

ALASKA LEGISLATURE

2653

HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004

House Finance

Senate Bill 74

"An Act extending the renewal period for oil discharge prevention and contingency plans"

Testimony of Larry Dietrick

*Alaska Department of Environmental Conservation
Division of Spill Prevention and Response*

March 25, 2003

Senate Bill 74 will streamline the states permitting process by lengthening the time for renewal of Oil Discharge Prevention and Contingency Plans from the current three years to five years.

A five year-year renewal period will streamline the contingency review process for industry while maintaining Alaska's strong spill prevention and response standards.

Oil Discharge Prevention and Contingency Plans are public noticed, reviewed and approved by the Department of Environmental Conservation.

Oil Discharge Prevention and Contingency Plans are required for operators of oil terminals, refineries, crude oil transmission pipelines, oil exploration and production facilities, oil tank vessels, oil barges, nontank vessels of over 400 gross tons, and railroad tank cars.

There are multiple benefits from the change proposed by the bill.

The bill furthers the goal of permit streamlining with no loss of environmental protection, and complements initiatives currently being undertaken by the Department to shift the emphasis away from the administrative review and approval process to field verification of response capability.

The bill will significantly reduce the administrative burden on the regulated community and will shift the emphasis from paperwork to performance.

The reduction in paperwork will increase the ability of operators and the Department to focus on spill prevention and facility operation.

The change will allow operators more time to make practical enhancements to their spill prevention and response capabilities.

The change will improve environmental protection and preparedness through increased field presence and the ability to work directly with operators to ensure response readiness through on-site facility and vessel inspections, spill drills and exercises.

The change will make the state renewal cycle consistent with the five year renewal cycle for federal oil spill contingency plans required under the Oil Pollution Act of 1990, as well as those of other West Coast states.



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Tadd Owens, Executive Director
Resource Development Council
HB113 Testimony
House Oil & Gas Committee
February 27, 2003

Thank you, Mr. Chairman. For the record my name is Tadd Owens, executive director of the Resource Development Council. RDC is a private, non-profit, business association representing individuals and companies from Alaska's oil and gas, mining, timber, tourism and fisheries industries. Our mission is to help grow Alaska's economy through the responsible development of our state's natural resources.

RDC supports House Bill 113 and we encourage the Oil & Gas Committee to pass the legislation. HB113 makes a simple change to the renewal period for ADEC-required discharge and contingency plans, commonly referred to as C-Plans, from three to five years. C-plans are essential to spill response preparedness, however, the effort associated with the plan renewals is significant for both industry and the state. Based on our members' experiences, a three-year renewal cycle often does not result in meaningful improvements in environmental protection or regulatory compliance. Increasing the time between renewals from three to five years will bring the program's benefits in line with its costs.

A five-year renewal cycle will allow the state to focus its resources on site inspections rather than the office work associated with plan reviews. Currently, ADEC is responsible for more than 125 C-Plans in Alaska. Allowing agency staff

additional time in the field will provide them with a more thorough understanding of industry operations.

A five-year renewal period will give agency staff a better opportunity to determine the effectiveness of existing plans and to observe plan implementation prior to any incident. By utilizing this information and experience, subsequent plan renewals will have better oversight, incorporate more high-value improvements, and be less vulnerable to legal challenges.

Meanwhile industry will be able to shift its resources away from the largely administrative exercise of three-year renewals to additional prevention-specific activities. Improved networking and communication between industry and ADEC will further enhance the quality of plan renewals. Also, a five-year renewal cycle would mirror the federal requirement, allowing industry to consolidate its review process.

RDC's members believe that increasing the C-Plan renewal cycle from three to five years will result in a more thorough public process, the creation of more realistic and sophisticated plans, and establish a more efficient and predictable regulatory regime. HB113 deserves the committee's support.

Thank you, Mr. Chairman for the opportunity to testify this afternoon.

FRANK H. MURKOWSKI
GOVERNOR
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February 18, 2003

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 107
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill extending the renewal period for oil discharge prevention and contingency plans under AS 46.04.030 and 46.04.055 from three years to five years.

AS 46.04.030 requires that all operators of oil terminals, pipelines, exploration or production facilities, tank vessels, and oil barges have an approved oil discharge prevention and contingency plan in order to operate. AS 46.04.055 requires that operators of nontank vessels over 400 gross tons and railroad tank cars transporting oil also have an approved oil discharge prevention and contingency plan. Current law requires that these contingency plans be renewed every three years.

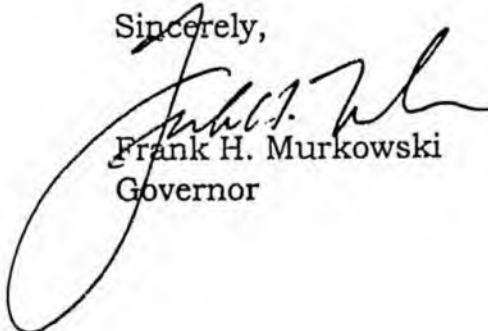
In contrast, federal oil spill response plans are reviewed and renewed every five years. However, there is no requirement that state contingency plans match the federal renewal cycle.

A five-year renewal period will streamline the review for both the state and industry, while maintaining Alaska's strong oil spill prevention and response standards. Focusing on the actual testing of oil spill prevention and response

readiness through in-the-field inspections, drills, and exercises is our most effective means of ensuring spill prevention and response readiness.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank H. Murkowski', is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

Frank H. Murkowski
Governor

Senate Resources

Senate Bill 74

“An Act extending the renewal period for oil discharge prevention and contingency plans”

Testimony of Larry Dietrick

*Alaska Department of Environmental Conservation
Division of Spill Prevention and Response*

February 24, 2003

This bill supports the Governor's goal of improving regulatory efficiency by reducing the administrative burden while improving spill prevention, preparedness and protection of the environment.

Senate Bill 74 will streamline the states permitting process by lengthening the time for renewal of Oil Discharge Prevention and Contingency Plans from the current three years to five years.

A five year-year renewal period will streamline the contingency review process for industry while maintaining Alaska's strong spill prevention and response standards.

Focusing on the actual testing of oil spill prevention and response preparedness through in-the-field inspections, drills, and exercises is our most effective means of ensuring spill prevention and response readiness and protection of the environment.

Oil Discharge Prevention and Contingency Plans are public noticed, reviewed and approved by the Department of Environmental Conservation.

Oil Discharge Prevention and Contingency Plans are required for operators of oil terminals, refineries, crude oil transmission pipelines, oil exploration and production facilities, oil tank vessels, oil barges, nontank vessels of over 400 gross tons, and railroad tank cars.

There are multiple benefits from the change proposed by the bill.

The bill furthers the goal of permit streamlining with no loss of environmental protection, and complements initiatives currently being undertaken by the Department to shift the emphasis away from the administrative review and approval process to field verification of response capability.

The bill will significantly reduce the administrative burden on the regulated community and will shift the emphasis from paperwork to performance.

The reduction in paperwork will increase the ability of operators and the Department to focus on spill prevention and facility operation.

The change will allow operators more time to make practical enhancements to their spill prevention and response capabilities.

The change will improve environmental protection and preparedness through increased field presence and the ability to work directly with operators to ensure response readiness through on-site facility and vessel inspections, spill drills and exercises.

The change will make the state renewal cycle consistent with the five year renewal cycle for federal oil spill contingency plans required under the Oil Pollution Act of 1990, as well as those of other West Coast states.

TESTIMONY OF
MARILYN CROCKETT
ALASKA OIL AND GAS ASSOCIATION
BEFORE
HOUSE SPECIAL COMMITTEE ON OIL AND GAS
RE: HB113
February 27, 2003

My name is Marilyn Crockett and I am Deputy Director of the Alaska Oil and Gas Association. AOGA is a trade association whose 17 member companies account for the majority of oil and gas exploration, development, production, transportation, refining and marketing activities in Alaska.

Every AOGA member conducting activities in Alaska is required to have an Oil Spill Prevention and Contingency Plan (or C-Plan) approved and in place. Therefore, AOGA has a significant interest in HB113, and we encourage the Committee to pass it.

AOGA spent a considerable amount of time over the past 12 months identifying permitting programs that were in need of updating and streamlining. Early on we adopted a guiding principle to guide us through this process. That principle reads: "accomplish updates and streamlining without compromising environmental protection or safety standards". HB113 fits perfectly within this principle.

The bill would extend the renewal cycle for C Plans from the current period of three years to five years—the cycle required by the federal government, west coast states, and other oil producing states we've studied.

Preparation and processing of a renewal application is expensive endeavor. Renewal costs can average between \$60,000 and \$100,000 for the renewal alone (legal challenges can increase these numbers by an additional \$200,000 to \$500,000).

The renewal process also is very time-intensive. Experience has shown that for some plans, even with submittals 180 days in advance of the expiration date, approvals still can average 360 days, essentially meaning that once a renewal is complete, work must begin on the next renewal.

It's important to recognize what purpose the C Plan serves. It is the "blueprint", if you will, describing how an operator will respond to an event. The proof of the effectiveness of the plan is not how often it is renewed; it's whether the response identified in the Plan can be delivered as promised. Demonstration of this effectiveness is accomplished through drills. It is in this area that we will see the biggest benefit of an extended renewal cycle by shifting the focus away from administrative processing to field performance.

It's also important to recognize that these Plans are evergreen documents. They are not simply placed on a shelf after approval to collect dust until the next renewal period. They are continually reviewed to ensure information is kept up-to-date and to ensure the Plan continues to reflect the current operation and state of readiness. ADEC regulations require that updates and amendments be submitted to the Department.

Finally, we understand the Administration will be proposing an amendment to HB113 providing a Transitional provision extending existing approved plans for two years or for a shorter period of time if requested by the plan holder. AOGA supports this amendment.

Thank you for allowing me to testify.

SB

75

SFIN

FILE

SB 75

was referred to the
Senate Finance
Committee

Hearing(s) were held

The bill did not move
from Committee

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET
February 26, 2003

TONY KNOWLES, GOVERNOR

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PHONE: (907) 465-4660
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The Honorable Lyda Green
The Honorable Gary Wilken
The Honorable John Harris
The Honorable Bill Williams
Alaska State Legislature
State Capitol
Juneau, AK 99801

Dear Finance Committee Co-Chairs:

Please consider the following amendment to the Fast Track supplemental bills, SB 75 and HB 100:

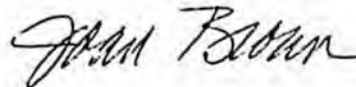
Add a new section to read:

DEPARTMENT OF ENVIRONMENTAL CONSERVATION. The sum of \$100,000 is appropriated from the general fund to the Department of Environmental Conservation, division of air and water quality, for legal services from the Department of Law to represent the State's petition before the U.S. Supreme Court regarding the Red Dog Mine air permit dispute with EPA for the fiscal year ending June 30, 2003.

(The effective date should be immediate or March 21, 2003, whichever will be earlier.)

Back-up information on the amendment is attached along with an updated spreadsheet. If you have any questions, please call me (465-4660) or Joan Brown (465-4681).

Sincerely,



for Cheryl Frasca
Director

Attachments

cc: David Teal, Legislative Finance

FY2003 SUPPLEMENTALS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
2	FAST TRACK SUPPLEMENTAL								
3	1	Administration	Office of Public Advocacy	Program shortfunding was estimated to be \$2,200.0 in May. Caseload growth has added an additional \$1,100.0. An additional \$2,473.5 is requested in the regular supplemental bill to meet the total need of \$3,300.0.	826.5				826.5
4	2(a)	Corrections	Inmate Health Care	Costs incurred due to the November 19, 2002 accident involving a prisoner transport van at mile 19.5 of the Seward Highway.	500.0				500.0
5	2(b)	Corrections	Anchorage Jail	Due to increased negotiated contract amount with Municipality of Anchorage, the department will realize increased manday billings and needs receipt authority to utilize those receipts.			500.0	Statutory Designated Program Receipts	500.0
6	3(1)	Health and Social Svcs	General Relief Assistance	Caseload growth. Current funds projected to be fully spent by mid-April	271.0				271.0
7	3(2)	Health and Social Svcs	Foster Care Special Needs	Formula program shortfunding \$445.3 and caseload growth \$170.0. Current funds projected to be fully expended in May.	615.3				615.3
8	3(3)	Health and Social Svcs	Subsidized Adoptions & Guard.	Formula program shortfunding \$2,000.0 and caseload growth \$833.3. Current funds projected to be fully expended in April.	2,833.3				2,833.3
9	3(4)	Health and Social Svcs	Old Age Ass/ALB Hold Harmless	Caseload growth. Current funds projected to be fully spent by the end of May.	110.0				110.0
10	3(5)	Health and Social Svcs	Kenai Peninsula Youth Facility	Funds to hire superintendent and unit leader and provide other operating funds needed to open the facility that will be completed April 15, 2003.	155.2				155.2
11	4(a)	Law	Criminal Division	Criminal Justice Litigation - Outside counsel and experts for the parental consent lawsuit \$432.6 and the sex offender registration lawsuit \$150.0	582.6				582.6
12	4(b)	Law	Oil & Gas Litigation	Oil and gas caseload shortfall. \$500.0 is needed for the reopener-specific casework and \$100.0 for ongoing D.C. casework primarily regarding Federal Energy Reserve (FERC) and TAPS (utility) reopener. Extended lapse date thru June 30, 2004	600.0				600.0
13	5	Public Safety	Fish and Wildlife Protection	Increased costs for vehicle, heating oil, electricity, airplane and helicopter fuel	229.3				229.3
14	6	Revenue	Muni Bond Bank	Additional bond issuance costs			142.0	Muni Bond Bank Rcpts	142.0
15	7(a)	Transportation	Capital	Title change: Nondalton: Airport Resurfacing to Nondalton: Airport Improvements and Airport Layout Plan					0.0
16	7(b)	Transportation	Capital	Title change: Anchorage: Muldoon Road Landscaping and Pedestrian Improvements - Glenn Highway to 36th Avenue to ". . . Improvements - Regal Mountain to Bartlett Drive"					0.0
17	7(c)	Transportation	Capital	Title change: Juneau West Douglas Highway Extension to Juneau: Gastineau Channel Second Crossing					0.0
18	7(d)	Transportation	Capital	Title change: Nunapitchuk Resurfacing and Lighting to Nunapitchuk Airport Relocation (SLA 2001)					0.0
19	7(e)	Transportation	Capital	Title change: Nunapitchuk Resurfacing and Lighting to Nunapitchuk Airport Relocation (FSSLA 1999)					0.0
20	7(f)	Transportation	Highways ar. Aviation, and Facilities	Restore highways and maintenance cuts as directed by Governor Murkowski on Dec 12.	2,562.0				2,562.0

