

ALASKA LEGISLATURE

2283

HOUSE and SENATE FINANCE COMMITTEE FILES, 2001 - 2002

## **Exempt from Bifurcation**

### **Legislature**

Legislative Operating Budget

Legislative Operating Budget

### **Debt Service and Special Appropriations**

#### **Debt Service**

Debt Retirement Fund

Certificates of Participation

School Debt Reimbursement

Alaska Clean Water Fund Revenue Bonds

Alaska Drinking Water Fund Revenue Bonds

International Airport Revenue Bonds

#### **Special Appropriations**

Anchorage Jail Lease

#### **Fund Transfers**

Alaska Children's Trust

Alaska Clean Water Fund

Alaska Drinking Water Fund

Disaster Relief Fund

Fish and Game Fund

Marine Highway Stabilization

Municipal Capital Project Matching Grant Fund

Oil and Hazardous Substance Release Prevention Account

Oil and Hazardous Substance Release Response Account

Power Cost Equalization and Rural Electric Capitalization Fund

Permanent Fund Dividend Fund

Storage Tank Assistance Fund

Unincorporated Community Capital Project Matching Grant Fund

Power Project Fund

MULTI #1

22-LS1295R.4  
Utermohle  
4/18/02

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: SCS CSHB 403(FIN), Draft Version "R"

1 Page 53, line 7:

2 Delete "FINDINGS."

3 Insert "INTENT AND FINDINGS. (a) It is the intent of the legislature that the  
4 amounts appropriated by this Act are the full amounts that will be appropriated for those  
5 purposes for the fiscal year ending June 30, 2003.

6 (b)"

OFFERED IN THE SENATE

TO: SCS CSHB 403(FIN), Draft Version "R"

1 Page 54, lines 14 - 16:

2 Delete all material and insert:

3 **\*\* Sec. 15. ALASKA HOUSING FINANCE CORPORATION.** (a) The board of directors  
4 of the Alaska Housing Finance Corporation anticipates that the net income from the second  
5 preceding fiscal year will be available in each of the fiscal years 2004 through 2008. During  
6 fiscal year 2003, the board of directors anticipates that \$103,000,000 will be available for  
7 payment of debt service, appropriation for capital projects, and transfer to the Alaska debt  
8 retirement fund (AS 37.15.011). Of that amount, approximately \$84,299,967 will be retained  
9 by the corporation for the following purposes:

10 (1) \$1,000,000 for debt service on University of Alaska, Anchorage,  
11 dormitory construction, authorized under ch. 26, SLA 1996;

12 (2) \$37,986,612 for debt service on the bonds authorized under sec. 2(c),  
13 ch. 129, SLA 1998;

14 (3) \$12,013,355 for debt service on the bonds authorized under sec. 10,  
15 ch. 130, SLA 2000;

16 (4) \$33,300,000 for capital projects.

17 (b) After deductions for the items set out in (a) of this section are made, any  
18 remaining balance of the \$103,000,000 anticipated by the board of directors of the Alaska  
19 Housing Finance Corporation to be available in fiscal year 2003 is appropriated to the Alaska  
20 debt retirement fund (AS 37.15.011)."

21

22 Reletter the following subsections accordingly.

23

24 Page 54, line 28:

1 Delete "(b)"

2 Insert "(c)"

3

4 Page 55, line 3:

5 Delete "(b)"

6 Insert "(c)"

7

8 Page 58, line 4:

9 Delete "The sum of \$12,372,000"

10 Insert "(a) The sum of \$16,510,000"

11

12 Page 58, following line 15:

13 Insert a new subsection to read:

14 "(b) The unexpended and unobligated general fund balance of that portion of  
15 the appropriation made by sec. 1, ch. 60, SLA 2001, page 11, line 30, that is allocated  
16 on line 31 (Foundation Program - \$665,017,700) is reappropriated to the Department  
17 of Education and Early Development for the fiscal year ending June 30, 2003, for  
18 payment as learning opportunity grants to school districts based on the school district's  
19 average daily membership to pay for instructional programs intended to improve  
20 student performance. Learning opportunity grants will provide the opportunity to  
21 move schools toward standards-based education, including vocational education  
22 programs. The increased funding is available to pay for costs associated with  
23 improving student performance by developing standards-based programs, including  
24 implementation of standards, aligning student assessment to standards, adopting  
25 instructional models based on basic skills, performance tasks, and projects, and  
26 adopting a standards-based reporting system. Accomplishing this goal may include  
27 acquisition of text books and other educational material."

28

29 Page 62, line 2:

30 Delete "\$27,710,800"

31 Insert "\$14,663,600"

1

2 Page 63, lines 2 - 10:

3 Delete all material and insert:

4 "(k) The sum of \$2,061,400 is appropriated from the tobacco use education  
5 and cessation fund (AS 37.05.580) to the Alaska debt retirement fund (AS 37.15.011).6 (l) The sum of \$100,000 is appropriated from the investment loss trust fund  
7 (AS 37.14.300) to the Alaska debt retirement fund (AS 37.15.011).8 (m) The sum of \$783,100 from the fiscal year 2003 dividend that is declared  
9 by the Alaska Commission on Postsecondary Education is appropriated from the  
10 education loan fund (AS 14.42.210) to the Alaska debt retirement fund  
11 (AS 37.15.011).12 (n) The balance, including unobligated and unencumbered earnings, of the  
13 international trade and business endowment (AS 37.17.440) on July 1, 2002 is  
14 appropriated to the Alaska debt retirement fund (AS 37.15.011)."

15

16 Page 64, line 16:

17 Delete "15(a)"

18 Insert "15(b)"

19 Following "34(g),":

20 Insert "34(k), 34(l), 34(m), 34(n)."

21

22 Page 64, following line 18:

23 Insert a new bill section to read:

24 "\*\* Sec. 41. Section 24(b) of this Act takes effect June 30, 2002."

25

26 Renumber the following bill section accordingly.

27

28 Page 64, line 19:

29 Delete "sec. 40"

30 Insert "secs. 40 and 41"

OFFERED IN THE SENATE

TO: SCS CSHB 403(FIN), Draft Version "R"

1 Page 20, line 33:

2 Delete "111,897,700"

3 Insert "111,997,700"

4 Delete "85,837,000"

5 Insert "85,937,000"

6 *100,000 increase fee supported services*

7 Page 21, line 14:

8 Delete "17,833,000"

9 Insert "17,933,000"

10 *100,000 increase fee supported services*

11 Page 57, following line 26:

12 Insert a new bill section to read:

13 "\* Sec. 23. DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The amount  
14 appropriated to the Department of Health and Social Services for community  
15 health/emergency medical services under the appropriation for state health services in sec. 1  
16 of this Act includes the unexpended and unobligated receipts from business license  
17 endorsement fees collected under AS 43.70.075 by the Department of Community and  
18 Economic Development during the fiscal years ending June 30, 2002, and June 30, 2003."

