standards and Safety~~ office of the Commissioner

Component: Wage & Hour ADMINISTRATION

<u>Fund Source</u>	<u>Amount</u>
General Funds	<u>102,000</u>

DESCRIPTION:

This amendment provides funding for two new wage and hour technician positions, one in Anchorage and one in Fairbanks. This will increase the amount of protection for Alaska's workers, and to ensure that law-abiding contractors are not placed in a competitive disadvantage.

Wage and hour technicians monitor and audit certified payrolls to ensure that employers abide by prevailing wage standards and provide a "level playing field"; keeping the unscrupulous employer from getting an unfair competitive advantage by paying employees less than the prevailing rate of pay for a particular type of work. The audits also benefit contractors by catching payroll errors early in the process, when they are easily corrected and avoided in the future.

Without the technician positions, some audits will still be performed by wage and hour investigators, but only if complaints are received. Time spent performing audits will mean that the investigators spend less time out in the field ensuring that contractors comply with current wage laws. As a result, fewer prevailing wage violations will be found and prosecuted, fewer workers will have unpaid wages returned to them, and the amount of time it takes to close a case will increase.

In the past, the Wage and Hour program had four wage and hour technicians. Each technician generated between 30 - 60 thousand dollars per year in violations from routine audits. The program has been reduced to one technician, and the audits have become complaint-driven, and are performed by investigators. This means that potentially, up to \$200,000 per year in wages lost through payroll errors is not being returned to Alaskan workers.

LABOR
#5

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Labor and Workforce Development

BRU: Employment Security

Component: Job Training Programs

<u>Fund Source</u>	<u>Amount</u>
General Fund	<u>503.400</u>

DESCRIPTION:

This amendment restores the Finance Subcommittee elimination of all general funds from the state Job Training Programs component. This reduction represents a 36 percent cut of the total state and federal administrative funds available to the Balance (BOS) local workforce investment area. Yet, considering that the Employment Service and Job Training programs bring federal funds of \$37,381,100 to the state, these two programs had combined General Funds of only \$512,300 prior to the subcommittee's proposed cut which equated to less than two tenths of one percent (.014%) of the federal funds.

This GF reduction will cut five front line service delivery field staff, translating into a decline in delivering job-training grants that provide quality career-training opportunities for Alaskans. As a general rule, most front line case managers serve approximately 80 eligible clients per year. Worst-case scenario translates that into a loss of vital services to almost 400 Alaskans.

adopted
N/O

LABOR

#6

Amendment to CS HB 403/HB 404 (FIN) work draft

Offered By: Representative _____

ADD

Department: Labor and Workforce Development

BRU: ~~Labor Standards and Safety~~ Office of the Commissioner

Component: Alaska Safety Advisory Council

<u>Fund Source</u>	<u>Amount</u>
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Stat. Deg. Progr. Receipts	<u>108,400</u>
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Intent Language as follows:

"The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2002, of the Department of Labor and Workforce Development, Alaska Safety Advisory Council receipts under AS 18.60.840."

DESCRIPTION:

This amendment restores the Alaska Safety Advisory Council (ASAC) by funding its activities through Statutory Designated Program (fee) receipts. In effect, the general fund budget reduction remains. The ASAC operates entirely on fee receipts from contracts with participants (entrance fees, booth rental space and corporate sponsorships) who attend the annual safety and health conference thereby qualifying this program as a fee receipt program.

ASAC provides the following services, which would be eliminated:

- Coordination with official and unofficial organizations and agencies to reduce accidental death and injury;
- Recommendations to the governor, the legislature, state departments and federal agencies who develop laws, policies and programs addressing safety programs and accident prevention;
- Annual safety conference (one of the finest in the US) that brings together over 500 participants interested in safety and health matters.

Staff includes one seasonal clerical position and 13 non-compensated appointed positions, consisting of individuals representing labor, industry, and local, state and federal government.

LAW

LAW
1

Amendment

Offered in House Finance

Representative

ADD

Agency: Department of Law
BRU: Civil Division
Component: Unallocated Reduction

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

Title: Restore Unallocated Reduction to this BRU

This reduction will result in the loss of two attorneys, or one attorney in combination with other paraprofessional and support staff positions. Whenever possible, as a matter of priority, we try to protect from cuts those legal services needed to ensure the safety and health of Alaskan citizens. As a result, this unallocated reduction will likely result in reduced legal services for other types of governmental services.

This amendment will restore funds and ensure that legal advice can continue to be provided to agencies involved with programs related to employment law, elections, protection of natural resources, legislation, state treasury, and commercial enterprises.

Amendment

LAW
#2

Offered in House Finance

Representative

ADD

Agency: Department of Law
BRU: Attorney General
Component: Unallocated Reduction

AGENCY-WIDE

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$465.4</u>

Title: Restore Unallocated Reduction

The department is uncertain how to absorb this reduction in consideration of the many other budget reductions.

"The mission of the Department of Law is to provide legal services to state government and to prosecute crime." The combined specific and unallocated budget reductions pose serious questions regarding how effectively the Department's mission can be accomplished. The department is facing directed reductions to its major functions, which can only be sustained through reductions in staff. One option for the unallocated cut would be to further reduce Oil & Gas Litigation and place a much higher certainty on the need to request supplemental funds in FY 03 in order to continue that work. Another option would involve further across-the-board reductions, which would in turn require further reductions in staff and even further limit this agency's ability to carry out its mission.