FY2003 SUPPLEMENTALS

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1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
21	7(g)	Transportation	Capital	Central Region Planning new capital project: Dillingham-Aleknagik Road Milepost 8-23 Resurfacing. Accelerated in the STIP to coincide with the airport runway repaving project scheduled for summer of 2003.		8,200.0			8,200.0
22	7(h)	Transportation	Capital	Central Region Planning new capital project: Glenn Highway Intersection Improvements & Resurfacing, Gambell to McCarrey. Accelerated in STIP to address increasing deterioration of the roadway surface.		6,000.0			6,000.0
23	7(i)	Transportation	Capital	Central Region Planning new capital project: Old Glenn Highway Reconstruction, N Eagle River Exit to Peters Creek. Accelerated in the AMATS TIP to accommodate substantial increase in traffic projections due to recent area developments.		5,625.0			5,625.0
24	7(j)	Transportation	Capital	Barrow runway apron paving and safety area expansion project		4,900.0			4,900.0
25	New	Environ Cons	Air and Water Quality	Feb 26 Amd: Legal services for Red Dog Mine air permit dispute	100.0				100.0
26	8			Lapse Provisions					
27	9			Effective Date					
28				FAST TRACK BILL TOTAL	9,385.2	24,725.0	642.0		34,752.2
29									
30									
31	REGULAR SUPPLEMENTAL								
32	1(a)(1)	Administration	Finance	The Division of Finance is incurring substantially more costs for accounting and payroll data processing charges, due to both increased usage and rate increases, and unanticipated increased costs due to conversion from ADABAS to DB2. (Savings in general relief program offsets \$300.0.)	400.0				400.0
33	1(a)(2)	Administration	Pioneers' Homes	Cost of the certified nurse aide and assisted living aide reclassifications which were effective December 1, 2002. The classification study found that the positions were underpaid by one range compared to other similar positions. Affects 323 positions at approximately \$175 per month per position.	390.7				390.7
34	1(a)(3)	Administration	AOGCC	Increased federal grant for the Underground Injection Control Program.		14.3			14.3
35	1(a)(4)	Administration	Office of Public Advocacy	Program shortfunding was estimated to be \$2,200.0 in May. Caseload growth has added an additional \$1,100.0. An additional \$826.5 is requested in the fast track supplemental bill to meet the total need of \$3,300.0.	2,473.5				2,473.5
36	1(a)(5) and (6)	Administration	Public Defender	Program shortfunding was estimated to be \$1,000.0 in May. Caseload has added an additional \$157.0. Funding is also included to continue the mental health court attorney.	1,157.0		73.0	MHTAAR	1,230.0
37	1(a)(7)	Administration	Labor Relations	Arbitration settlement with ASEA union on Fair Labor Standards Act (FLSA) residual claims including interest of \$9,238.36	209.3				209.3
38	1(b)	Administration	Senior Services	Caseload for general relief program is lower than anticipated. (Funds to help offset Finance's supplemental.)	(300.0)				(300.0)
39	2(a)	Community	Admin Services	Retroactive section to ratify the transfer of \$51,000 from the disaster relief fund back to the commercial fishing revolving loan fund in response to recommendation 20 in the FY01 Statewide Single Audit prepared by Legislative Audit.					0.0
40	2(b)	Community	Capital	Section to change RPL 08-3-0104 for Rural Internet Access from operating to capital					0.0

FY2003 SUPPLEMENTALS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
	2 (c)	Community	Insurance	Authority to receive and expend fees paid by licensees for background checks. The Division of Insurance will then enter into a contract (RSA) with Department of Public Safety who performs the background checks.			200.0	Receipt Supported Services	200.0
41									
	2(d)	Community	International Trade	Authority to receive and expend registration receipts from the Korea USA economic conference. The 2002 conference was held in Korea; 2003 will be in Anchorage. Subsequent years' conferences will be held in other western states.			115.0	Statutory Designated Program Receipts	115.0
42									
	2(e) and (f)	Community	Alaska Science and Technology Foundation	Income is insufficient to fund appropriation due to stock market declines. Fund source switch from income to endowment and a reduction of \$6,418.6 in the appropriation, leaving authorization of \$4.1m.			(6,418.6)	Sci/Tech Endowment	(6,418.6)
43									
	3	Corrections	Inmate Health Care	Prior year bill for dialysis services for an inmate in FY2002. The vendor inadvertently billed a wrong party and recently discovered the error. An appropriation is needed in order for the department to pay the bill of \$187,680.05.	187.7				187.7
44									
	4	Military & Vets	Disaster Relief Fund	Capitalize the fund for declared disasters: earthquake \$5,086.4 GF and \$14,848.1 Fed; interior flood \$1,268.0 GF and \$4,541.3 Fed; NW Arctic Borough fall sea storm \$351.0 GF; Kenai Peninsula flooding \$3,571.0 GF and \$11,704.5 Fed and \$830.0 GF for core emergency services.	11,606.4	31,093.9			42,700.3
45									
	5(a)	Education	Schools for the Handicapped	Out of State Placement educational cost increase due to increased number of clients and increased length of stay.	366.8				366.8
46									
	5(b)	Education	Foundation	General fund reduction due to preliminary actuals for foundation program that reconciles initial October student count to the electronic data.	(6,728.8)				(6,728.8)
47									
	6	Public Safety	Fish and Game Fund	Revise language appropriating criminal fines, penalties and forfeitures into the Fish and Game Fund based upon an analysis conducted by the Department of Public Safety and the Court System.					0.0
48									
	7	Natural Resources	Fire Suppression	Fixed costs and fire suppression costs incurred to date.	19,033.8				19,033.8
49									
	8(a)(1)	Health and Social Svcs	Adult Public Assistance	Program shortfunding was estimated to be \$1,750.0 GF in May. Caseload growth has added an additional \$333.0 GF and \$285.0 Fed. Average projected monthly caseload is 4.3% higher than the 1% caseload growth level funded last session.	2,083.0	285.0			2,368.0
50									
	8(a)(2)	Health and Social Svcs	Family Preservation	Unanticipated federal grant award to fund Child Abuse Treatment Plans for Alaska Native Children and Parents project		450.0			450.0
51									
	8(a)(3)	Health and Social Svcs	McLaughlin Youth Facility	Population increase of 18.9% has resulted in increased overtime of \$16.7 and laundry, food, and clothing costs of \$9.1. FY2002 average population was 179.6 while FY2003 has averaged 198.3.	25.8				25.8
52									
	8(a)(4)	Health and Social Svcs	Fairbanks Youth Facility	Extraordinary medical costs including MRI, extensive brain testing, weekly allergy shots, and surgery.	20.0				20.0
53									
	8(a)(5)	Health and Social Svcs	Nome Youth Facility	Staff for population increase. Average daily population has increased 36% over FY2002. Facility capacity is 6. Average population in FY2002 was 6.9 while FY2003 average population has been 9.3.	100.8				100.8
54									
	8(a)(6)	Health and Social Svcs	Johnson Youth Facility	Medical costs for physical therapy for 1 youth.	11.5				11.5
55									
	8(a)(7)	Health and Social Svcs	Bethel Youth Facility	Population increased 34.7% over FY2002 and extraordinary medical costs estimated at \$35.0.	66.1				66.1
56									

FY2003 SUPPLEMENTALS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
57	8(a)(8)	Health and Social Svcs	Vital Statistics	Operating costs driven by increased number of licenses and certificates, including non-permanent positions to deal with backlogs. Also covers rent as were able to move into new facility earlier than anticipated.			195.0	Receipt Supported Services	195.0
58	8(b)	Health and Social Svcs	Medicaid Services	Claims growth and match rate adjustment	28,055.8	(16,064.5)	(1,000.0)	Statutory Designated Program Receipts	10,991.3
59	8(c) and (d)	Health and Social Svcs	Commissioner's Office	Suicide Follow-back Study; extend lapse date to June 30, 2004					0.0
60	9	Law	Deputy Attorney General	Judgements and Claims \$1,064,246.51 GF, \$72,053.97 PERS	1,064.3		72.1	PERS	1,136.4
61	10	Law	Fourth Judicial District	Fairbanks DA office had unexpected move and lease costs due to the Department of Transportation and Public Facility's closure of Fairbanks court building.	95.0				95.0
62	11(a) and (b)	Military & Vets	Commissioner's Office	Structure change to move Commissioner's Office and Unallocated Reduction components to National Guard BRU	0.0				0.0
63	11(c)	Military & Vets	Military Youth Academy	Technical correction for Ch 130 SLA2002 (SB 345) fiscal note - correct fund source amounts	0.0				0.0
64	12(a)	Natural Resources	Recorder's Office	Increased costs to process heavy volume of mortgage refinance activity and increased postage and supplies costs.			149.1	Receipt Supported Services	149.1
65	12(b)	Natural Resources	Parks Management	Increased fees for City of Kodiak park maintenance contract.			4.0	Statutory Designated Program Receipts	4.0
66	12(c)	Natural Resources	Capital	National Coastal Wetlands Conservation grant pass thru to Juneau for purchase of wetlands near Herbert River.		553.0			553.0
67	13	Revenue	Alcohol Beverage Control Board	Contractual expenses for hearing officers for increased number of formal hearings in contested liquor license complaints and suspensions, and staff travel and per diem for hearings.	26.0				26.0
68	14(a)	Transportation	Central Region Highways and Aviation	Carry forward excess Whittier Tunnel toll revenue above FY2002 appropriation to comply with federal code requiring all toll revenue to be spent on the toll facility.			819.1	Receipt Supported Services	819.1
69	14(b)	Transportation	Fairbanks International Airport	Federal Homeland authority fund source switch from federal funds to International Airport Revenue Fund for mandated security activities at Fairbanks airport.		(326.0)	326.0	International Airport Revenue Fund	0.0
70	14(c)	Transportation	Regional Admin Services	Increased costs per negotiated contract with the Confidential Employees Association, retroactive to September 2001 and full FY 2003 costs.	25.7		46.9	Various	72.6
71	14(d)	Transportation	Marine Highway System	Marine Highway System increased fuel costs. July 2 fuel cost projected at 81.4 cents per gal with 8.7mm gallon use; Jan 27 revised projection at 90.7 cents with 9.6mm gallon use. Increased use was due to cancellation of private service contract to Metlakalla.			450.0	Marine Highway System Fund	450.0
72	14(e)	Transportation	Capital	Title change: Scammon Bay: Snow Removal Equipment Building should include "and Airport Layout Plan"					0.0
73	14(f)	Transportation	Capital	Title change: Hatcher Pass: Milepost 34 to 39 - Rehabilitation should be Milepost 25 to 39 - Rehabilitation					0.0

FY2003 SUPPLEMENTALS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
74	15(a)	State Debt	Debt	The appropriation in sec 31(e), ch 94, SLA 2002, pg 71, lines 12-19 to pay airport bond debt is short \$2000.00			2.0	International Airports Revenue Fund	2.0
75	15(b)and (c)	State Debt	Debt	Reduce debt retirement fund appropriation for school debt reimbursement by amount of FY2002 cigarette tax carry forward and increased tax collections			(2,593.9)	Debt RF	(2,593.9)
76	15(b)and (c)	State Debt	Debt	Increase School Fund appropriation for school debt reimbursement by amount of FY2002 cigarette tax carry forward and increased collections			2,593.9	School Fund	2,593.9
77	15(b)and (c)	State Debt	Debt	School construction reimbursement estimate has decreased from 56,378.4 to 52,536.0, a reduction of 3,842.4 needed to capitalize the debt retirement fund. That amount plus the 2,593.9 debt retirement fund reduction above is the amount the debt retirement fund is overcapitalized in FY03.	(6,436.3)		(3,842.4)	Debt RF	(10,278.7)
78	16(1)	Administration	Finance	Miscellaneous Claims and State-dated Warrants \$44,916.88	44.9				44.9
79	16(2)	Corrections	Admin Services	Miscellaneous Claims and State-dated Warrants \$3,385.35	3.4				3.4
80	16(3)	Education	Admin Services	Miscellaneous Claims and State-dated Warrants \$5,107.28	5.1				5.1
81	16(4)	Envir Cons	Admin Services	Miscellaneous Claims and State-dated Warrants \$568.03	0.6				0.6
82	16(5)	Fish and Game	Admin Support	Miscellaneous Claims and State-dated Warrants \$3,000.00 Feb 25 Amd: Increase by \$254.31 to \$3,254.31	3.3				3.3
83	16(6)	Health and Social Svcs	Admin Support	Miscellaneous Claims and State-dated Warrants \$42,267.93	42.3				42.3
84	16(7)	Law	Deputy Attorney General	Miscellaneous Claims and State-dated Warrants \$17,947.82	18.0				18.0
85	16(8)	Military & Vets		Miscellaneous Claims and State-dated Warrants \$580.88	0.6				0.6
86	16(9)	Public Safety	Admin	Miscellaneous Claims and State-dated Warrants \$47.50	0.0				0.0
87	16(10)	Transportation		Miscellaneous Claims and State-dated Warrants \$26.82	0.0				0.0
88				REGULAR SUPPLEMENTAL BILL TOTAL	54,052.3	16,005.7	(8,808.8)		61,249.2
89									
90	TOTAL FOR BOTH BILLS				63,437.5	40,730.7	(8,166.8)	0.0	96,001.4
91									
92				Ratifications:					
93	17(a)(1)(A)	Community		AR 56381-02 (Delta Junction Economic Recovery)	562.95				
94	17(a)(1)(B)	Community		AR 56385-02 (Rural Utility Mgt.)	0.83				
95	17(a)(2)(A)	Corrections		AR 50981-01 (Noncust Fingerprints)	219.77				
96	17(a)(2)(B)	Corrections		AR 50982-01 (ADAM Pgm/Univ AK Anc)	66.64				
97	17(a)(3)(A)	Health and Social Svcs		AR 22520-01 (Medicaid Services)	2,753,274.86				
98	17(a)(3)(B)	Health and Social Svcs		AR 22553-01 (Family and Youth Services Staff Training)	54,910.55				
99	17(a)(4)(A)	Fish & Game		AR43655-01 (9 EVOS Fish Pass)			8.05	Exxon Valdez	
100	17(a)(4)(B)	Fish & Game		AR42100-02 (Administrative Services)	16,437.65				
101	17(a)(5)	Public Safety		AR 47829-03 (RS DOT/AST DET .08)	2,615.00				
102	17(b) and (c)	Natural Resources	Fire Suppression	FY2002 Fire Suppression costs AR37313-02 Fire General Fund and AR37311-02 Fire Federal Receipts	13,340,900.00	3,000,000.00			
103	17(d)	Public Safety	Fish and Game Fund	Ratify prior year deposits from the General Fund to the Fish and Game Fund based upon an analysis conducted by the Department of Public Safety and the Court System.					