19

20 Renumber the following bill sections accordingly.

21

22 Page 64, line 16:

23 Delete "25, 28, 29, 34(c), 34(i), 34(j), and 36"

24 Insert "26, 29, 30, 35(c), 35(i), 35(j), and 37"

1

2 Page 64, line 18:

3 Delete "Section 35(b)"

4 Insert "Section 36(b)"

5

6 Page 64, following line 18:

7 Insert a new bill section to read:

8 **\*\* Sec. 42.** Section 23 of this Act takes effect June 30, 2002."

9

10 Renumber the following bill section accordingly.

11

12 Page 64, line 19:

13 Delete "sec. 40"

14 Insert "secs. 41 and 42"

ADD

Department of Labor and Workforce Development

BRU: Labor Standards and Safety

Component: Alaska Safety Advisory Council

Add the following language:

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 is identical to language the House accepted and provides the Alaska Safety Advisory Council the ability to expend receipts received for the Governor's annual safety conference.,.*

**SAME**

**FILE**

**CONTINUES**

ADD

Department of Natural Resources

BRU: Forestry Management and Development

Component: Forestry Management and Development

Add the following language:

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2002, of the timber receipts accounts (AS 38.05.110).

DESCRIPTION:

*This amendment is identical to language the House accepted and provides the Forestry Management and Development increased timber receipt authority.*

Add (delete) the amounts specified in various agencies as follows:

**Department of Administration**

Motor Vehicles

Motor Vehicles

100,600 General Funds

281,700 GF Program Receipts

**Department of Community and Economic Development**

Community Assistance & Business Development

Community and Business Development

(160,000) General Funds

Community Assistance & Business Development

International Trade and Market Development

100,000 General Funds

Include the following language:

This appropriation includes \$100,000 for a grant to a named recipient, the World Trade Center, for a project development grant.

**Department of Corrections**

Administration and Operations

Agency-wide Unallocated Reduction

1,000,000 General Funds

**Department of Education and Early Development**

K-12 Support

Foundation Program

4,138,000 General Funds

Note: this transaction brings LOGs to a total of \$16.51 million. This amount plus a reappropriation of FY02 lapsing balance brings LOGs to a total of \$23.32 million, which offsets inflation of 2.9%.

Teaching and Learning Support  
Quality Schools

130,000 General Funds

Kotzebue Technical Center Operations Grant  
Kotzebue Technical Center Operations Grant

470,000 General Funds  
(470,000) ACPE Dividend

Alaska Postsecondary Education Commission  
WWAMI Medical Education

63,100 General Funds  
(63,100) ACPE Dividends

**Department of Environmental Conservation**  
Environmental Health  
Food Safety & Sanitation

(654,000) Federal Receipts  
613,200 General Funds  
(1,576,100) GF/Program Receipts  
1,576,100 Receipt Supported Services

Environmental Health  
Solid Waste Management

230,400 General Funds  
(230,400) GF Program Receipts

Air and Water Quality  
Air Quality

61,000 General Fund Match  
(61,000) GF Program Receipts

Air and Water Quality  
Water Quality

(175,000) Federal Receipts  
25,000 GF/Program Receipts  
150,000 General Funds

Non-Point Source Pollution Control  
Non-Point Source Pollution Control

715,400 Federal Receipts

**Department of Fish & Game**  
Commissioner's Office  
Agency-wide Unallocated Reduction

(1,485,700) General Fund

Commercial Fisheries  
Westward Region Fisheries Management

741,000 General Funds

Commercial Fisheries  
Headquarters Fisheries Management

744,700 General Funds

**Department of Health and Social Services**  
Public Assistance  
Adult Public Assistance

(1,250,000) General Funds

Medical Assistance  
Medicaid Services

(3,230,000) General Funds  
(1,000,000) Tobacco Education

Purchased Services  
Foster Care Special Needs

(250,000) General Funds

Purchased Services  
Subsidized Adoptions & Guardianship

(1,500,000) General Funds

State Health Services  
Tobacco Prevention and Control

1,000,000 Tobacco Education

Alcohol and Drug Abuse Services  
ADA Treatment Grants

1,000,000 General Funds

The following changes will be incorporated in HB 262:

BRU	Component	ADD: Receipt Supported Services Funding Source 1156	DELETE: General Fund Program Receipts Funding Source 1005
Medical Assistance	Medicaid Services	364.0	(364.0)
Public Assistance Administration	Public Assistance Administration	42.0	(42.0)
Purchased Services	Foster Care Base Rate	991.5	(991.5)
State Health Services	Nursing	112.1	(112.1)
State Health Services	Maternal Child and Family Health	340.5	(237.7)
State Health Services	Community Health and Emergency Medical Services	151.0	(51.0)
State Health Services	Public Health Laboratories	72.7	(72.7)
Alcohol and Drug Abuse Services	Alcohol Safety Action Program	650.8	(150.8)
Institutions and Administration	Mental Health and Developmental Disabilities Administration	10.1	(10.1)
	Total:	2,734.7	(2,031.9)

Department of Labor and Workforce Development  
Labor Standards and Safety  
Wage and Hour Administration

(102,000) General Funds

Labor Standards and Safety  
Mechanical Inspection

(110,000) General Funds

**Department of Military and Veterans Affairs**  
Local Emergency Planning Committee Grants  
Local Emergency Planning Committee

50,000 General Funds  
(50,000) ILTF

Alaska National Guard Benefits  
Educational Benefits

250,000 General Funds  
(250,000) ACPE Dividends

**Department of Natural Resources**  
Oil and Gas Development  
Oil and Gas Development

400,000 General Funds  
(400,000) I/A

Parks and Recreation Management  
Parks Management

(1,445,000) GF Program Receipts  
2,225,800 Receipt Supported Services

RS2477 Navigability Assertions & Litigation Support  
RS2477 Navigability Assertions & Litigation Support

150,000 General Funds  
(75,000) CIP Receipts

**Department of Public Safety**  
State Troopers  
Search and Rescue

50,000 General Funds  
(50,000) ILTF

Alaska State Trooper Detachments  
Alaska State Trooper Detachments

2,200,000 General Funds

Statewide Support  
Alaska Criminal Records and ID

200,000 Receipt Supported Services

### **Department of Revenue**

Replace all non-GF year-3 salary reductions removed by the subcommittee.