LAW
#3



A M E N D M E N T

TO: CSHB 403 (Fin) work draft 3/11/02

BY:

Department of Law

ADD:

Criminal Division

Third & Fourth Judicial Districts

104.2 GF

Civil Division

Human Services SECTION

148.3 GF

*No such
BRU or component*

This amendment provides full year funding for the new therapeutic court legislation (Ch 64, SLA 2001).

Amendment

LAW

#4



Offered in House Finance

Representative

ADD

Agency: Department of Law
BRU: Criminal Division
Component: Criminal Justice Litigation

Fund Source	Amount
<u>General Funds</u>	<u>\$135.0</u>

BRU: Civil Division
Component: Deputy Attorney General's office

Fund Source	Amount
<u>General Funds</u>	<u>\$66.8</u>

BRU: Statehood Defense
Component: Statehood Defense

Fund Source	Amount
<u>General Funds</u>	<u>\$2.3</u>

BRU: Oil & Gas LITIGATION AND LEGAL SERVICES
Component: Oil & Gas Litigation

Fund Source	Amount
<u>General Funds</u>	<u>\$10.3</u>

Title: Appropriate funds for Law Office Assistant reclassification/increased salary costs.

The House Finance Subcommittee did not include requested general funds to pay for the cost of the reclassification of this agency's former legal secretaries to law office assistants. The study was begun in the wake of a grievance filed by the union on behalf of these positions. The grievance was precipitated by an action taken by state government that resulted in a higher level of pay for non-legal secretaries in state government. It became increasingly difficult to recruit and retain competent legal support staff. To complicate matters, the job descriptions were woefully outdated. The classification study commenced in January 2000, was finalized in May of 2001, and implemented the following month. The study clearly indicated that the legal secretaries were inappropriately classified and underpaid. Without the funds to pay for the increased salary costs resulting from the reclassification of 121 support positions, some will have to be eliminated.

Amendment

LAW
#5



Offered in House Finance

Representative

ADD

Agency: Department of Law

BRU: Criminal Division

Component: Third Judicial District

<u>Fund Source</u>	<u>Amount</u>
<u>General Fund</u>	<u>\$168.4</u>

- Reinstates full year funding for new .08 percent blood alcohol content and felony DWI legislation.
- Recent drunk driving accidents and a federal mandate to lower our BAC to .08 have brought a lot of attention to drunk driving.
- In response, the Legislature has passed stiffer laws for driving while intoxicated, which require new prosecutors in Anchorage to handle the increased drunk driving prosecutions.
- Failure to adequately fund new staff required by the passage of this legislation will mean the level of prosecution will not meet the public's expectation.
- We need to continue to send a strong message that we will not tolerate drunk drivers – which we cannot do without effective prosecution.

Amendment

LAW

6



Offered in House Finance

Representative

ADD

Agency: Department of Law

BRU: Civil Division

Component: Collections and support

Fund Source
General Fund

Amount
\$106.5

- Article 1, Section 24 of the Alaska Constitution states that a crime victim has "the right to restitution from the accused."
- Many victims never receive the court ordered restitution. Those who do often had to first struggle through a long, frustrating and confusing process.
- Last year, the Legislature unanimously passed a victims' rights bill, which allowed the DOL civil division to collect restitution on behalf of crime victims. The department will be able to attach Permanent Fund Dividends, garnish wages, and take other measures to seek full restitution payment to victims.
- Without full funding for collection of restitution, the state will be unable to meet victims' expectations.

Amendment

LAW

#7

Offered in House Finance

Representative

ADD

Agency: Department of Law

BRU: Criminal Division

Component: Third and Fourth Judicial Districts UNALLOCATED REDUCTION

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

- ◆ Only way to reduce prosecution costs is by reducing staff.
- ◆ Cuts will reduce prosecution staff mostly in Anchorage and Fairbanks, since satellite offices have only one or two attorneys.
- ◆ This will be especially hard for Fairbanks, since domestic violence prosecution was just shifted from the city to the state by a recent repeal of Fairbanks' domestic violence ordinance.
- ◆ This legislature has passed numerous bills to "fight crime" and is now reducing the number of people available to convict the criminals.
- ◆ Both the accused and the victim of a crime have a constitutional right to a quick resolution to a criminal proceeding. Eliminating prosecutorial positions will cause either delay or inadequately prepared cases.

MILITARY

MILITARY

MILITARY + VET AFF

#1

Amendment to HB 403

Offered By: Representative Mulder

ADD

Department of Military & Veterans Affairs

Commissioner's Office

Agency-wide Unallocated Reduction

Add Intent Language

"It is the intent of the Legislature that the Department of Military and Veterans Affairs eliminate the Technologies and Special Projects position, and not eliminate the State National Missile Defense Coordinator position."

Explanation: The choice of elimination of the National Missile Defense Coordinator position will limit Alaska's ability to respond to the development of the National Missile Defense activities in Alaska and thus the associated economic development. The duties of the Technologies and Special Projects can be absorbed within the department.

HOUSE FINANCE COMMITTEE

DATE: _____

BILL NUMBER: _____

MEMBER

YES

NO

BUNDE	✓	
CROFT		✓
DAVIES		✓
FOSTER	✓	
HARRIS	✓	
HUDSON	✓	
LANCASTER	✓	
MOSES		✓
WHITAKER	✓	
MULDER	✓	
WILLIAMS	✓	

8

3