FY2003 SUPPLEMENTALS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	BRU or Component	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
104	18			Nonlapse of Appropriations					
105	19			Retroactivity					
106	20			Effective Dates					
107	21			Immediate Effective Date					

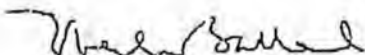
MEMORANDUM

State of Alaska

Department of Environmental Conservation
Office of the CommissionerTO: Cheryl Frasca, Director
Office of Management & Budget

DATE: February 26, 2003

PHONE NO: 465-5065

FROM: 
Ernesta Ballard, CommissionerSUBJECT: Supplemental request for Red Dog mine
air permit petition

On February 21, 2003, the U.S. Supreme Court granted Alaska's petition for a writ of certiorari in our case against EPA over primacy of air permitting in Alaska. The Supreme Court will now hear Alaska's arguments in this case. \$100,000 in supplemental funding for FY 2003 is needed to cover the contractual costs to the state for the briefing and argument of the case before the US Supreme Court.

The State of Alaska's appeal to the U.S. Supreme Court is to overturn a lower court decision that threatens the autonomy of the state's approved air permit program. The case concerns a new diesel generator installed to provide additional power at the Red Dog mine near Kotzebue, Alaska.

The state's brief before the Court is due on April 10, 2003. Even before then, in March, the state must designate the portions of the record for the high court to consider. Designation of the record and preparation of the opening brief will require an unexpected expenditure of funds in FY 03. We expect that the preparation of a reply brief and argument of the case will occur in FY 04.

Cameron Leonard has been the lead Assistant Attorney General for Alaska working this case through the initial 9th Circuit Court of Appeals decision and then in preparing the petition to the U.S. Supreme Court. The Attorney General's office has contracted with John Roberts of Hogan and Hartson LLP of Washington D.C. to prepare the cert petition. Alaska intends to continue to use the unique expertise of Mr. Roberts and his firm in developing our case for presentation on the merits to the Supreme Court.

In 1998, Teck Cominco, Inc. owner of the Red Dog Mine requested a new air quality permit to install a seventh diesel generator at the mine for additional and backup power. The Department of Environmental Conservation issued an air permit under the Clean Air Act which allowed for more power generation at the mine without causing a significant increase in emissions. The permit required that emission controls be installed on the mine's new diesel generator, as well as on the existing six generators. Under the state's permit, nitrogen oxide emissions would not exceed local or national health or prevention standards even with the new power being generated.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

Cheryl Frasca

2

February 26, 2003

The federal Environmental Protection Agency (EPA) objected, filing an order to block the permit and threatened fines if Teck Cominco powered up the new generator. EPA mandated that a new technology - selective catalytic reduction - be used on the single new generator. This new technology is unproven in arctic conditions, and under EPA's plan, the six older generators would be allowed to emit more than under the state permit.

The state originally sued the federal EPA over this issue in 2000 after a series of meetings with EPA and Teck Cominco failed to resolve the issue. On July 30, 2002, the 9th Circuit Court of Appeals ruled that EPA had acted correctly in requiring Teck Cominco to install the new technology.

cc: Gregg Renkes, Attorney General

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February 18, 2003

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Therriault:

Today I am transmitting two supplemental appropriation bills for Fiscal Year 2003. This bill is sometimes referred to as the "fast track" supplemental bill because it includes items that have particularly tight requirements that are not accommodated by the usual passage of supplemental appropriations later in the spring.

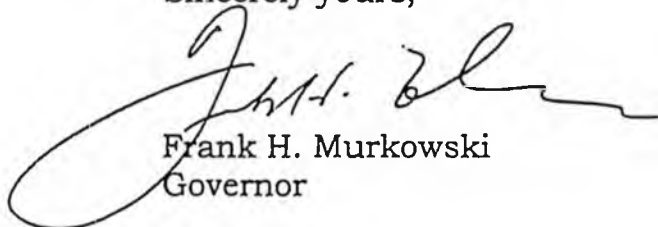
As you know, the Legislature's staff estimated the expected supplemental would total \$140 million. The two bills we are submitting total \$63.3 million. Our goal was to include general fund supported requests for circumstances that were not within management's control, such as disasters, caseload growth in formula-driven programs, and increased fuel costs.

We are also requesting Federal funds of \$19.8 million to begin three urgently needed highway projects sooner than waiting for the Fiscal Year 2004 capital budget. Two of the fast track supplemental requests are due to programs that were short-funded in last year's budget: subsidized adoptions and foster care special needs. The subsidized adoption program was funded \$2 million less than the department's projection. It now appears that a total of \$2.8 million more will be needed this year to meet state obligations to parents who have adopted children with special needs. The foster care special needs program was short-funded \$445,300, while now, due to additional caseload growth, a total of \$615,300 is required.

Senate President Gene Therriault
February 18, 2003
Page 2

I request that you put this bill on a "fast track" for final action in early March.

Sincerely yours,

A handwritten signature in black ink, appearing to read "F. Murkowski", with a large, sweeping flourish at the end.

Frank H. Murkowski
Governor



WILDLAND FIRE MANAGEMENT
THE BASICS

STATE RESPONSIBILITY FOR FIRE PROTECTION

The Department of Natural Resources protects state, private and municipal land from fire commensurate to the value of the resources at risk, as required by AS 41.15.010.

Life and safety of the public and the fire fighters are the highest priority and will not be compromised.

Fire can be an emergency – but the fact is that our job is to respond in an organized, routine manner to this emergency every time.

Wildland fire occurs across the 106 million acres of state and private land from March through October each year. Fire protection levels are determined by a wide variety of issues including the positive effects of fire for wildlife habitat and forest regeneration, cabin protection, suppression costs and increased risk that current suppression may create for future fires.

Alaska is divided into three areas of fire protection responsibility for the Division of Forestry, Bureau of Land Management and U.S. Forest Service. Each agency fights fire on all ownership within their area. This innovative approach provides the quickest response to fires and significantly reduces costs compared to fighting fire on a checkerboard of individual ownership.

State Land Selections



Populated areas, developed areas, the road net, and high value resources occur within the state's protection area. Quick response is critical to catch fires while they are small to minimize costs. Forestry's

fire fighters are a highly mobile work force. This mobility allows fewer fire suppression resources than would be required if every area provided its own wildland fire protection.

WHAT IS NEEDED FOR AN EFFECTIVE FIRE MANAGEMENT PROGRAM

- Operational Requirements -

A wide array of disciplines are needed to effectively manage an organization that fights 600 plus fires from campfire size to over a half million acres each year. An effective, efficient program requires administrative, personnel, fiscal and business management as well as logistics and dispatch support systems, scientific and technical specialties, aviation, equipment, and warehouse expertise.

Major functions essential to fire suppression include:

Preparedness: We don't know exactly where or when fires will occur, but we do know there will be fires, so we must be prepared for them. Fire fighters, equipment and all the support it takes must be ready when a fire starts. Fire fighters must be trained and ready. Fire engines and equipment must be in place. Retardant tankers and helicopters must be in place. *If you are well prepared the risk decreases.*

Detection: The sooner a fire is located, the quicker fire fighters are on the scene. Bush pilots and commercial airlines call in many fires, but a sophisticated lightning detection system identifies areas of concentrated lightning strikes where detection aircraft flights are then concentrated.

Weather Forecasts: A network of weather stations and a dependable forecasting service are essential for daily decision making and long range predictions. Personnel and equipment are frequently pre-positioned on the basis of weather information, allowing faster response times to fires.

Fire Danger Rating System: Weather information is the basis for a sophisticated computer generated fire danger rating system. This scientifically developed system provides basic data used to predict fire behavior, fire strategy and tactics after a fire start. This tool alone saves the state millions of dollars by improving allocation of forces.

Information (the net): Fire fighters, as well as managers, need to know the weather, the fire danger rating information, and where personnel or resources are prepositioned daily. An innovation in 1996 put all the critical fire information on the Internet with daily updates. Essential to fire management, this gives the professional and casual observer the actual data.

Initial Attack: A strong workforce to locate and attack fires while they are small is the backbone of the fire program. Successful initial attack can save the state a substantial amount. The cost of a small fire averages \$4 thousand compared to a large "project" fire that can range from \$2 million to \$30 million.

to national standards for every ICS job, must react immediately to a variety of dangerous situations, must ensure that procedures and policies are followed and that the most cost-effective decisions are made. Seasonal employees who are budgeted for 5 months a year fill many of the critical fire positions. A top fire position may require up to 15 years of training and experience. Retention of such an individual is extremely important to a cost effective and safe fire program.

A single decision can save the state millions of dollars – and often it must be made immediately in the heat of a fire



Qualified Personnel: People management is the hardest and the most rewarding aspect of fire management. They must be trained

Organizational Expansion: Within 48 hours Miller's Reach had 1800 personnel fighting fire or in support positions. The ability to

rapidly expand a small core organization to fight fires is critical. Training of a core staff, combined with strong cooperative agreements provides the phenomenal ability to expand very rapidly with a safe, well functioning organization. Similarly, Forestry may supply personnel for federal fire emergencies. Without this ability, the state would have a vastly larger, much more expensive and stand alone fire suppression organization.

Dispatch: In severe fire years, over 2000 emergency firefighters are hired and sent to fires. Dispatching, tracking and demobilizing personnel and aircraft rapidly is crucial to having the right tools in the right location at the right time.

Logistical Support: Every fire requires not only having fire fighters but a large inventory of equipment and supplies that is dispatched to fires all over the state, returned, repaired, refurbished and

restocked. State procurement and property management controls as well as adherence to national standards are required for interchangeable support with federal agencies. Fast, accurate response is provided by a dispatching system of highly qualified personnel, which must be in place and prepared.

Administrative Support:

The state bills federal cooperators for fighting fires, which start on their ownership. Historically this has provided a net reimbursement to the general fund of over \$3 million annually. Recovering state costs depends entirely on accurate and complete management of contracts, payroll, procurement, bill paying, accounting, personnel regulations, statistics, property management and audits. The regular field employees must have a working knowledge and a staff of skilled experts must be in place to support billing of up to \$16 million per agency.



GOOD MANAGEMENT

- Management -

Management is critical to successful and cost effective results in wildland fire fighting. People must get to a fire with the tools they need to fight it within a minimal period of time. Food, tents, and medical attention will be needed. Radios, weather data, terrain, ... the list grows of critical information needs, all of which must be managed if the fire itself is to be managed.

- Managing Workloads -

Smart management of workloads is essential to successful management of a fire. Workloads are affected by a number of factors.

2000 FIRES		
Division of Forestry	260	35,196.8 acres
Alaska Fire Service (BLM)	90	721,085 acres
U.S. Forest Service	19	14.4 acres

Number of Fires: Alaska usually has 500 – 700 fires per year. Forestry has the majority of that workload.

Lightning is the major cause of fires outside the road system. Lightning storms commonly occur across the interior producing as many as 3500 strikes per day. Sophisticated detection and fire danger systems assist in minimizing the workload of determining if fires started from each strike. It is not uncommon to have 50 to 80 lightning fires burning in different locations simultaneously.

Since 1984, Humans cause 84% of the fires within Forestry's protection area, most of which occur in major populated areas. Fire Prevention education is the most effective tool for decreasing these numbers.

Because of immediate threat to life these are the most critical fires to stop with initial attack. As urban areas expand into the wildland, this workload continues to expand.

2000 Fires by Protection Area	
Division of Forestry	70%
Alaska Fire Service (BLM)	25%
U.S. Forest Service	5%

Human Caused fires by Protection Area 2000 fire season	
Division of Forestry	86%
Alaska Fire Service (BLM)	8%
U.S. Forest Service	6%

Personnel and Resources (airplanes, helicopters, retardant, equipment, etc.) workload are directly impacted by the number of fires burning concurrently. As shortages occur, priorities must be set to allocate personnel and equipment most effectively. Reliance on the fire plan greatly assists since decisions on which areas to protect at what levels are already made. Coordination occurs statewide moving forces to the most critical areas as needed. Managing the workforce rapidly and efficiently results in suppressing fires more quickly, which saves the state money by avoiding larger fires.

Intensity of Fires: Weather, fuel conditions such as moisture content in vegetation, depth of vegetative mat and a myriad of other factors affect the fire intensity. Fire can spread as much as eight miles in a single hour. During the wind driven Miller's Reach Fire in 1996, firebrands were transported up to a mile in advance of the main fire, causing new ignitions. Intensity of a fire can create severe fire conditions that require special management to

safely and effectively utilize technology, personnel, and resources.