### **Department of Transportation & Public Facilities**

Statewide Facility Maintenance and Operations  
Central Leasing & Property Mgt

46,200 GF Program Receipts

Statewide Facility Maintenance and Operations  
Northern Leasing & Property Mgt

16,100 GF Program Receipts

Traffic Signal Management  
Traffic Signal Management

362,700 General Funds

Highways and Aviation  
Central Highways and Aviation

359,200 General Funds  
130,000 GF Program Receipts

Highways and Aviation  
Northern Highways and Aviation

729,500 General Funds

Highways and Aviation  
Southeast Highways and Aviation

47,100 General Funds

The following changes will be incorporated in HB 262:

BRU	Component	ADD: Receipt Supported Services Funding Source 1156	DELETE: General Fund Program Receipts Funding Source 1005
Administrative Services	Regional Administrative Services	155.0	-155.0
Statewide Aviation	Statewide Aviation	226.3	-226.3
Design and Engineering Services	Central Design and Engineering Services	234.5	-234.5
Design and Engineering Services	Northern Design and Engineering Services	121.2	-121.2
Design and Engineering Services	Southeast Design and Engineering Services	81.4	-81.4
Statewide Facility Maintenance and Operations	Central Region Leasing and Property Management	579.6	-579.6
Statewide Facility Maintenance and Operations	Northern Region Leasing and Property Management	571.5	-571.5
Highways and Aviation	Central Region Highways and Aviation	705.3	-705.3
Highways and Aviation	Northern Region Highways and Aviation	760.1	-760.1
Highways and Aviation	Southeast Region Highways and Aviation	377.4	-377.4
	Total:	3,812.3	-3,812.3

**DESCRIPTION:**

*These changes allow the department to collect receipts and reimburse the state's expenditure to offer the specific program and/or service. Specifically, these receipts are from airport property leasing, utility right-of-way permits and the Highway Damages Program.*

**University of Alaska**  
University of Alaska  
Budget Reductions/Additions-Systemwide

8,000,000 General Funds

**Alaska Court System**  
Alaska Court System  
Appellate Courts

96,700 General Funds

Alaska Court System  
Trial Courts

747,600 General Funds  
25,000 MHTAAR

Alaska Court System  
Agency-wide Unallocated Reduction

1,655,700 General Funds

MULTI #2

AMENDMENT

OFFERED IN SENATE FINANCE  
TO: CS HB 403 (FIN) Work Draft R

BY: SENATOR LEMAN

ADD

Department of Administration  
BRU: Motor Vehicles  
Component: Motor Vehicles

FUND SOURCE	AMOUNT
GF/Prgm	(\$5,636.2)
RSS	\$5,636.2

Department of Education  
BRU: Alyeska Central School  
Component: Alyeska Central School

FUND SOURCE	AMOUNT
GF/Prgm	(\$500.0)
RSS	\$500.0

BRU: Mt. Edgecumbe Boarding School  
Component: Mt. Edgecumbe Boarding School

FUND SOURCE	AMOUNT
GF/Prgm	(\$57.4)
RSS	\$57.4

BRU: Alaska Library and Museums  
Component: Museum Operations

FUND SOURCE	AMOUNT
GF/Prgm	(\$293.9)
RSS	\$293.9

**Department of Revenue**

BRU: Child Support Enforcement

Component: Child Support Enforcement

FUND SOURCE	AMOUNT
GF/Prgm	(\$3,036.5)
RSS	\$3,244.0
Fed Rcpts	\$ 194.2

BRU: Administration & Support

Component: Agency-wide Unallocated Reduction

FUND SOURCE	AMOUNT
GF	\$424.5
GF/PR	\$ 60.5

BRU: Alcohol Beverage Control Board

Component: Alcohol Beverage Control Board

FUND SOURCE	AMOUNT
GF	\$15.0 (hearings/investigate complaints)

Amendments

## AMENDMENT

ADMN#1

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

## ADD

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

<u>Fund Source</u>	<u>Amount</u>
GF	\$204,300

**DESCRIPTION:**

*This amendment restores funding for APOC to implement the campaign disclosure law changes passed by the legislature as an override of the Governor's veto of SB103 (Election Campaigns and Legislative Ethics). It would also restore funding for election year activities, which has been included in the budget in the past during statewide elections, and cover some additional costs for positions.*

*Adopting this budget jeopardizes the Commission's ability to disseminate information to the public in a timely manner during the campaign. Campaign finance information is required by law to be provided to the Commission before the election but will most likely not be available until after the election has occurred. Without funding for printing, training and support staff, the Commission will be unable to assist candidates and political groups to understand the changes to the campaign disclosure laws, which will likely result in costly complaints and substantial non-compliance.*

## AMENDMENT

ADMN # 2

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403(FIN)

## ADD

Department: Administration  
 BRU: Legal and Advocacy Services  
 Component: Public Defender Agency

<u>Fund Source</u>	<u>Amount</u>
GF	2,126,900
GF/PR	4,500
GF/MH	2,900

**DESCRIPTION:**

*This amendment restores the Public Defender's budget to an amount that is \$500.0 less than the amount proposed by the Governor. This would provide sufficient resources to maintain services at the current year level as well as provide funding for alcohol initiative fiscal notes, which were underfunded last year. It will also provide funding for attorneys representing parents in parental rights termination cases. Funding for these positions was previously included in the DH&SS budget, but eliminated in FY2002 without a corresponding increase in the Public Defender budget.*

*The Public Defender is already shortfunded, needing approximately 600.0 in supplemental funding for FY2002. Accepting this budget means the Public Defender will need another supplemental appropriation next year.*

*Right to counsel is a constitutional right provided to all Americans, as stated in the U.S. constitution and reiterated in the Alaska Constitution in Article I, Section II. For those unable to afford an attorney, the courts appoint a public defender. Cases are assigned to the Public Defender Agency by the courts and the Public Defender cannot refuse the cases. When assigned a case, the agency must provide effective assistance of counsel.*

## AMENDMENT

ADMN#3

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB403 (FIN)

## ADD

Department: Administration  
 BRU: Legal and Advocacy Services  
 Component: Office of Public Advocacy

<u>Fund Source</u>	<u>Amount</u>
GF	\$2,271,100
GF/MH	\$20,700

**DESCRIPTION:**

*This eliminates funding for the OPA to promptly compensate contract attorneys for their services in both civil and criminal representation of clients.*

*All OPA cases result from court appointments and OPA cannot refuse to take them. For 14 of the last 15 years, OPA has had to get supplemental funding to cover its costs. For FY2002, OPA has a supplemental request for more than \$1.8 million before the legislature. There is no way OPA can hold to the Subcommittee's proposed budget unless there is a huge, completely unforeseen caseload drop. Nobody has forecast that; in fact, OPA's caseload has been rising over the years. If this budget is adopted, OPA will have to ask for a large supplemental again next session.*

AMENDMENT

ADMN#4

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403(FIN)