Complexity of Fires: Fire complexity may arise from unusual fire behavior, resources threatened such as urban areas or villages, the number of fires in a particular area all requiring suppression, or evacuation of people, multiple agency responses, etc.

The Miller's Reach Fire is a good example of a complex fire. Fire suppression involved 37 separate fire departments, over 1800 state and federal fire fighters, 103 agencies and organizations, local and national media, local and national political visits, and evacuation of more than 1500 people requiring emergency services.

The more complex a fire, the more important a pre-planned management response is to success.

- Managing Fires -

Fire management methods are tried and true. They are utilized nationally and internationally not only for fire but for natural disasters and major events such as a Presidential visit.

ICS – (Incident Command System) NIIMS. Forestry has used the National Interagency Incident Management System (NIIMS) ICS system since 1984. All Departments in state government use ICS per a Governor's administrative order. ICS is a management system used on

any kind or size of incident. It is also a management system for planned non-emergency events. Personnel are trained in specific ICS positions to a national standard. This allows Forestry to call upon fire professionals from other states when needed and makes Alaskan fire

fighters marketable to "lower 48" fires. A cost saving is directly realized by not having to train and

staff to a worse case level for fire response.

Fire Management Plans. Alaska is unique nationally by having developed one interagency fire plan across all land ownerships. The fire plan prioritizes areas according to fire protection levels based upon natural terrain, vegetative changes or values at risk, rather than changes in ownership. This recognizes the natural role of fire in the landscape, changing vegetative patterns that benefit wildlife and as a source of regeneration for some species such as black spruce. Approximately 51% of state, municipal and private land is in a category in which suppression action is not normally required. Interagency fire planning, involving all landowners and managers, defined four protection levels of fire suppression. Prioritization of fire fighting forces can be based on the highest to lower protection levels.

The four protection levels are:

Critical Protection: Areas given this level of protection are those in which wildland fires would threaten human life, inhabited property and designated developments. Wildfires that threaten a critical site have unquestioned priority over all other fires. The designation of a critical site or area is at the discretion of the land manager or owner and the manager/owner of surrounding lands.

Full Protection: Areas assigned this designation receive initial attack and aggressive suppression efforts on all fires until controlled. This option is designed to protect historical sites, uninhabited private property, high-value natural resources and other high value areas that do not involve protecting human life and inhabited property.

Modified Protection: The intent of this option is to reduce suppression costs and impacts of suppression action and to provide land managers/owners options within agency constraints and mandates. It allows for two responses to fire: (1) a relatively high level of protection during seasonal periods when fires usually burn with greater intensity, severity and frequency; and (2) a lower level of protection when the risks of large, damaging fires has diminished.

Limited Protection: This category is characterized by areas with low values at risk, where the impact of suppression may be more damaging or costly than the effect of fire. Suppression actions are taken only to the extent necessary to keep a fire within the management unit or to protect identified values. Site specific areas that warrant protection may occur within limited protection areas. Appropriate suppression actions to protect these sites may be taken without compromising the intent of the limited protection areas.

Fire Management Plans save money Approximately 46% of the state's total land base has been placed in the Limited Protection category and 37% in Full and Modified. Since 1984 a total of 1,705 fires for an average of 100 fires annually have been allowed to burn without initial suppression action. This represents an area of 9,008,536.3 or 529,913.9 acres annually allowed to burn naturally.

HOW THE STATE SAVES MONEY

- *Share the Job* -

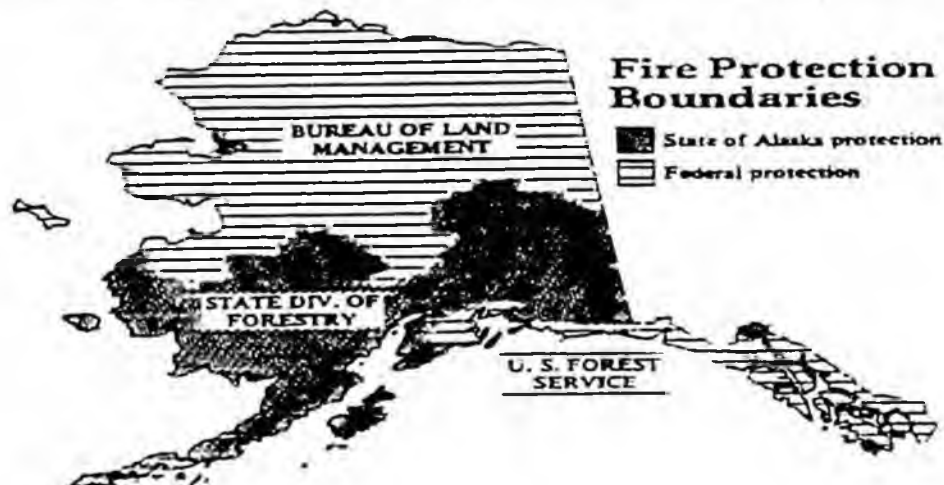
Savings for the state are clearly generated by maintaining fewer fire fighters and relying on cooperators through agreements to assist during peak fire workloads.

Local Fire Departments: The closest forces concept is often most effective in catching fires while they are small. In some areas of the state the closest forces are local fire departments.

Organized and volunteer fire departments assist in responding to wildland fires when their higher priority of structure protection allows. Wildland fire fighting and structure fire fighting are very different, requiring different training and equipment for safe work.

Federal Agencies: Federal land managers provide direction through the interagency fire plan and directly on some project fires. The federal agencies with a land manager role in Alaska are the Bureau of Land Management, the U.S. Forest Service, the National Park Service, the U.S. Fish and Wildlife Service, the U.S. military, and the Bureau of Indian Affairs. The federal agencies have agreements that stipulate The Bureau of Land Management will provide fire suppression. The Bureau of Land Management created the Alaska Fire Service (AFS) as their fire suppression organization.

The Alaska Fire Service (AFS) and U.S. Forest Service fight fires within their protection areas on all land ownership. Forestry and AFS routinely interchange personnel and resources to both manage and fight fires. This proves efficient and cost effective.



- *Leverage the workforce* -

Flexible Staffing and Cross Trained Employees. The division is organized so positions may be shifted between fire and resource programs depending on priorities and the workload. During a difficult fire season all staff are available to support fire suppression; similarly, during slow or rainy periods fire staff may be working in the woods on forest resources. Cross training is essential to meet the unpredictable fluctuations of the fire program.

Total Mobility. Rapid mobility of personnel and equipment provides the basis for responding to simultaneous fires in different areas of the state. Minimum staffing for initial attack is maintained while relying on personnel from other Areas or agencies in the event of large fires. This also provides for the best utilization of forces as Areas with lower fire danger can provide personnel for fires elsewhere.



Seasonal Fire Positions. Seasonal employees are the backbone of the fire suppression program. They are an experienced and qualified work force, many of whom have worked for Forestry 10 – 15 years. This is highly unusual in fire fighting, but gives the state a tremendous resource of well-trained, seasoned fire fighters familiar with Alaska's diverse fire fuel types. Their expertise, through use of the ICS system, provides the basis for Forestry's ability to expand from a few dozen employees to well over a thousand within a day or two – and be effectively fighting fires immediately.

Seasonal Firefighter positions are funded on average of 5.4 months. These employees fill a variety of fire protection positions, including:

- Firefighters
- Engine Forman
- Crewman – engine/helicopter
- Helicopter foreman
- Dispatcher
- Suppression foreman
- Logistics coordinator
- Airbase manager
- Airplane pilot
- Air Attack
- Mechanic/maintenance
- Procurement specialist
- Warehouse worker
- Payroll clerk
- Field office assistant
- Prevention specialist

EFF Crews (Emergency Fire Fighter). A total of 73, 16-person Type II crews are trained to national ICS standards and used for wildland fire fighting in Alaska. Mostly from rural areas, these largely native crews are hired when fires are fought and released when they are out. The state manages 29 of these crews, providing needed training, physical requirement tests, and red card issuance. These crews are also dispatched to fires in other states, after Alaska's fire season, which supplies further employment paid for by the federal government.

Over \$6.9 Million in wages is paid annually to Alaskan EFF.

- Leverage the Dollars -

FEPP: Forestry takes advantage of the Federal Excess Personal Property (FEPP) program to acquire fire fighting aircraft, vehicles and equipment. Use is restricted to 90% fire fighting activities, no title is passed to the state, all expenses in maintaining equipment rests with the state, but the state thus avoids the cost of purchase for similar equipment. This program saves the state millions of dollars.

Cross Billing: The state bills the federal government for fighting fires that occur on federal land ownership. The federal government similarly bills the state. This process is complex and results in cross-billings of \$16 to \$30 million per year. The location of fire starts on ownerships determines who pays for a fire. **Historically the state is reimbursed an average of \$3 million more per year payment from the federal government than what the state pays them.**

Smokejumpers: The state purchases participation in the federal smokejumper program. This avoids duplication of a specialized, costly program and gives the state immediate access which helps catch fires quickly.

Aviation: Use of helicopters, lead planes, detection planes, retardant planes, and crew/cargo planes is essential due to the remote location of many fires. Roughly 86% of state aviation needs are contracted with the private sector.

- *Share the Workload* -

Interagency Management Teams (IMTs): Part of the ICS fire management system is use of overhead teams – a team of fire managers in specific positions including Incident Commander, Plans, Operations, Logistics, etc. to manage a complex fire. A Team combines individuals from both the state and federal agencies. This avoids the need to ensure that state personnel are trained and qualified for each position. This is a “de facto” expansion of the workforce without a corresponding investment, as the base salaries are paid by the separate agencies.

AICC (Alaska Interagency Coordination Center): Jointly staffed and managed by Forestry and AFS, the Center coordinates the mobilization of personnel and resources to fires statewide. Duplication of personnel and separate facilities for state and federal suppression agencies is avoided and fast, efficient response is provided.

Training: Training is required for many mandated requirements such as Haz-Mat, blood-borne pathogens, Americans with Disabilities, Commercial Drivers Licenses, as well as training for ICS positions to national standards for employees and EFF crews. Statewide requirements for ICS positions are coordinated so that a reasonable number of employees (state and federal) are trained for each ICS position. Training is provided jointly with instructors from all agencies. This not only saves money, but also ensures uniformity in fire fighting basics.

Warehouse: Close coordination between the state and federal warehouse systems provides for dependable, quick response in getting supplies to fires. As fires deplete the supplies available, access to national caches in the lower-48 is available, but it is far more common to have the in-state warehouses provide a continuous flow of materials to each other as fire activity increases. Inventory tracking and reimbursements are well organized. There is a substantial cost savings to the state in not having to stock for the worst case fire.

WHERE ARE WE GOING?

- *Wildland/Urban Interface* -

The Tok Fire in 1990 and Miller's Reach Fire in 1996 indicate Alaska has a growing threat of wildland/urban interface fires. The stakes are high, involving human life and major property values. The skills needed are different from strictly wildland fire needs, involving hazardous substances, structure, and evacuation needs. Forestry has a major role, but clearly responsibility rests with structure fire departments, municipalities, boroughs, and public safety agencies. Homeowners have a responsibility too. Planning, coordination and training needs to occur with all parties for a swift, coordinated response when fires start.

There will be more wildland/urban interface fires as Alaska continues to develop and the population grows.

- *Rural Employment* -

EFF crews have provided the foundation for on the ground fire fighting. These crews are primarily rural, native Alaskans. Their employment spreads the fire dollar into economies that often predominantly rely upon subsistence. Their employment may well supplant other state and federal aid to those areas. The performance of Alaskan EFF crews is respected and valued not only in Alaska but in other states where they have fought fire.

Encouraging, maintaining and supporting the existing EFF crews is fundamental to a solid fire program in Alaska.

- *Increase State Protection Areas* -

The state protects 160 million acres of land in all ownership. The agreement with federal agencies was based upon the percentage of land ownership (and selection) by the state. Nationally other states are asserting a stronger role in fighting fires as downsizing occurs in the federal sector. The state already has the major fire fighting role, in spite of a much smaller workforce and budget. Fire fighting is clearly an economic benefit to rural Alaska, and increased Alaskan employment rather than out-of-state federal employment can only benefit the state.

Discussions have been broached with the Alaska Fire Service and the U.S. Forest Service Chugach National Forest on changing protection boundaries to increase the amount of land protected by the state.

- *Responsibility where it belongs. State, private, municipal.*

The state fights wildland fires and has major responsibility in wildland urban interface. However, some areas of the state have organized Boroughs and municipalities that tax landowners to provide fire fighting services. In most areas this results in structure fire protection but not rural wildland fire protection. The structure fire departments are often the first responders to wildland fires in their areas and in many cases suppress wildfires completely. Forestry does pay for some of this service per agreements. These fire departments are neither trained nor equipped to safely fight larger wildland fires within their protection areas. Forestry has developed training to assist them in this area, but the major responsibility still remains with the state. Discussions need to begin with the Boroughs and municipalities that tax landowners for all fire protection services but for which the state provides wildland fire suppression. This will be a difficult issue as funding is decreasing on both state and local levels.

- *Adapt, but keep what works –*

Fire workloads are increasing in response to increased population and recreation while budgets are decreasing. It is clear that Forestry has been successful in adapting new technology, cost saving partnerships, effective management, and effecting tough decisions to meet these changes. The fire plans, ICS, organizational flexibility, cooperative agreements and fiscal constraints provide savings to the state.

Fire managers take pride in getting the job done safely, efficiently and effectively. They are innovators and good managers. But the fact remains that the fire load is growing.

This document describes the State of Alaska's Wildland fire protection services program, managed by the Department of Natural Resources, Division of Forestry.

For more information contact:

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February 2001

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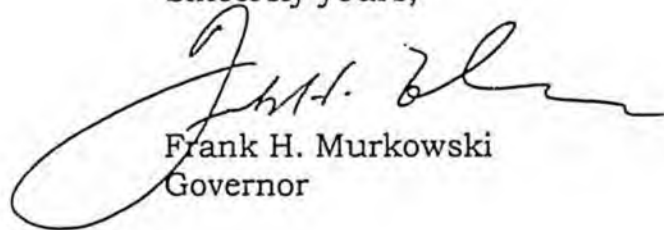
As you know, the Legislature's staff estimated the expected supplemental would total \$140 million. The two bills we are submitting total \$63.3 million. Our goal was to include general fund supported requests for circumstances that were not within management's control, such as disasters, caseload growth in formula-driven programs, and increased fuel costs.