ADD

Department: Administration

BRU: Alaska Longevity Programs *management*

Component: Pioneers' Homes

<u>Fund Source</u>	<u>Amount</u>
GF	\$403,300
GF/MH	\$234,100

**DESCRIPTION:**

*The Pioneers' Homes are currently operating with approximately 90 beds empty because staffing is insufficient to provide the 24-hour care that the people on the Pioneers' Home waiting list need. If this \$637,400 is not restored, the Pioneers' Homes will have to hold more staff positions vacant, meaning more beds will be held vacant. That will, in turn, result in less revenue (Pioneers' Home Receipts) which will exacerbate the GF cuts.*

*One of the Legislature's performance measures for the Pioneers' Homes is the average number of vacant beds by level of care and Pioneers' Home. The total effect of this cut will be to force another 10 to 16 beds vacant. Most of these will be in Anchorage because it is the only home large enough to allow the reduction of staff necessary to meet the budget reduction without having to close an entire unit.*

## AMENDMENT

ADMN #5

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

## ADD

Department: Administration

BRU: Public Communications Services

Component: Public Broadcasting – Radio

<u>Fund Source</u>	<u>Amount</u>
General funds	\$69,900

**DESCRIPTION:**

*This cut will mean the loss of an additional \$130,000 in federal matching funds. As many as 8 more full time jobs will be lost because of this cut. Stations are already at minimum staffing levels. Additional staff reductions could result in elimination of local programming including news and public affairs.*

*Public broadcasters have done more than their share to eliminate all but the essentials from their own budgets. After a decade and a half of state operating budget reductions, the public broadcasting system in Alaska is delicately balanced to the point where damage to any of its components risks the collapse of the rest.*

*Public radio is not an amenity for Alaskan communities because public broadcasting provides a unique and vital service as a major cohesive force bringing the state together with news, information and educational programming.*

AMENDMENT

ADMN#6

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403(FIN)

ADD

Department: Administration

BRU: ~~Division of Finance~~ Centralized Administrative Services

Component: ~~Division of Finance~~

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$293,500

**DESCRIPTION:**

*This amendment restores \$225,600 requested to add three new payroll system programmers and \$67,900 to maintain the current staffing level.*

*The state's payroll system, AKPAY, is 12 years old and the software vendor has indicated that future maintenance releases will no longer support the existing underlying database management system. Before the next major maintenance update in FY2003/2004, the state must convert the AKPAY database from ADABAS to DB2. This is a very large project and is more than existing staff can handle. Without additional programmers, the probability of system failure is greatly increased.*

*The payroll system supports every activity of the State of Alaska. Its importance is reflected in two of the division's performance measures assigned by the legislature: system down time and amount of penalty pay. In the case of system failure, both of these measures will increase significantly.*



C&ED #1

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: SCS CSHB 403(FIN), Draft Version "R"

**ADD:**

**Department of Community and Economic Development**

**BRU: Community Assistance & Economic Development**

**Component: Community and Business Development**

160,000 General Funds

(160,000) Inter-Agency Receipts

C&ED#2

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403(Fin)

BY: Senator(s) Hoffman, Olson

ADD

Department: Community and Economic Development  
BRU: Rural Energy Programs  
Component: Power Cost Equalization

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$15,700,000

General funds are needed in the Power Cost Equalization and Rural Capitalization Fund to maintain the program.

C#ED#3

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403(Fin)

ADD

Department: Community and Economic Development

BRU: Commissioner's Office

Component: <sup>Agency wide</sup> Unallocated Reduction

<u>Fund Source</u>	<u>Amount</u>
General Fund/Match	\$9,300
General Fund	\$262,900
General Fund/Program Receipts	<u>\$11,900</u>

*DESCRIPTION: \$184,800 of the reduction is equal to the general fund year three labor costs. If this unallocated reduction was taken where the labor costs were incurred, we would make the reductions in the following components, all of which would have a difficult time absorbing the reduction and still maintain an acceptable level of service.*

*When determining where the additional unallocated general fund reduction of \$99,300 would be taken, the department attempted to balance: (a) the year 3 General Fund labor costs reduction, (b) the subcommittee's intent language for no further reductions to QTA; and (c) the assumption that reductions were unacceptable in Revenue Sharing and Safe Communities. The only BRU that has General Funds and is unaffected by the above conditions is the Rural Energy Programs BRU. This reduction will force the program to cut back to a minimal preventative maintenance schedule to rural electric systems and eliminate on-site training to operators.*

*The unallocated reduction will be taken from the following components:*

- *Community and Business Development (\$96,800)*
- *Division of International Trade & Market Development (\$28,700)*
- *Division of Administrative Services/Commissioner's Office (\$49,000)*
- *Occupational Licensing (\$10,300)*
- *Rural Energy Circuit Rider Program (\$99,300)*

AMENDMENT

C#ED#4

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403(Fin)

ADD

Department: Community and Economic Development

BRU: Community Assistance and <sup>Economic</sup> ~~Business~~ Development

Component: Community and Business Development

Fund Source

Amount

General Fund

160,000

*DESCRIPTION:*

*This amendment restores the \$160,000 from the Division of Community and Business Development's (CBD) FY03 budget, deleted through passage of amendment "Multi #1."*

*Apparently, the reduction was to be taken from the Alaska Regional Development Organizations (ARDOR) program however, the ARDOR program is funded with Interagency Receipts from the Alaska Industrial Development and Export Authority (AIDEA).*

*If this amendment is not approved, the existing decrement will result in the deletion of three positions: a development specialist in Bethel and two Juneau based positions: a part-time mining and minerals development specialist and an administrative assistant.*

# CORRECTIONS

COR #1

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

ADD

Department: CORRECTIONS  
BRU: Administration and Operations  
Component/s: Office of the Commissioner

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$3,324.4</u>

*DESCRIPTION:*

*These funds will be allocated to Divisions of Institutions and Community Corrections to provide funds to support: 45 Correctional Officers, 5 Adult Probation Officers, 2 Correctional Industries Managers, and 1 Administrative Support positions. These existing positions support a statewide prison population that is at 105% today and growing. Without these positions, virtually every state institution will not meet their minimal post levels and this will jeopardize the safety and security of Institutions prisoners and staff. If the Department were to reduce Probation Officers while the number of offenders on probation/parole continues to increase, there would be an impact on public safety. This will also keep open all inmate work programs.*

AMENDMENT

COR #2

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/404(FIN)

ADD

Department: CORRECTIONS

BRU: Administration and Operations

Component: Institution & Director's Office

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$432.3</u>
<u>Receipt Services</u>	<u>\$ 28.0</u>