We are also requesting Federal funds of \$19.8 million to begin three urgently needed highway projects sooner than waiting for the Fiscal Year 2004 capital budget. Two of the fast track supplemental requests are due to programs that were short-funded in last year's budget: subsidized adoptions and foster care special needs. The subsidized adoption program was funded \$2 million less than the department's projection. It now appears that a total of \$2.8 million more will be needed this year to meet state obligations to parents who have adopted children with special needs. The foster care special needs program was short-funded \$445,300, while now, due to additional caseload growth, a total of \$615,300 is required.

Senate President Gene Therriault
February 18, 2003
Page 2

I request that you put this bill on a "fast track" for final action in early March.

Sincerely yours,

A handwritten signature in black ink, appearing to read "F. Murkowski", with a large, sweeping flourish extending to the left and underlining the text.

Frank H. Murkowski
Governor

SB

76

SFIN

FILE

SB 76

was referred to the
Senate Finance
Committee

Hearing(s) were held

The bill did not move
from Committee



Official Business


Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

MEMORANDUM

TO: Senate Finance Committee Members

FROM: Deb Davidson, Legislative Aide 
Senator Lyda Green, Co-Chair

DATE: February 28, 2003

RE: Public Defender Agency Caseload

Attached are two tables providing data on the Public Defender Agency caseload from FY 85 – FY 82 and a breakdown of new cases referred to the agency in FY 02. These tables were provided in response to Senator Wilken's questions at the February 25 Senate Finance meeting.

RECEIVED

FEB 26 2003

ALASKA PUBLIC DEFENDER AGENCY

TOTAL NEW CASES FILED BY FY

FISCAL YEAR	FELONY	MISDEMEANOR		PROBATION REVOCATION			JUVENILE	CINA	SANITY	SENTENCE APPEAL		MERIT APPEAL			PCR'S	PAROLE BOARD	SPECIAL APPT.	TOTAL
		City	State	Fel	Mis	Juv				Fel	Mis	Fel	Mis	Other				
1985	1895	1886	6956	463	591	0	491	343	427	175	62	0	0	0	113	12	50	13464
1986	1830	186	7273	553	780	0	447	467	522	199	68	0	0	0	178	97	118	12718
1987	1873	127	7373	670	842	0	437	458	466	204	46	0	0	0	297	29	201	13023
1988	1821	50	7006	672	779	0	415	565	448	171	82	0	0	0	284	41	190	12524
1989	1946	65	7291	832	875	0	447	631	501	157	36	0	0	0	268	54	169	13272
1990	2110	35	8388	745	1178	0	529	821	545	158	22	0	0	0	236	90	44	14901
1991	1953		8728	860	1027	0	435	595	573	146	52	0	0	0	443	109	57	14978
1992	2113	54	9679	854	1566	0	500	589	753	142	49	0	0	0	613	127	55	17094
1993	2258	28	8708	771	1601	52	423	520	959	156	31	0	0	0	471	57	102	16137
1994	2358	36	9156	813	2031	55	540	530	1013	176	28	0	0	0	673	91	82	17582
1995	2466	16	8783	936	2238	47	536	637	879	47	5	84	102	29	501	83	4	17393
1996	2942	28	8522	1056	2360	130	521	623	846	56	18	95	38	23	476	113	19	17866
1997	3137	12	8568	1267	2373	171	651	608	924	54	14	109	13	9	438	103	12	18463
1998	3198	11	8526	1453	2620	131	679	840	1053	37	7	102	14	23	442	180	20	19336
1999	3159	20	7972	1410	2730	160	658	1003	1050	32	4	131	24	11	426	200	12	19002
2000	3191	7	8247	1599	2491	198	678	953	994	31	14	81	25	10	341	382	44	19286
2001	3200	0	8523	1634	2599	217	535	925	914	26	5	77	22	16	367	296	55	19411
2002	3609	0	9083	1675	2454	205	602	961	617	46	4	76	26	7	329	306	31	20031
TOTAL	45059	2561	148782	18263	31135	1366	9524	12069	13484	2013	547	755	264	128	6896	2370	1265	296481

ALASKA PUBLIC DEFENDER AGENCY

FY 02 NEW CASES FILED

LOCATION	FELONY	MISDEMEANOR		PROBATION REVOCATION			JUVENILE	CINA	SANITY	SENTENCE APPEAL		MERIT APPEAL			PCR'S	PAROLE BOARD	SPECIAL APPT.	TOTAL
		City	State	Fel	Mis	Jtiv				Fel	Mis	Fel	Mis	Other				
Anchorage	1515		1106	814	167	92	216	421	371	14	1	61	7	4	29	222	28	5068
Barrow	67		387	35	2	7	13	19	9	1	0	0	1	0	3	1	0	545
Bethel	251		1044	64	220	3	54	82	0	0	0	0	0	0	1	0	0	1719
Dillingham	63		322	25	9	1	2	29	0	0	0	0	0	0	0	0	0	451
Fairbanks	423		1414	247	429	22	71	148	33	21	1	3	3		26	33		2874
Juneau	179		602	82	253	16	48	49	106	2	0	2	0	1	1	17	0	1358
Kenai	248		973	66	189	13	38	54	0	3	0	4	5	1	3	7	1	1605
Ketchikan	206		831	71	165	11	53	25	60	1	0	2	2	0	18	9	0	1454
Kodiak	67		220	35	48	7	14	13	5	0	0	2	2	0	0	2	1	416
Kotzebue	104		309	48	34	0	15	24	1	1	0	0	0	0	0	1	0	537
Nome	134		531	67	310	13	33	37	7	1	0	0	3	0	36	5	0	1177
Palmer	288		1101	105	551	20	39	57	1	2	0	1	3	1	208	9	0	2386
Sitka	64		243	16	77	0	6	3	24	0	2	1	0	0	4	0	1	441
																		0
																		0
																		0
TOTAL	3609	0	9083	1675	2454	205	602	961	617	46	4	76	26	7	329	306	31	20031

FY02 Optional Expenditures and Recipients (1)

Priority Type of Service

	Services	Recipients	Expenditures
1	Clinical Social Workers Services	-	\$ -
2	Psychologists Services	26	\$ 12,659.20
3	Chiropractic Services	193	\$ 14,222.61
4	Advanced Nurse Practitioner Services	2,461	\$ 612,611.82
5	Adult Dental Services	4,988	\$ 2,065,629.01
6	Emergency Hospital Services	-	\$ -
7	Midwife Services	254	\$ 277,281.25
8	Treatment of Speech, Hearing, and Language Disorders	1,128	\$ 825,162.99
9	Optometrists Services and Eyeglasses	12,042	\$ 1,247,127.15
10	Occupational Therapy	95	\$ 84,541.86
11	Mammography Screening	2,121	\$ 105,725.80
12	Prosthetic Devices	372	\$ 338,198.06
13	Medical Supplies and Equipment	3,568	\$ 3,740,140.74
14	Targeted Case Management Services	-	\$ -
	Rehabilitative Services for Substance Abusers and Emotionally		
15	Disturbed or Chronically Mentally Ill Adults	809	\$ 1,749,407.24
16	Clinic Services	4,241	\$ 14,042,584.82
17	Physical Therapy	1,289	\$ 1,138,526.68
18	Personal Care Services in a Recipient's Home	6,125	\$ 27,134,355.83
19	Prescribed Drugs	27,112	\$ 68,968,708.14
20	Hospice Care	3	\$ 28,163.78
21	Long-Term Care Noninstitutional Services	2,235	\$ 53,116,957.39
22	Inpatient Psychiatric Facility Services	14	\$ 279,281.93
23	Intermediate Care Facility Services for the Mentally Handicapped	-	\$ -
24	Intermediate Care Facility Services	-	\$ -
	Eligibility Groups	Recipients	Expenditures
25	DK <= 18 (TEFRA)	302	\$ 942,595.68
26	19 to 20 year olds	919	\$ 1,969,855.11
27	<= 20 nursing homes	-	\$ -
28	AD and OA	7,642	\$ 57,816,844.64
29	IN (300%)	932	\$ 19,758,263.34
30	<= 18 custody kids	14,142	\$ 18,070,403.51
31	state only adopted kids	134	\$ 159,497.16
32	DW	185	\$ 370,038.25
	Eligibility Groups	Recipients	Expenditures
	Title XXI Rolled back to below 150% (cut CP)	6,075	\$ 8,944,624.00
	note: we would most likely realize only this due to XIX eligibility	10,435	\$ 15,312,616.00
	Total Title XXI	15,119	\$ 26,439,196.00
	Breast and Cervical Cancer	42	\$ 448,827.41
	Pregnant Women >= 133% FPL (2)	2,272	\$ 10,092,916.08
	TOTAL		\$ 336,106,963.49

(1) This data represents MMIS claims only. Each group is exclusive in nature so that the total at the bottom IS the total unduplicated expenditures for the groups in FY02.

(2) This is an estimated number based on the 133% PG report from DPA.

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(907) 465-3805 Fax

SENATOR LYDA GREEN SENATE DISTRICT N

August 5, 2002

The Honorable Jay Livey, Commissioner
Department of Health and Social Services
P.O. Box 110601
Juneau, AK 99811-0601

Dear Commissioner Livey:

I received your letter of July 26 regarding the denial of Alaska's Fair Share program proposal by the U.S. Department of Health and Human Services. Thank you for keeping me informed.

As you are aware, the more than \$50 million general fund savings which Fair Share program was intended to save the State of Alaska was fully utilized in other budget categories. At this point, it would be prudent for the Department of Health and Social Services to pursue all available cost cutting strategies in the Medicaid program in order to minimize the impact of the Fair Share program on the overall budget. There is certainly no guarantee that the Legislature or even the next administration will be willing or able to cover a general fund supplemental of this magnitude. I strongly urge you to do everything possible to reduce the impact of this program denial on the state budget.

I understand that you and the staff of the Division of Medical Assistance believe that Alaska has a good chance of prevailing in this case on appeal. I encourage you to pursue that appeal with vigor. More important to my mind, however, is how you prepare to deal with the situation should that appeal fail or should the ultimate decision in this case be postponed beyond the current fiscal year. I would remind you that there is no other division or department in state government that can absorb this \$50 million loss in funding should you not take steps to reduce spending in this program. Please keep me updated routinely as to your plans to make up this shortfall.

Sincerely,

A handwritten signature in cursive script that reads "Lyda Green".

Senator Lyda Green, Chair
Finance Subcommittee on the Department of Health and Social Services

for state-funded programs previously paid for with direct state grants or contracts. It is anticipated that up to 95 percent of the funds made available will be appropriated to the Medicaid Services BRU to cover the state match requirement for the hospital refinancing payments and other Medicaid services.

Reduced Interagency Receipts (I/A)

The division is requesting a reduction in I/A receipts to more accurately reflect current activity of PFD Hold Harmless Program and Tax Equity Fiscal Responsibility Act (TEFRA) Severely Emotionally Disturbed (SED) receipts.

Federal Medical Assistance Percentage (FMAP)

Alaska's federal FY02 FMAP rate was decreased to 57.38 percent for Title XIX and 70.17 percent for Title XXI. This is a significant drop from FY01 that carries with it a potential loss of federal funds for Alaska of more than \$10 million. On November 6, 2001, U.S. Senator Max Baucus introduced the "Economic Recovery and Assistance for American Workers Act of 2001" that includes FMAP relief. The Act holds harmless states with 02 FMAP rates that were reduced, provides an across-the-board 1 percent increase and an additional 1 percent increase to states with a higher than average unemployment rate over the previous 3 months.

In anticipation of the enactment of the Economic Recovery and Assistance for American Workers Act of 2001, the department is not asking for additional general funds to replace potentially lost federal dollars at this time.

Major Component Accomplishments in 2001

FY01 Hospital ProShare

In FY01, the department was able to capitalize on remaining federal ProShare allowances by payment of \$39.4 million. This payment provided the division with an additional \$11.8 million in statutory designated program receipts earmarked for claims payments.

Non IMD DSH

In federal FY01, the division implemented a refinancing project capitalizing on Non IMD DSH funds available to Alaska. \$4.9 million in total funds were distributed to Alaskan hospitals that have programs serving a disproportionate share of low-income persons.

Breast and Cervical Cancer

Congressional legislation created a new Medicaid eligibility group of women requiring treatment of breast or cervical cancer, screened under the Breast and Cervical Cancer Detection Program. Medicaid eligibility for this group lasts through treatment and includes all Medicaid covered services. This program was implemented in FY01 with the first recipients treated in July.

Denali KidCare Program

Alaska's Denali KidCare (DKC) program is a continuing success that provides needed medical care to children who may otherwise go without. In FY01, the DKC renewal certification process was streamlined through the use of preprinted forms to ensure continued access to medical services for Alaska's eligible children. In addition, program information has been translated and distributed in written form in 9 languages.

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Inmate Health Care	4,323,400	
4	Inmate Programs	564,800	
5	Transportation and	60,200	
6	Classification		

7 ***** *****

8 ***** **Department of Education and Early Development** *****

9 ***** *****

10	Executive Administration	-700	-700
11	Agency-wide Unallocated	-700	
12	Reduction		

13	Teaching and Learning Support	211,600	111,600	100,000
14	Special and Supplemental	211,600		
15	Services			

16 ***** *****

17 ***** **Department of Health and Social Services** *****

18 ***** *****

19	Commissioner's Office	220,500	220,500
----	------------------------------	---------	---------

20 No money appropriated in this appropriation may be expended for an abortion that is not a
 21 mandatory service required under AS 47.07.030(a). This statement is a statement of the
 22 purpose of this appropriation and is neither merely descriptive language nor a statement of
 23 legislative intent.

24	Commissioner's Office	220,500	
25	Medical Assistance	28,942,200	28,942,200
26	Medicaid Services	28,942,200	

27 No money appropriated in this appropriation may be expended for an abortion that is not a
 28 mandatory service required under AS 47.07.030(a).



29 The money appropriated for Medical Assistance may be expended only for mandatory
 30 services required under Title XIX of the Social Security Act and for optional services offered
 31 by the state under the state plan for medical assistance that has been approved by the United
 32 States Department of Health and Human Services. This statement is a statement of the
 33 purpose of the appropriation for Medical Assistance and is neither merely descriptive

1	Appropriation		General	Other
2	Allocations	Items	Funds	Funds
3	language nor a statement of legislative intent.			
4	It is the intent of the legislature that the amount appropriated in this appropriation is the full			
5	amount that will be appropriated for Medical Assistance for the fiscal year ending June 30,			
6	2003. If the amount appropriated in this appropriation is not sufficient to cover the costs of			
7	Medical Assistance for all eligible persons, the department shall eliminate coverage for			
8	optional medical services that have a federal match and optionally eligible groups of			
9	individuals in accordance with AS 47.07.035. It is the intent of the Legislature that requests			
10	for supplemental appropriations for Medical Assistance for the fiscal year ending June 30,			
11	2003 will not be approved. This intent covers the budgeted reductions to Medicaid, but does			
12	not apply to any loss of funds that may occur if the department's "Fair Share" funding			
13	mechanism is not approved by the federal government.			
14	Purchased Services	6,004,200	5,604,200	400,000
15	Family Preservation	250,000		
16	Foster Care Augmented Rate	500,000		
17	Foster Care Special Need	747,900		
18	Foster Care Alaska Youth	400,000		
19	Initiative			
20	Residential Child Care	4,106,300		
21	Family and Youth Services	148,600	148,600	
22	Front Line Social Workers	148,600		
23	Juvenile Justice	292,300	292,300	
24	McLaughlin Youth Center	159,500		
25	Fairbanks Youth Facility	81,900		
26	Bethel Youth Facility	50,900		
27	State Health Services	4,655,200	4,404,100	251,100
28	Maternal, Child, and Family	253,600		
29	Health			
30	Healthy Families	100,000		
31	Community Health Grants	98,300		
32	Infant Learning Program	4,203,300		
33	Grants			

(1) is required by a medical support order under AS 25.27.060(c) to provide coverage of the costs of medical care to a child who is eligible for medical assistance under this chapter;

(2) has received payment from a third party for the costs of the services; and

(3) has not used the payments to reimburse, as appropriate, the other parent or custodian of the child, the provider of the services, or the department.

(c) Garnishment under (b) of this section is limited to the amount necessary to reimburse the department for expenditures for the child under this chapter. Claims for current support or support arrearages take priority over claims under this section. (§ 18 ch 102 SLA 1994; am § 22 ch 106 SLA 2000)

Cross references. — For legislative purposes in enacting this section, see § 1, ch. 102, SLA 1994 in the Temporary and Special Acts.

Effect of amendments. — The 2000 amendment, effective June 2, 2000, made a section reference substitution in paragraph (b)(1).

Sec. 47.07.030. Medical services to be provided. (a) The department shall offer all mandatory services required under 42 U.S.C. 1396 — 1396p (Title XIX of the Social Security Act).

(b) In addition to the mandatory services specified in (a) of this section and the services provided under (d) of this section, the department may offer only the following optional services: case management and nutrition services for pregnant women; personal care services in a recipient's home; emergency hospital services; long-term care noninstitutional services; medical supplies and equipment; advanced nurse practitioner services; clinic services; rehabilitative services for children eligible for services under AS 47.07.063, substance abusers, and emotionally disturbed or chronically mentally ill adults; targeted case management services for substance abusers, chronically mentally ill adults, and severely emotionally disturbed persons under the age of 21; inpatient psychiatric facility services for individuals age 65 or older and individuals under age 21; psychologists' services; clinical social workers' services; midwife services; prescribed drugs; physical therapy; occupational therapy; chiropractic services; low-dose mammography screening, as defined in AS 21.42.375(e); hospice care; treatment of speech, hearing, and language disorders; adult dental services; prosthetic devices and eyeglasses; optometrists' services; intermediate care facility services, including intermediate care facility services for the mentally retarded; skilled nursing facility services for individuals under age 21; and reasonable transportation to and from the point of medical care.

(c) Notwithstanding (b) of this section, the department may offer a service for which the department has received a waiver from the federal government if the department was authorized, directed, or requested to apply for the waiver by law or by a concurrent or joint resolution of the legislature. The department shall annually make available to the legislature its recommendations about where a service offered under this subsection should be placed on the priority list in AS 47.07.035. The department shall notify the legislature that the recommendations are available.

(d) The department may establish as optional services a primary care case management system or a managed care organization contract in which certain eligible individuals are required to enroll and seek approval from a case manager or the managed care organization before receiving certain services. The department shall establish enrollment criteria and determine eligibility for services consistent with federal and state law. (§ 1 ch 182 SLA 1972; am § 1 ch 35 SLA 1973; am § 2 ch 105 SLA 1974; am § 1 ch 12 SLA 1976; am § 2 ch 221 SLA 1976; am § 1 ch 82 SLA 1978; am § 25 ch 40 SLA 1981; am § 2 ch 132 SLA 1982; am § 1 ch 20 SLA 1986; am § 4 ch 105 SLA 1986; am § 2 ch 119 SLA 1988; am § 3 ch 45 SLA 1989; am § 3 ch 69 SLA 1991; am § 1 ch 70 SLA 1991; am § 1 ch 38 SLA 1992; am § 1 ch 110 SLA 1992; am § 2 ch 51 SLA 1993; am § 1 ch 75 SLA 1993; am § 2 ch 76 SLA 1993; am § 19 ch 102 SLA 1994; am § 108 ch 21 SLA 1995; am §§ 3, 4 ch 140 SLA 1998; am § 5 ch 130 SLA 2002)

Effect of amendments. — The first 1991 amendment, effective September 19, 1991, inserted "low-dose mammography screening, as defined in AS 21.42.375(e)" near the middle of subsection (b).

The second 1991 amendment, effective September 19, 1991, inserted "psychologists' services; clinical social workers' services" near the middle of subsection (b).

The first 1992 amendment, effective July 1, 1992, in subsection (b), inserted "rehabilitative services for substance abusers and emotionally disturbed or chronically mentally ill adults; targeted case management services for substance abusers, chronically mentally ill adults, and severely emotionally disturbed persons under the age of 21;"

The second 1992 amendment, effective September 20, 1992, inserted "advanced nurse practitioner services;" in subsection (b).

The first 1993 amendment, effective July 1, 1993, inserted "midwife services" near the middle of subsection (b).

The second 1993 amendment, effective January 1, 1994, inserted "hospice care" near the end of subsection (b).

The third 1993 amendment, effective June 26, 1993, added subsection (c).

The 1994 amendment, effective September 7, 1994, added subsection (d).

The 1995 amendment, effective August 8, 1995, subsection (c), substituted "make available" for "submit" in the second sentence and added the last sentence.

The 1998 amendment, effective July 2, 1998, inserted "and the services provided under (d) of this section" near the beginning of subsection (b) and rewrote subsection (d).

The 2002 amendment, effective July 6, 2002, inserted "children eligible for services under 47.07.063" near the middle of subsection (b).

Legislative history reports. — For governmental transmittal letter concerning the amendment to sections (b) and (d) by ch. 140, SLA 1998 (369(FIN)am), see 1998 House Journal 2159.

Collateral references. — Transsexual surgery covered operation under state medical assistance program, 2 ALR4th 775.

Limitation on right of chiropractors and osteopaths to participate in public medical assistance programs, 8 ALR4th 1056.

Sec. 47.07.035. Priority of medical assistance. If the department finds that the cost of medical assistance for all persons eligible under this chapter will exceed the amount allocated in the state budget for that assistance for the fiscal year, the department shall eliminate coverage for optional medical services and optionally eligible groups of individuals in the following order:

- (1) clinical social workers' services;
- (2) psychologists' services;
- (3) chiropractic services;
- (4) advanced nurse practitioner services;
- (5) adult dental services;
- (6) emergency hospital services;
- (7) midwife services;
- (8) treatment of speech, hearing, and language disorders;
- (9) optometrists' services and eyeglasses;
- (10) occupational therapy;
- (11) mammography screening;
- (12) prosthetic devices;
- (13) medical supplies and equipment;
- (14) targeted case management services;
- (15) rehabilitative services for substance abusers and emotionally disturbed or chronically mentally ill adults;
- (16) clinic services;
- (17) physical therapy;
- (18) personal care services in a recipient's home;
- (19) prescribed drugs;
- (20) hospice care;
- (21) long-term care noninstitutional services;
- (22) inpatient psychiatric facility services;
- (23) intermediate care facility services for the mentally retarded;
- (24) intermediate care facility services;
- (25) individuals described in AS 47.07.020(b)(11);
- (26) individuals under age 21 who are not eligible for benefits under the federal program designated as the successor to the aid to families with dependent children.

program because they are not deprived of one or more of their natural or adoptive parents;

(27) skilled nursing facility services for persons under age 21;

(28) aged, blind, and disabled individuals who, because they do not meet the income requirements, do not receive supplemental security income under Title XVI of the Social Security Act, but who are eligible, or would be eligible if they were not in a skilled nursing facility or intermediate care facility, to receive an optional state supplementary payment;

(29) individuals in a hospital, skilled nursing facility, or intermediate care facility whose income while in the facility does not exceed 300 percent of the supplemental security income benefit rate under Title XVI of the Social Security Act, but who, because of their income, are not eligible for the optional state supplementary payment;

(30) individuals under age 21 under supervision of the department for whom maintenance is being paid in whole or in part from public money and who are in foster homes or private child-care institutions;

(31) individuals under age 21 who the department has determined cannot be placed for adoption without medical assistance because of a special need for medical or rehabilitative care and who the department has determined are hard-to-place children eligible for subsidy under AS 25.23.190 — 25.23.220;

(32) individuals who are eligible under AS 47.07.020(b)(12). (§ 3 ch 132 SLA 1982; am § 20 ch 20 SLA 1986; am § 5 ch 105 SLA 1986; am § 3 ch 119 SLA 1988; am § 4 ch 45 SLA 1989; am § 38 ch 168 SLA 1990; am § 4 ch 69 SLA 1991; am § 2 ch 70 SLA 1991; am § 2 ch 38, SLA 1992; am § 2 ch 110 SLA 1992; am § 3 ch 51 SLA 1993; am § 2 ch 75 SLA 1993; am § 3 ch 76 SLA 1993; am § 43 ch 107 SLA 1996; am § 2 ch 130 SLA 1998)

Reviser's notes. — Paragraphs (14) and (15) enacted as (12) and (13) and renumbered in 1992. Paragraph (20) was enacted as (19), and paragraph (29) was enacted as (29). Renumbered in 1993.

Under § 4, ch. 76, SLA 1993, paragraph (25) took effect on March 30, 1994, the 180th day after the effective date of Medicaid plan amendments that were approved by the federal government on January 7, 1994.

Effect of amendments. — The first 1991 amendment, effective September 19, 1991, added paragraph (11) and redesignated the succeeding paragraphs accordingly.

The second 1991 amendment, effective September 19, 1991, added former paragraph (1) and (2) and redesignated the subsequent paragraphs accordingly.

The first 1992 amendment, effective July 1, 1992, added paragraphs (12) and (13) (now (13) and (14)) and redesignated former paragraphs (12) to (24) as paragraphs (14) to (26) (now (15) — (19), (20) — (24), (25) — (30)).

The second 1992 amendment, effective September 20, 1992, added paragraph (4) and redesignated the subsequent paragraphs accordingly.

The first 1993 amendment, effective July 1, 1993, added former paragraph (1) and redesignated the subsequent paragraphs accordingly.

The second 1993 amendment, effective January 1, 1994, added present paragraph (20) and renumbered the subsequent paragraphs accordingly.

The third 1993 amendment added a paragraph (23) (now (25)), redesignated the subsequent paragraphs accordingly, and added paragraph (30) (now (31)).

The 1996 amendment, effective July 1, 1997, inserted "program designated as the successor to the" in paragraph (26).

The 1998 amendment, effective September 22, 1998, deleted former paragraph (1), which read: "midwife services;" and redesignated former paragraphs (2)-(7) as paragraphs (1)-(6); added present paragraphs (7) and (32); and made minor stylistic changes.

47.07.040. State plan for provision of medical assistance. The department shall prepare a state plan in accordance with the provisions of 42 U.S.C. 1396 — 1396p-9 (Title XIX, Social Security Act, Medical Assistance) and submit it for approval to the United States Department of Health and Human Services. The plan shall designate that the Department of Health and Social Services is the single state agency to administer this program. The department shall act for the state in any negotiations relative to the submission and approval of the plan. The department may make those arrangements or regulatory changes, not inconsistent with law, as may be required under federal law to obtain and secure the approval of the United States Department of Health and Human Services to secure for the state the optimum federal payment under the provisions of 42 U.S.C. 1396 — 1396p-9 (Title XIX, Social Security Act, Medical Assistance). (§ 1 ch 182 SLA 1972; am § 6 ch 105 SLA 1986; am E.O. No. 72 § 3 (1989); am § 32 ch 126 SLA 1994)

Questions raised at 2/21/03 Committee hearing re: Fire Supplemental

1. Do we pay for damages or provide suppression for cabin/homesites in limited protection?

No. See attached

2. Do we send firefighting billings to private landowners?

Private landowners do not pay for wild land fire suppression. 41.15.010 gives the State responsibility for wildland fire suppression on State, private and municipal lands in Alaska. If it is identified that a landowner is responsible for the cause of the fire then the landowner is billed for suppression costs.

3. Do we plan to change land protection categories?

The major landowners and fire suppression agencies review and revise protection levels on a regular basis. Based on this review, lands are moved from one category to another in the fire plan.