**DESCRIPTION:**

*This funds the second year of Chapter 60 SLA 2001, Page 39, line 6-8 (HB132) passed by the Legislature last year. This bill was an Act relating to possession, distribution, importation, and transportation of alcohol in a local option area, etc. The funds are needed to cover the costs of incarceration of new felons convicted of violating the provisions of this legislation. Funding will be distributed by the Director's Office to individual institutions as necessary to cover the impact of the legislation. Without these funds, approximately 7 correctional officers would have to be cut, increasing the forced vacancy in the Division of Institutions. This action would further jeopardize the safety and security of Institutions prisoners and staff.*

COR#3

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB-403/404(FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: CORRECTIONS  
BRU: Administration and Operations  
Component: Inmate Health Care

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$1,910.8</u>

**DESCRIPTION:**

*These funds will support both state permanent fulltime positions and contract positions that are absolutely required to provide medical, mental health and dental services to the Department's Institutions and contract Community Residential Centers. The Department admits approximately 30,000 offenders annually into its institutions and the daily prisoner population exceeds 4,600. Without these funds, the Department will have to eliminate nursing staff and other important health care services. The Department has made great strides in implementing measures to contain medical costs and increase health care efficiencies. However, without these funds the Department's diligent efforts will be for naught, and their ability to safely provide minimal health care services to state prisoners will be seriously jeopardized.*

AMENDMENT

COR#4

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/404 (FN)

ADD

Department: CORRECTIONS

BRU: Community Residential Centers

Component: Existing Community Residential Centers

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$207.1</u>

**DESCRIPTION:**

*This funds the annualized cost of four renewed community residential center contracts that were issued in FY02 through competitive bid. Contracts continued were: 85 Beds at Tundra Center (Bethel), 90 beds at Glennwood Center (Anchorage), 31 beds at Cordova House (Anchorage), and 75 beds at Glacier Manor (Juneau). Without these funds, the Department will be required to reduce halfway house beds from each of the contracts. Due to the increased prisoner population, the Department does not have adequate beds in institutions to provide housing for these displaced offenders. Additionally, as culturally relevant programming and offender supervision (i.e., house arrest) program slots are included in these contracts, the costs of these services may be impacted by reduction of beds.*

COR#5

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/404(FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: CORRECTIONS

BRU: Out Of State Contracts

Component: Out Of State Contractual

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$716.1</u>

**DESCRIPTION:**

*Provides funds for continued placement of 30 offenders at the Department's contract Central Arizona Detention Center. Without these funds, the Department will need to hold these prisoners in state facilities at an increased cost and regardless of overcrowding that exists already. The Agency anticipates a 4%-5% growth rate in the offender population annually resulting in 150-200 more offenders coming into the correctional system every year. Due to the lack of available in-state institutional beds, the placement of prisoners in out of state facilities is necessary to meet state service demands.*

COR #6

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB-404(FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: CORRECTIONS

BRU: ~~Community Corrections~~ Administration + Operations

Component: Community Corrections Director's Office

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$195.5</u>
<u>Interagency Receipts</u>	<u>(\$ 37.4)</u>

**DESCRIPTION:**

*This funds the second year of Chapter 60 SLA 2001 (HB172) passed by the Legislature last year. This bill was an Act relating to therapeutic courts for offenders, etc. These funds are to cover the second year costs of the new Therapeutic Court legislation. Funds will cover the cost of one new probation officer in Anchorage, contractual services costs to cover communication costs of new probation officers in Bethel and Anchorage, and for leased office support equipment for the new probation officers. The equipment is essential for monitoring, case tracking and reporting. General Funds are also requested to offset a loss of interagency funds provided from a federal program for the VPSO monitoring program. These funds are no longer available for the program and the Department would like to maintain the VPSO probation services provided by these funds.*

COR#7

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB403/404(FIN)

ADD

Department: CORRECTIONS

BRU: ~~Community Corrections~~ Administration + Operations

Component: Southcentral Region Probation

Fund Source:

Amount

General Funds

\$699.7

**DESCRIPTION:**

*Initiative Request to provide funds to implement the Dual Diagnosis for Probationers and Parolees with Children Program. This would create 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. Currently, the dual-diagnosis population including the felony DWI population, is the fastest growing group of probation/parole offenders. The Department of Corrections 2000-2001 data shows that 67.6% of the identified mentally ill offenders were intoxicated when they committed their crimes. In DOC Institutions during the same year, there were 10,133 mental health consultations and 77.1% were identified as substance abuse/alcohol disordered. The department will need to hire additional Probation officers to reduce already high caseloads and create specialized caseloads for the dual diagnosis probationers and parolees with children. This also provides funding for the new liquor license application check/training passed last year.*

COR # 8

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/404(FIN)

ADD

Department: CORRECTIONS

BRU: Administration and Operations

Component: Community Jails

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>\$530.0</u>

**DESCRIPTION:**

*The funds are needed to pay 15 local governments for days when state prisoners are held in the Community Jails. The Community Jails program provides 55,845 man-days of incarceration capability for the state prisoners pending arraignment, commitment by a court, for admission to a State correctional facility. Use of the local jail facilities includes pre-arraignment, post-arraignment, and holding sentenced prisoners up to 30 days. Due to the legal process in the local Superior Court and the difficulty of prisoner transport in Alaska, it is not practical, nor is it desirable, to immediately transport these State prisoners to a State correctional facility. These funds will help stabilize the infrastructure needs of the local jail facilities to meet their mission objectives.*

COR #9

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/404 (FIN)

ADD

Department: CORRECTIONS

BRU: Parole Board

Component: Parole Board

<u>Fund Source:</u>	<u>Amount</u>
<u>General Funds</u>	<u>5118.0</u>

**DESCRIPTION:**

*These funds are needed to accommodate increased prisoner hearings and Parole Board activity relating to mandatory, discretionary and special medical parole releases and revocations. A considerable increase in numbers of hearings and parole activity has matched the growth in prison population that has occurred in the past five years, and expenditures incurred in meeting the Board's statutory obligations have increased as a result. These funds are needed to cover Parole Board member/staff travel and Board members compensated time associated with the conduct of parole activity statewide.*



AMENDMENT

E & ED #1

OFFERED TO SENATE FINANCE  
TO: SCS CSHB403/404 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Education and Early Development

BRU: Teaching and Learning Support

Component: Quality Schools

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$1,070.6

*DESCRIPTION*

*This amendment fully funds contract costs for ongoing development and implementation of the High School Graduation Qualifying Exam (\$340.6), and expands the state's capacity to provide for a meaningful school accountability system (\$730.0).*

*The amendment enables the department to implement AS 14.03.075 and AS 14.03.120-.123 that requires students, beginning with the Class of 2004, to pass all three parts of the High School Graduation Qualifying Exam in order to receive a high school diploma.*

*Further, the amendment provides the department with the capacity to meet the statutory data reporting requirements and a designation of school performance based on such data. Four new positions will provide the ability to collect, analyze, validate, and report meaningful, consistent data that is critical to the school accountability system.*

AMENDMENT

E+ED#2

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB404 (FN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Education and Early Development

BRU: Alaska Vocational Technical Center *Operations*

Component: Alaska Vocational Technical Center *Operations*

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$75.0

*DESCRIPTION:*

*This amendment restores funding for a Marine Education instructional position for the maritime simulator training program, which will otherwise not offer the highest level of training in the Unlimited Master license category as requested by the maritime industry.*

E&ED #3

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB404 (FIN)

BY: OLSON

ADD

Department: Education and Early Development

BRU: Kotzebue Technical Center *Operations Grant*

Component: Kotzebue Technical Center *Operations Grant*

Fund Source

Amount

General Fund

\$130,000

AMENDMENT

EDED#4

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB404 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Education and Early Development

BRU: K-12 Support

Component: Community Schools

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$200.0

*DESCRIPTION: This amendment restores the community schools program funding to the FY2002 amount, which is the minimal amount to even make community schools programs viable on a statewide basis.*

AMENDMENT

E&ED#5

OFFERED TO SENATE FINANCE  
TO: SCS CSHB403/404 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Education and Early Development

BRU: Alaska Library and Museums

Component: Library Operations

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

*DESCRIPTION*

*This amendment restores the Statewide Library Electronic Doorway (SLED) funding to provide hardware and software maintenance and upgrades, personnel costs for updating the web site and the help desk, and leverage for acquiring other federal and private monies to begin work on a virtual/digital library for Alaska.*

AMENDMENT

E F E D # 6

OFFERED TO SENATE FINANCE  
TO: SCS CSHB-403/404 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Education and Early Development

BRU: Alaska Library and Museums

Component: Museum Operations

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$60.0

*DESCRIPTION*

*This amendment restores personal services and travel funds, which directly effect the museums' ability to maintain their current hours and services.*



AMENDMENT

DEC #1

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

ADD

Department: Environmental Conservation

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

Component: Air Quality

<u>Fund Source</u>	<u>Amount</u>
General Funds	\$302,700
Clean Air Protection Funds	553,400

BRU: Spill Prevention and Response

Component: Industry Preparedness and Pipeline Operations

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

Component: Prevention and Emergency Response

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

BRU: ~~Statewide Public Services~~ Environmental Health

Component: Statewide Public Services

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

**DESCRIPTION:**

*Allow the state to assure responsible development of Alaska's oil and gas resources through the oil safety and development initiative. Failure to fund this initiative continues to mean that the state is minimally funded to oversee current oil development, much less anticipated growth or the opening of ANWR.*



AMENDMENT

F & G #1

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

ADD Department: Fish and Game

BRU: Commissioner's Office

Component: Agency-wide Unallocated Reduction

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>1,485,700</u>

*DESCRIPTION: With the stated purpose of "providing more flexibility", the Finance Committee amended the action of the Fish and Game subcommittee by changing specific program reductions to the Bering Sea/Aleutian Islands (BS/AI) Crab Program and the Genetics Program to an agency-wide unallocated reduction. With 80% of the department's general fund in the Division of Commercial Fisheries, there is no flexibility achieved by this action. The department advised the subcommittee that with the magnitude of the proposed reductions, we could no longer continue to erode all programs with across the board reductions. This amendment will restore funding to the BS/AI Crab Program and the Genetics Program.*

Bering Sea/Aleutian Islands Crab Program \$741.0

*This funding will restore all general funds for crab management in the region and allow the department to retain the program's federal funds. Without this funding, the loss of research and observer personnel would eliminate sources of information required for in-season and inter-annual management (e.g., harvest quota management, quota setting, by-catch monitoring, effort monitoring). Loss of general fund research and observer staff would also violate current contracts with the federal granting agencies and would not allow the department to conduct observer programs mandated by the Alaska Board of Fisheries.*

*The general fund allocation for the BS/AI crab program of \$741.0 supports a staff of biologists, technicians and the Crab Fishery Observer Coordinator plus a core research staff and various seasonal positions utilized to sample catches, analyze data, and support deployment, briefing and debriefing observers. The program is conducted primarily from the department's Dutch*

Harbor office, with assistance from staff in Kodiak. The program manages crab fisheries worth several hundred million dollars, under delegation from the National Marine Fisheries Service (NMFS), the North Pacific Fishery Management Council (NPFMC) and under direction of the Alaska Board of Fisheries. The program is integral to federally funded research on crab stocks (approximately \$2 million in federal grants to the state) and to the crab observer program that is supported by test fish funds (authorized at about \$680.0 per year).

These crab fisheries constitute a significant portion of the state's production of seafood. Even though much of the harvest occurs in federal rather than state waters, Alaska has managed these fisheries since statehood and has, since implementation of the Fishery Conservation and Management Act in 1976, worked in concert with federal authorities to maintain management control. A core management program funded directly by the state's general fund has been essential to prudent administration of the federal funds as well as to maintenance of the state's position in the management and research of these tremendously important fisheries.

#### Genetics Program

\$744.7

This funding will restore the subcommittee's cut of \$744.7, all the general funds in the Genetics Program. These general funds support a core staff of a Fisheries Scientist, a Biometrician, and three Geneticists who conduct research primarily using external, non-GF funds (currently about \$815.0).

The heart of the program is the genetics laboratory. The laboratory has state of the art equipment valued at approximately \$1.1 million. Elimination of general funds would effectively eliminate the genetics program and severely compromise our ability to attract non-GF funding sources. The division would lose its ability to conduct genetic stock identification (GSI) research and evaluation. Applications, extensive and routine in our programs, support fisheries management which include:

- Genetics baseline and stock composition for use in Pacific Salmon Treaty (PST) fisheries;
- By-catch composition in Gulf of Alaska and Bering Sea trawl fisheries;
- High seas fisheries stock identification;
- Yukon River, Bristol Bay, Cook Inlet, and South Alaska Peninsula fisheries stock composition; and
- Genetic diversity inventories for exploited fish populations used to address a wide variety of conservation issues including addressing petitions for listing under the Endangered Species Act.