4. What is our policy regarding protection of mining improvements and equipment in limited protection?

Same as with cabin sites. See Attached

5. What are the flight hours for the two PC-7 aircraft by tail number and by in state verses out of state use?

Flight Time Breakdown PC-7s

Aircraft	Flight Time Billing			
	State	Federal In State	Federal Out of State	Total Flight Time
N901AK	96.6	99.9	122.3	318.8
N902AK	110.3	100.9	0.0	211.2

6. Why do we need to buy weather information?

We are no longer buying weather information from the US Weather Service. We now receive that information through the USFS and/or BLM. We used to pay for the university to have weather technicians work for us to interpret the free weather data and provide stand up briefings to the firefighters and the fire managers. Under the new or recent national fire plan, the federal government now provides each region of the US a forecaster so we no longer need to pay the university.

7. If an aircraft started a fire, do we go after their insurance companies?

Provided by DNR, 02/24/03

If it were an accidental crash we would not. If there were some reason to expect negligence we would.

8. What is the difference in fire fighting between the State of Alaska and Alberta or British Columbia?

We have worked closely with our neighboring Canadian provinces and we believe we have a very similar philosophy; that is to rapidly and safely initial attack all fires that are in full and critical and represent a potential loss of life and property. The Canadians have often expressed envy at our ability to identify areas that are not cost effective to rapidly initial attack because of their remoteness and lack of threat to property. For comparison, in the 2001 fire season, British Columbia had 1266 fires that were suppressed at approximately 25,000 acres for a total cost of \$53.8 million dollars (CDN). By comparison, in the 2002 fire season, the State of Alaska spent approximately \$30 million (US) on suppressing fires on approximately 887,000 acres of State and private lands. While it is always risky to compare fire costs from different areas, we believe that our lower costs are because of the Alaska Fire Plan. The preparedness budget for British Columbia is approximately \$ 47.3 million dollars Canadian.

9. The history of fire ratifications?

DNR Fire Suppression Ratifications			
FY	Total	GF	Fed
FY02	\$16,340,900.00	\$13,340,900.00	\$3,000,000.00
FY01	\$4,730,000.00	\$4,730,000.00	\$0.00
FY00	\$4,239,122.36	\$4,239,122.36	\$0.00
FY99	\$3,863,700.00	\$3,863,700.00	\$0.00
FY98	\$5,391,004.00	\$5,391,004.00	\$0.00

Fire Protection for Remote Locations

Each fire season the Department of Natural Resources, Division of Forestry (DOF) is asked this question, "Why isn't my remote parcel or mining claim receiving fire protection?" This is a reasonable question, but unfortunately the answers are not to everyone's satisfaction as not all parcels are afforded the same level of protection. Part of the answer is found in the Alaska Interagency Fire Management Plan (Fire Plan) that was developed to provide a coordinated and cost effective approach to fire management on all lands in Alaska. ANSCA, ANILCA, and other land management and planning documents also have some bearing on which lands receive fire protection.

Alaska covers 375 million acres of which 220 million acres are subject to wildland fire. These vast acreages are managed by state, federal, municipal, private and Native landowners. Since 1980, the Fire Plan has guided wildland fire management actions on all ownerships across the state. Copies of the Fire Plan can be found at government offices across Alaska or on the DOF website: <http://www.dnr.state.ak.us/forestry>.

The Fire Plan categorizes all wildland fire-prone lands into four different fire management options: Critical, Full, Modified, and Limited. The fire suppression actions on these four options range from immediate and aggressive fire suppression on the Critical option to the Limited option lands where wildland fires are allowed to burn. All lands that fall in a specific management option receive the specified level of protection. The only exception is if a critical site has been identified by the land manager/owner.

The Fire Plan is updated each winter and recommended changes to management options on lands of all ownerships are evaluated as outlined in the Fire Plan. Recently the Department of Natural Resources (DNR) placed lands receiving Full protection on the Seward Peninsula into the Limited management option to reduce suppression costs and because land managers felt that wildland fire would be beneficial to the land. At the same time, land in the Limited management option in the Fairbanks vicinity was converted to Full protection because of planned subdivisions in the area.

In 1992 DNR adopted a structure protection policy for all state, municipal, and private lands covered by the Fire Plan. The State of Alaska is responsible for paying the costs of fighting fires on these lands. This policy mandates that structures (or other improvements) will receive the same level of protection as the surrounding lands. This means if the structure or other improvement is in a Full management option area, it will receive that level of protection. However, if a similar structure or other improvement is located in a Limited management option area, it will not be protected.

DNR adopted this structure protection policy to reduce the costs of fighting wildland fires. DNR has determined that it is cost prohibitive to provide protection to structures or improvements in the remote parts of the state where the land has been placed in the Limited management option. Even if DNR policy allowed for the protection of all mines and private property in the Limited management option areas, there simply are not enough firefighting resources available to accomplish it. Therefore, in many remote

locations in Alaska, the responsibility for structure protection is the responsibility of the private property owners.

The most important thing that miners and remote property owners can do is make their structures and mining claims more fire resistant and easy to protect. Owners can do this by removing accumulations of flammable fuels, moving flammable materials away from structures, and other activities that reduce the flammability of improvements. DOF has information available for miners and property owners on how to reduce the fire potential of their property. Most of these tasks are easy to accomplish and are essential to keeping an area from burning.

For more information about making your property FireWise, contact the nearest DOF office or call 907-269-8400. Please check out the following websites:

<http://www.firewise.org>

<http://www.dnr.state.ak.us/forestry/fire.htm>

State of Alaska
Department of Natural Resources
Division of Forestry



Wildland Fire & Aviation
Basics

THE BASICS

STATE RESPONSIBILITY FOR FIRE PROTECTION

Alaska Statutes Section 41.15.010 - 41.15.240 mandates the Department of Natural Resources the responsibility to manage the wildland fire program for the State of Alaska. Department of Natural Resources **Department Order 113** delegates this responsibility to the Division of Forestry.

Alaska Statutes Section 41.15.210 establishes a Fire Suppression Fund in the state treasury for use of the Department. Department Order 113 delegates the responsibility for expenditure of the suppression fund to the Division of Forestry. The Division of Forestry is the only entity in the State of Alaska authorized to spend/obligate funds from the Fire Suppression Fund to suppress wildland fires on private, state, or municipal lands.

The **goal** of the Division of Forestry Fire & Aviation Program is to **provide safe, cost-effective, and efficient fire protection services** and related fire and aviation management activities to protect natural surface resources, man-made improvements, and human life on State, private, and municipal lands commensurate with the values at risk.

The **objectives** of the Division of Forestry are to:

- Protect human life
- Emphasize aggressive and effective initial attack suppression operations on critical and full fires
- Protect developed public and private property and cultural resources
- Promote an interagency approach to managing wildland fire
- Minimize cost and resource damage consistent with values at risk
- Prevent unplanned human-caused ignitions
- Promote public understanding of fire management programs and objectives
- Organize and maintain a fire management capability to consistently apply the highest standards of professional and technical expertise
- Investigate all human-caused fires



IMPORTANT ASPECTS OF THE FIRE & AVIATION PROGRAM ARE:

WILDLAND FIRE SAFETY

Safety of firefighters and the public is the highest priority. All fire and aviation activities related to the suppression of wildland fires will reflect this commitment. The Division of Forestry has a very good safety record, and the safety attitude is reflected in all levels of the organization.

INTERAGENCY COORDINATION & COOPERATION

Fire management planning, preparedness, suppression operations, prescribed fire, and related activities will be coordinated on an interagency basis with the full involvement of DOF and its state, federal and local government cooperators. **Alaska has been divided into three fire protection areas** through formal agreements between the state and the federal government.

Fire Preparedness Fire Protection Boundaries



The **Division of Forestry, Bureau of Land Management, and the U.S. Forest Service**, fight fires within their protection areas on all land ownerships which reduces the duplication of facilities and services. None of the agencies in Alaska have all of the resources required to accomplish the fire protection job on their own. The Division of Forestry **has cooperative agreements** with the Departments of Agriculture and Interior, and numerous local government and volunteer fire departments to help get the job done. The state and federal agencies routinely utilize each other's personnel and resources to both manage and fight fires. This is efficient and cost effective.

The three suppression agencies are responsible for their own preparedness costs in order to be ready to fight fire on all lands in their protection area regardless of ownership. When fire activity occurs, the appropriate suppression agency responds to the fire guided by the level of protection selected by the land owner/manager in the Alaska Interagency Fire Management Plan. At the end of the fire season, the agencies cross bill each other for the suppression costs based on

ownership. **The State of Alaska is responsible for the suppression costs on all state, private and municipal lands.**

The closest forces concept is most effective in catching fires while they are small. In some areas of the state the closest forces are **local government and volunteer fire departments.** Local government and volunteer fire departments assist in responding to wildland fires when their higher priority of structure protection allows. Wildland firefighting and structure fire fighting are very different, requiring different training and equipment.



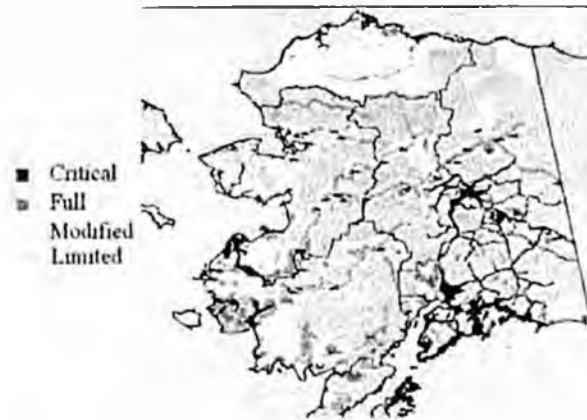
Forestry and A Volunteer Fire Department personnel responding to an incident

The response to wildland fires statewide is coordinated by the **Alaska Interagency Coordination Center** located in Fairbanks. This center is jointly staffed and managed by state and federal employees, and coordinates the mobilization of interagency personnel and resources to fires statewide. Duplication of separate facilities for state and federal suppression agencies is avoided, resulting in fast and efficient response to wildland fires.

The State of Alaska has adopted the **Alaska Interagency Fire Management Plan (Fire Plan)** as its basic guideline for managing wildland fire in Alaska. The fire plan was developed and signed in the 1980s to provide a coordinated and cost effective approach to fire management on all lands in Alaska.

Alaska is the only state having implemented one interagency fire plan that covers all land ownerships. Reliance on the fire plan greatly aids fire managers because decisions on which areas to protect and at what levels are already made. The fire plan categorizes all wildland fire-prone lands into **four different fire management options.**

Land Management Coordination
Fire Plans



Critical Management Option – Created to give the highest priority for suppression action on wildland fires that threaten human life and inhabited property.

Full Management Option – Protects cultural and historical sites, uninhabited private property and high-value resource areas.

Modified Management Option – Lands in modified generally receive the same level of protection as those in the Full management option in the early fire season. Later in the fire season, fires in Modified are allowed to burn.

Limited Management Option – Limited management option lands are generally very remote, difficult to protect, have minimal resource value and as such receive no fire protection.

FIRE TRAINING & QUALIFICATIONS

In 1984 the State of Alaska adopted the **National Interagency Incident Management System Incident Command System** concept for managing its fire suppression program. The Incident Command System guiding principles are followed in all wildland fire management operations. **All state Departments adopted the Incident Command System in 1996 through the Governor's administrative order.** Personnel are trained in specific Incident Command System positions and meet national standards. This allows Forestry to call upon fire professionals from across the nation when needed, and makes Alaskan firefighters marketable to "lower 48" fires. A cost saving is directly realized by not having to train and staff to a "worst case" level for fire response.



Fire Shelter Training

The Division of Forestry has adopted the **National Wildfire Coordination Group Wildland Fire And Prescribed Fire Qualifications System Guide** (PMS 310-1) as the basis for its wildland fire qualifications system. Personnel must meet the appropriate training, experience, fitness, and qualifications (red card) requirements for all fire and aviation tasks assigned. Training is also provided to meet other mandated requirements such as Hazardous Materials, blood-borne pathogens, Commercial Drivers Licenses, etc.

Personnel management is the most difficult and rewarding aspect of fire management. Personnel must be trained to national standards for every Incident Command System job, must be prepared to react immediately to a variety of dangerous situations, ensure that procedures and policies are followed, and that the most cost-effective decisions are made. **Seasonal employees budgeted for 5 months a year fill many of the critical fire positions.** A top fire position may require up to 15 years of training and experience. Retention of such an individual is extremely important to a cost effective and safe fire program.

A single decision can save the state millions of dollars, and often it must be made immediately by a highly qualified seasonal firefighter during the initial attack phase of a wildland fire.

PREPAREDNESS

“In order to be ready when needed, you must also be ready when not needed.” Preparedness is one of the most important aspects of the Division’s Fire & Aviation Program. Division of Forestry’s fire managers are responsible for providing a safe, cost-effective fire management program through appropriate planning, staffing, training, and equipment levels. No one can predict exactly where or when fires will occur, but there will be wildland fires. Firefighters, equipment, facilities, and all the support elements it takes must be ready before a wildland fire starts. **Preparedness reduces the risk of escaped fires and saves the state money.**

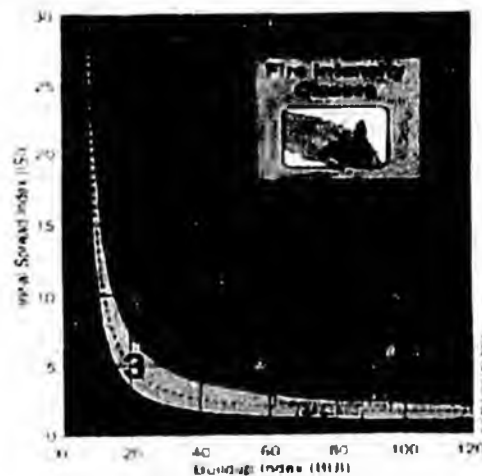
DETECTION

The faster a fire is located, the quicker firefighters are on the scene. Bush pilots and commercial airlines report many fires, but a sophisticated **lightning detection system** identifies areas of concentrated lightning strikes where detection aircraft flights are then concentrated.