AMENDMENT

F & G #2

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

ADD Department: Fish and Game

BRU: Wildlife Conservation

Component: Wildlife Conservation Restoration Program

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	<u>223.700</u>

*DESCRIPTION: This funding will restore the subcommittee's cut of nearly all the general fund match for Wildlife Conservation Non-Game Programs.*

*The Division of Wildlife Conservation receives approximately \$260.0 in general funds annually. This funding satisfies a 3:1 match requirement for wildlife conservation restoration funds (WCRP) and the proposed cut of \$223.7 will result in the loss of \$671.1 in federal funds. Specific non-game and watchable wildlife programs that will be affected by the subcommittee's cut include:*

- *Goshawk and Endangered Species Research*
- *Brown Bear Viewing*
- *Menikoff Wetlands State Refuge*
- *Wolverine Creek and Pack Creek Management*
- *Round Island and Walrus Island Sanctuaries*
- *Anchorage and Northwest Alaska Raptors*

HEALTH &  
SOCIAL SERVICES

Amendment

H4SS#1

OFFERED IN SENATE FINANCE

TO: CS HB 403/HB 404(FIN)

Offered by Sen. Green

ADD

Department: Health and Social Services

BRU: State Health Services

Component: Emergency Medical Services (EMS) Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$204,300

DELETE

Department: Health and Social Services

BRU: State Health Services

Component: Community Health Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$204,300

*This amendment moves \$204,300 from Community Health Grants to EMS Grants. The Community Health Grants line is larger and can more readily absorb a cut of this size. In addition the Community Health Grantees are receiving increasing amounts of Federal and other funds to make up the general fund shortfall.*

Amendment

H. 455 # 2

OFFERED TO SENATE FINANCE

By Senator(s) Hoffman, Olson

To: SCS CSHB 403/404(FIN)

ADD

Department: Health and Social Services

BRU: Alcohol and Drug Abuse *Services*

Component: Alcohol and Drug Abuse Treatment Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$ 593,900
General Fund/Mental Health	<u>\$2,806,100</u>
	\$3,400,000

Component: Alcohol Safety Action Program (ASAP)

<u>Fund Source</u>	<u>Amount</u>
General Fund	<u>\$ 528,100</u>
	\$ 528,100

Component: Rural Services and Suicide Prevention

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	<u>\$ 289,100</u>
	\$ 289,100

**DESCRIPTION:**

*This amendment will restore treatment and prevention programs and fund needed administrative support for these grant-in-aid programs. Without these funds Alcohol Safety Action Programs (ASAP) in Dillingham, Ketchikan, Kodiak, Mat-Su and Seward will have to close.*

AMENDMENT

++SS#3

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FIN)

ADD

Department: Health and Social Services

BRU: Purchased Services

Component: Family Preservation

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$671,200

*DESCRIPTION:*

*These funds will be used for grants designed to help children and families at risk or in crisis. Services include intensive pre-placement services, follow-up care for families, and services to increase parenting abilities.*

AMENDMENT

H4SS #4

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FIN)

ADD

Department: Health and Social Services

BRU: Catastrophic and Chronic Illness Assistance

Component: Catastrophic and Chronic Illness Assistance (AS 47.08)

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$2,000,000

*DESCRIPTION: This amendment restores the 50% cut to this program. Funds will be used to provide a limited package of health services to Alaskans with terminal diseases or one of four chronic illnesses: diabetes, seizure disorder, chronic mental illness or hypertension. Each CAMA recipient qualifies only if they have income of less than \$300 per month and assets of less than \$500 except for their home and vehicle and have no other insurance.*

11455#5

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FIN)

ADD

Department: Health and Social Services

BRU: Public Assistance Administration

Component: Public Assistance Administration

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$ 16,800
General Fund	\$103,800
General Fund/Program Receipts	<u>\$ 1,200</u>
	\$121,800

Component: Public Assistance Field Services

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$709,200
General Fund	<u>\$ 63,500</u>
	\$772,700

Component: Public Assistance Data Processing

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$131,100
General Fund	<u>\$ 9,400</u>
	\$140,500

Component: Quality Control

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$14,400

*DESCRIPTION:*

*This amendment will fund caseworkers and data processing at maintenance levels and will restore support for Alaska Food Coalition. Without this funding 17 case workers in Anchorage, Juneau, Fairbanks, Mat-Su, Kenai and Bethel will be cut.*

AMENDMENT

H#55#6

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FIN)

ADD

Department: Health and Social Services

BRU: State Health Services

Component: Emergency Medical Services ~~(EMS)~~ Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$204,300

*DESCRIPTION:*

*This funding will be used to support the critical infrastructure needed to maintain local EMS services statewide. If these funds are not restored, preventable deaths and disability due to inadequate EMS response capacity are like to occur.*

AMENDMENT

H&SS#7

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FIN)

ADD

Department: Health and Social Services

BRU: State Health Services

Component: Infant Learning Program Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$ 150,000
General Fund/Mental Health	<u>\$ 850,000</u>
	\$1,000,000

**DESCRIPTION:**

*Since it is unclear whether the plan to make the Infant Learning Program a needs based program will work this request will restore funds for this vital program. This funding will provide services to high-risk children, ages 0-3, to reduce or ameliorate disabling conditions. During FY2001, the average cost for a child in this program was approximately \$3800 per year. These funds would serve approximately 260 children.*

H&SS#8

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB 404 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department: Health and Social Services

BRU: Community Mental Health Grants

Component: General Community Mental Health Grants

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	\$91,400

Component: Psychiatric Emergency Services

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	\$195,800

Component: Services to the Chronically Mentally Ill

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	\$369,700

Component: Designated Evaluation and Treatment

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	\$34,400

Component: Services for Seriously Emotionally Disturbed Youth

<u>Fund Source</u>	<u>Amount</u>
General Fund/Mental Health	\$186,600

*DESCRIPTION: This funding will restore mental health services to emotionally disturbed adults and youth throughout the state.*

#455#9

Amendment

OFFERED TO SENATE FINANCE

By Senator(s) Hoffman, Olson

TO: SCS CSHB 403/404(FIN)

ADD

Department: Health and Social Services

BRU: State Health Services

Component: Tobacco Prevention and Control

<u>Fund Source</u>	<u>Amount</u>
Tobacco Education/Cessation Fund	\$1,062,500

DELETE

Department: Health and Social Services

BRU: Medical Assistance

Component: Medicaid Services

<u>Fund Source</u>	<u>Amount</u>
Tobacco Education/Cessation Fund	(\$1,062,500)

ADD

Department: Health and Social Services

BRU: Medical Assistance

Component: Medicaid Services

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$1,062,500

*DESCRIPTION:*

*This amendment partially reverses the transfer from Medicaid Services to Tobacco Prevention and Control and offsets a portion of the cut to Medicaid Services contained in multi-agency amendment #1 adopted by the Senate Finance Committee on 4/24/2002.*

AMENDMENT

# & SS # 10

OFFERED TO SENATE FINANCE

By: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB 404 (FLN)

ADD

Department: Health and Social Services

BRU: Human Services Community Matching Grant

Component: Human Services Community Matching Grant

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$205,500
Interagency Receipts	<u>\$233,000</u>
	\$438,500

**DESCRIPTION:**

*These funds would restore the 25% cut to grants for health and services to Fairbanks North Star Borough and the Municipality of Anchorage. These funds are used to provide services to children and youth as well as address family dysfunction, mental and emotional problems, temporary shelter for homeless persons, delivery of meals to those in need, etc.*

H&SS #11

Amendment

OFFERED TO SENATE FINANCE

By Senator(s) Hoffman, Olson

TO: SCS to CS HB 403/404 (FIN)

ADD

Department: Health and Social Services

BRU: Medical Assistance

Component: Medicaid Services

<u>Fund Source</u>	<u>Amount</u>
General Fund Match	\$3,167,500

ADD

Department: Health and Social Services

BRU: Public Assistance

Component: Adult Public Assistance

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$1,250,000

ADD

Department: Health and Social Services

BRU: Purchased Services

Component: Subsidized Adoption ~~and~~ Guardianship

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$1,500,000

ADD

Department: Health and Social Services

BRU: Purchased Services

Component: Foster Care Special Needs

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

**DESCRIPTION:**

*This amendment will restore the cuts to DHSS formula programs made in multi-agency amendment #1 adopted by the Senate Finance Committee on 4/24/2002. Formula program increments with the reductions are funded at the following levels:*

- Medicaid: The increment is funded at \$23.1 million a reduction of 38% from fully funding the program.*
- Adult Public Assistance: The increment is funded at \$781,600 a reduction of 70% from fully fund the program.*
- Subsidized Adoption and Guardianship: The increment is funded at \$1.0 million a reduction of 66% from fully funding the request.*
- Foster Care Special Needs: The increment is funded at \$150,000 a reduction of 70% from fully funding the request.*

AMENDMENT

H&SS#12

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

DELETE

Intent

Department: Health and Social Services

BRU: Medical Assistance

Component: Medicaid *Services*

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

*The House intent adopted by the Senate Finance committee at their April 24, 2002 for Medicaid is inconsistent with stated comments that funding is based on lower case projection and possible changes to the FMAP. The House intent would direct the department to cut optional services, which is inconsistent with the Senate budget.*



AMENDMENT

L&WD#1

OFFERED IN THE SENATE

BY SENATOR AUSTERMAN

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

DELETE Department: Labor and Workforce Development

BRU: Employment Security

Component: Employment Services

<u>Fund Source</u>	<u>Amount</u>
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General Funds	(8,900)
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ADD Department: Labor and Workforce Development

BRU: Labor Standards and Safety

Component: Mechanical Inspection

<u>Fund Source</u>	<u>Amount</u>
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General Funds	8,900
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DESCRIPTION:

This technical amendment corrects an error made in the previously approved amendment titled Multi #1 which reduced the Mechanical Inspection Component by 110.0. The 110.0 reduction to Labor and Workforce Development should have been a reduction of 101.1 in the Mechanical Inspection Component for FY 03 Governor increases to this component (funded by Senate Finance Subcommittee) and a reduction of 8.9 for FY 03 Governor increases in the Employment Services Component.

AMENDMENT

L&WD#2

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403 (FIN)

ADD Department: Labor and Workforce Development

BRU: Labor Standards and Safety

Component: Occupational Safety and Health

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds Program Receipts</u>	<89.600>
<u>Receipt Supported Services</u>	89.600

BRU: Labor Standards and Safety

Component: Wage and Hour Administration

<u>Fund Source</u>	<u>Amount</u>
<u>General Funds</u>	89.600

*DESCRIPTION: By switching the General Fund Program Receipts to Receipt Supported Services, for fees generated by licensing Asbestos Abatement and Explosive Handlers, and fees from associated training certificates, general funds will be freed up to provide substantial funding toward the two new Wage and Hour technicians needed for payroll auditing. These two technician positions, one in Anchorage and one in Fairbanks, will result in a lesser amount of protection for Alaska's workers, and put law-abiding contractors at a competitive disadvantage.*

*Wage and hour technicians monitor and audit certified payrolls that are required to be submitted on publicly funded construction projects. These audits 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 a prevailing rate of pay. The audits also benefit contractors by catching payroll errors.*

*Without the technician positions, audits will continue to be complain driven only. 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.*

*Each technician generated \$30,000 to \$60,000 per year in violations from routine audits. This means that potentially up to \$200,000 per year in wages lost through payroll errors are not being returned to Alaskan workers.*



LAW # 1

AMENDMENT

OFFERED TO SENATE FINANCE

BY: Senator(s) Hoffman, Olson

TO: SCS CSHB 403/HB404

ADD

Department: Law

BRU: Criminal Division

Component: Unallocated Reduction

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

*DESCRIPTION*

*This amendment restores funds to the Criminal Division that were removed via an unallocated reduction which would have resulted in the elimination of at least three attorney positions from the Anchorage and/or Fairbanks offices.*

LAW #2

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB404

BY: Senator(s) Hoffman, Olson

ADD

Department: Law

BRU: Civil Division

Component: Unallocated Reduction

Fund Source

Amount

General Fund

250.0

*DESCRIPTION*

*Restore funds to the Civil Division that were removed via an unallocated reduction and would have resulted in the loss of two attorney and/or paraprofessional positions; most likely those working on natural resources and fish and game issues.*

LAW #3

AMENDMENT

OFFERED TO SENATE FINANCE  
TO: SCS CSHB 403/HB404

BY: Senator(s) Hoffman, Olson

ADD

Department: Law  
BRU: Criminal Division  
Component: Various

<u>Fund Source</u>	<u>Amount</u>
General Fund	135.0

ADD

Department: Law  
BRU: Civil Division  
Component: Various

<u>Fund Source</u>	<u>Amount</u>
General Fund	66.8

ADD

Department: Law  
BRU: Statehood Defense  
Component: Statehood Defense

<u>Fund Source</u>	<u>Amount</u>
General Fund	2.3

ADD

Department: Law  
BRU: Oil and Gas Litigation and Legal Services  
Component: Oil & Gas Litigation

<u>Fund Source</u>	<u>Amount</u>
General Fund	10.3

*DESCRIPTION*  
Fully fund the Law Office Assistant reclassification that was implemented in response to a union grievance filed on behalf of these positions.

AMENDMENT

LAW#4

OFFERED TO SENATE FINANCE  
TO: S CS CS HB 403 (FIN)

BY: Senator(s) Hoffman, Olson

ADD

Department of Law  
Civil Division  
Collections and Support

<u>Funding Source</u>	<u>Amount</u>
General Funds	\$106,500

*Explanation: This increment fully funds the fiscal note for victim restitution legislation (Ch 60, SLA 01). As many as 5,000 victim restitution court orders may be sent to the Civil Division for collection as a result of passage of this new legislation. The legislation became effective on January 1, 2002, and the workload related to the task of collecting, accounting for, and paying out restitution is just beginning to be felt. Because the full amount of the requested funding for this process was denied, the victim restitution effort may fall far short of its goal of successfully tracking down convicted criminals and delinquents and making payments to victims who are due restitution.*