WEATHER FORECASTING AND FIRE DANGER RATING SYSTEM



Remote Area Weather Station



Intensity Class for Boreal Spruce

A network of weather stations and a dependable forecasting service are essential for daily decision-making and long-range predictions. Weather information is the basis for a sophisticated computer generated fire danger rating system. The Division of Forestry utilizes the **Canadian Forest Fire Danger Rating System** to predict the potential fire danger based on the current and predicted weather. This scientifically developed and proven system provides a variety of data used to predict fire behavior, preposition resources, formulate fire strategy, and develop tactics to fight a fire. This tool has the potential to save the state millions of dollars by improving allocation of forces. This information is compiled and accessed through **the Internet** and can be accessed by the public on the Division of Forestry website at: <http://www.dnr.state.ak.us/forestry>

FEDERAL EXCESS PERSONAL PROPERTY

Forestry takes advantage of the Federal Excess Personal Property program to acquire fire fighting aircraft, vehicles and equipment. Use is restricted to 90% firefighting activities, no title is passed to the state, all expenses in maintaining equipment rests with the state, but the state avoids the cost of purchase for similar equipment. This program saves the state millions of dollars.



A Federal Excess Personal Property 4x4 pick up truck was converted to a brush engine

FIRE SUPPRESSION OPERATIONS

A successful initial attack can save the state millions of dollars in suppression costs. A trained, experienced, and well-equipped workforce is essential to locate and initial attack wildland fires while they are small. The cost of a **successful initial attack averages \$4 thousand dollars per fire** compared to costly "project" fires that can cost from \$3 million to \$30 million dollars to suppress. **One of the Division of Forestry's top priorities is the aggressive and effective initial attack** of wildland fires in the full and critical protection areas of the state.

Suppression activities for wildland fires are governed by the implementation of the Fire Plan that in most cases has predetermined the level of response to a given fire. **Sound and proven fire management principles stressing safe, cost-effective, and efficient response** to all wildland fires are followed by the Division of Forestry.

Seasonal employees are the backbone of the fire suppression program. They are an experienced and qualified work force, many of who have worked for Forestry 10-15 years. Their expertise provides the basis for the Division of Forestry's ability to expand from a few dozen employees to over a thousand within a day or two and be effectively fighting fires immediately.



Forestry personnel and engines

The Division has 143 seasonal fire positions funded in its current budget. Depending on the position, funding would provide an average of 5.4 months. These employees fill a variety of fire protection positions, including:

Initial Attack Firefighters	Airbase Manager
Engine Foreman	Airplane Pilot
Crewman - Engine / Helicopter	Air Attack Supervisor
Helicopter Foreman	Mechanic / Maintenance
Dispatcher	Procurement Specialist
Support Foreman	Warehouse Worker
Logistics Coordinator	Payroll Clerk
Field Office Assistant	Prevention Specialist

In addition to its permanent seasonal workforce, **the Division relies heavily on Emergency Firefighters.** Emergency firefighters are hired on an as-needed, short-term basis, and are utilized to augment the Division's workforce in all areas of the firefighting job. Individual Emergency Firefighters are hired to function as initial attack firefighters, warehouse workers, aviation ramp workers, etc. **The 16 person village Emergency Firefighter crews are hired when large numbers of organized and trained firefighters are required.**

There are a total of 73, 16-person Type 2 Emergency Firefighter Crews in Alaska. Predominantly from rural villages, these largely Native crews are trained to national ICS standards, used for wildland firefighting in Alaska, and are available to be dispatched to the lower 48. **The Division of Forestry manages 29 of these crews,** providing Incident Command System and wildland fire training, fitness testing, and red card issuance. An average of \$6.9 million in wages is paid annually to Alaska's Emergency Firefighters, benefiting the rural economy. Their employment spreads the fire dollar into economies that often predominantly rely upon subsistence. **The performance of Alaskan Emergency Firefighting crews is respected and valued in Alaska and in other states where they have fought fire.** Encouraging, maintaining, and supporting the existing Emergency Firefighter crews is a priority for a solid fire program in Alaska.



Emergency Firefighters

The ability to rapidly **expand a small' core organization** to fight fires is critical. Training of the core staff, combined with strong cooperative agreements, provides the phenomenal ability to expand rapidly with a safe, well functioning organization. Similarly, DOF also supplies personnel for federal fire emergencies. Without the ability to exchange resources, the Division of Forestry would be required to have a vastly larger and much more costly fire suppression organization.

AVIATION RESOURCES

The Division of Forestry provides fire protection services on 150 million acres of land, and much of it is remote and inaccessible, requiring the use of airplanes and helicopters. **The Division contracts the majority of its aircraft resources from the private sector**, and manages and operates a combination of air tankers, helicopters, and miscellaneous fixed wing aircraft to deliver firefighters, mobilize emergency firefighters, move equipment and supplies, and drop fire retardant on fires. Close coordination between the state and federal agencies maximizes the use of aviation resources. Cooperative state and federal aviation management saves money.



PC-7 Air Attack

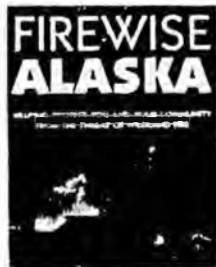


Forestry helitack crew

PREVENTION

Approximately **85% of all wildland fires in Alaska are started by human carelessness**, making prevention one of the most important aspects of the Division's program. Prevention activities are accomplished by Division personnel across the state through school visits by Smokey Bear and other public education programs. Enforcement of the Alaska Statutes is also very important, and the Division issues citations and collects fire damages based on the circumstances of the escaped, human-caused fire. **An aggressive wildland fire prevention program can reduce the numbers of unwanted human-caused fires.**

The Division of Forestry is actively **promoting the FireWise concept in Alaska**. FireWise (www.firewise.org) is an educational program aimed at homeowners, land developers, zoning officials, and other groups with the goal of developing homes, subdivisions, and communities with the threat of wildland fire taken into consideration. The goal is to have homes, subdivisions, and communities built that will survive wildland fires in the future.



SUPPORT SERVICES

Every fire requires not only having firefighters but a large inventory of equipment and supplies that are dispatched to fires all over the state, returned, repaired, refurbished, and restocked. This is accomplished through a **complex logistical support system** that includes procurement, property management, and fire warehousing. Adherence to national standards are required for interchangeable support with federal agencies. Fast, accurate response is provided by a dispatching system of highly qualified personnel, which must be in place and prepared.

The **state bills federal cooperators for fighting fires which start on their land**, and the federal government bills the state in a reciprocal manner. Historically, this has provided a net reimbursement to the State's general fund of over \$3 million annually. Recovering state costs depends entirely on accurate and complete management of contracts, payroll, procurement, bill paying, accounting, personnel regulations, statistics, property management, and audits by a **trained and experienced administrative staff**. The regular field employees must have a working knowledge fire business management principles and a staff of skilled experts must be in place to support billings of up to \$16 million per agency.

GOOD MANAGEMENT

Appropriate and effective management is critical to successful and cost effective results in wildland firefighting. Firefighters must get to a fire with the tools they need to fight it within a minimal period of time. **Food, tents, vehicles, equipment, and medical supplies will be needed** and must be mobilized to the fire, then demobilized and refurbished to be ready for the next fire call.

Alaska has 600-800 fires per year and the Division of Forestry manages the majority of that workload. **Humans cause 83% of the wildland fires** in the Division of Forestry's protection area, most of which occur in more populated areas. Because of immediate threat to life, these are the most critical fires to stop with aggressive and successful initial attack. As urban areas continue to expand into the wildland, this workload continues to increase.

Lightning is the major cause of wildland fires across the Interior, producing as many as 3500 strikes per day. It is not uncommon to have 50 to 80 lightning fires burning in different locations at the same time.

<u>Protection Area</u>	<u>2002 Fires</u>	<u>Human-caused Fires</u>
Division of Forestry	74 %	80%
USDI Alaska Fire Service	20 %	23%
USDA Forest Service	6%	97%

Personnel and resources' (airplanes, helicopters, retardant, equipment, etc.) workload are directly impacted by the number of fires burning at the same time. As shortages of resources occur, **priorities must be set to allocate personnel and equipment to fight the most critical fire first.** Coordination occurs statewide by moving forces to the most critical areas as needed. Managing the workforce rapidly and efficiently results in more effective initial attack and suppressing wildland fires faster saving the state money by preventing larger fires.



View of wildland fires from helicopter



DC-6 Retardant aircraft

Alaska Statute 41.15.010 gives the responsibility for wildland fire suppression on state, private, and municipal lands to the Department of Natural Resources, Division of Forestry. In some of the organized boroughs and municipalities, **landowners are taxed for fire services that are geared mainly for structure fire protection.** The wildland fire responsibility in the organized service areas is a shared responsibility between local government and the Division of Forestry. The Division provides critical wildland fire and Incident Command System training to the structure firefighters and in some instances, **loans fire equipment and Federal Excess Personal Property fire engines to the local government and volunteer fire departments.**

INTENSITY OF FIRES

Weather, fuel conditions such as moisture content in vegetation, depth of vegetative mat, and a myriad of other factors, affect the fire intensity. **Fire can spread as much as eight miles in a single hour.** During the wind driven Miller's Reach Fire in 1996, firebrands were transported up to a mile in advance of the main fire, causing new ignitions. Intensity of a fire can create severe fire conditions that require special management to effectively utilize technology, personnel, and resources.



Miller Reach Fire 1996

COMPLEXITY OF FIRES

Situations that affect fire complexity are unusual fire behavior, type of resources threatened (i.e., urban areas or villages), the number of fires in a particular area requiring suppression, evacuation of people, multiple agencies responding, etc.

The Miller's Reach Fire is a good example of a complex fire. Fire suppression involved 37 separate fire departments, over 1800 state and federal fire fighters, 103 agencies and organizations, local and national media, local and national political visits, and evacuation of more than 1500 people requiring emergency services such as temporary housing, food, and medical services. The more complex a fire, the more important a pre-planned management response is to success.



Millers Reach Fire 1996

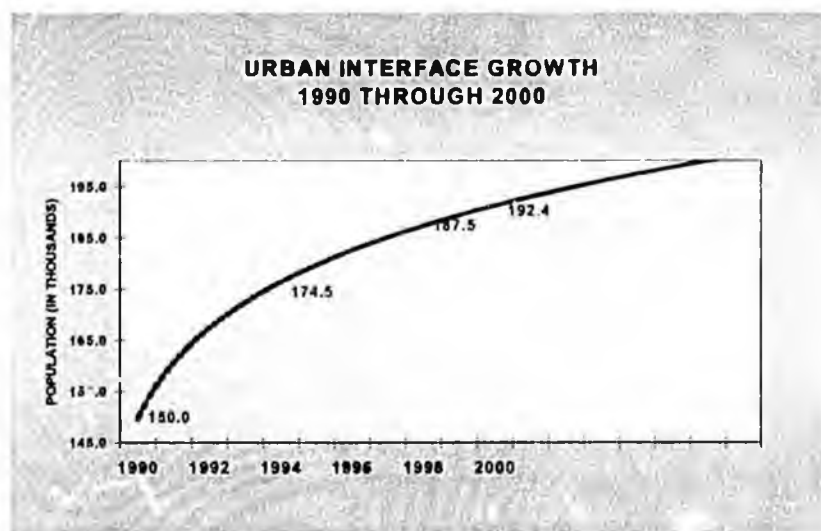
Highly trained and skilled Interagency Incident Management Teams are called in to handle the most complex wildland fires. These teams are made up of **state, federal, and local government experts trained and experience in the Incident Command System.** These teams have specific positions like Incident Commander, Plans Chief, Operations Chief, Logistics Chief, Finance Chief, etc. This is a "de facto" expansion of the workforce without a corresponding investment, as the base salaries are paid by the separate agencies.

The Division of Forestry is organized so **positions may be shifted between fire and resource programs depending on priorities and workload.** During a difficult fire season, all staff are available to support fire suppression; similarly, during slow or rainy periods fire staff may be working in the woods on forest resources projects. **The flexibility in program management** and cross training of employees is essential to meet the unpredictable fluctuations of the fire program.

Total mobility of personnel and equipment provides the basis for responding to simultaneous fires in different areas of the state. Minimum staffing for initial attack is maintained while relying on personnel from other Areas or agencies in the event of large fires. This also provides for the **most efficient utilization of forces** as Areas with lower fire danger can provide personnel for fires elsewhere.

WHERE ARE WE GOING?

The State of Alaska continues to grow, and with that growth, more of the population is moving into the forested areas of the state where wildland fires occur. These areas are called the **wildland/urban interface** and as the numbers of homes increases in the interface, so does the risk of a wildland fire threatening human life and improved property. The **protection of life and property** in the wildland/urban interface is the most important job the Division of Forestry and its local government cooperators has. Because of the rise in both population and those participating in recreational activities, fire workloads are increasing while budgets have remained static, or in some cases, have declined.



The Miller's Reach Fire in 1996 and the Red Fox Fire near Tok in 2001 are reminders that **Alaska has a growing threat of wildland/urban interface fires.** The stakes are high, involving human life and major property values. The skills needed are different from strictly wildland fire needs, involving hazardous substances, structure protection, and evacuation needs. Forestry has a major role but clearly **the responsibility to fight these fires is shared with local government and volunteer fire departments.** Homeowners have a critical responsibility too. Homeowners need to take steps to make their properties FireWise (www.firewise.org) and to help the firefighters protect their homes. Planning, coordination, and training need to occur among all parties for a swift, coordinated response when fires start. **There will be more wildland/urban interface fires as Alaskans continue to settle outward from urban to less developed areas.**

It is clear that **the Division of Forestry has been successful** in adapting new technology, cost saving partnerships, effective management, and effecting tough decisions to meet these challenges. The fire plan, the Incident Command System, organizational flexibility, cooperative agreements and fiscal constraints provide savings to the state.

For More Information, Contact

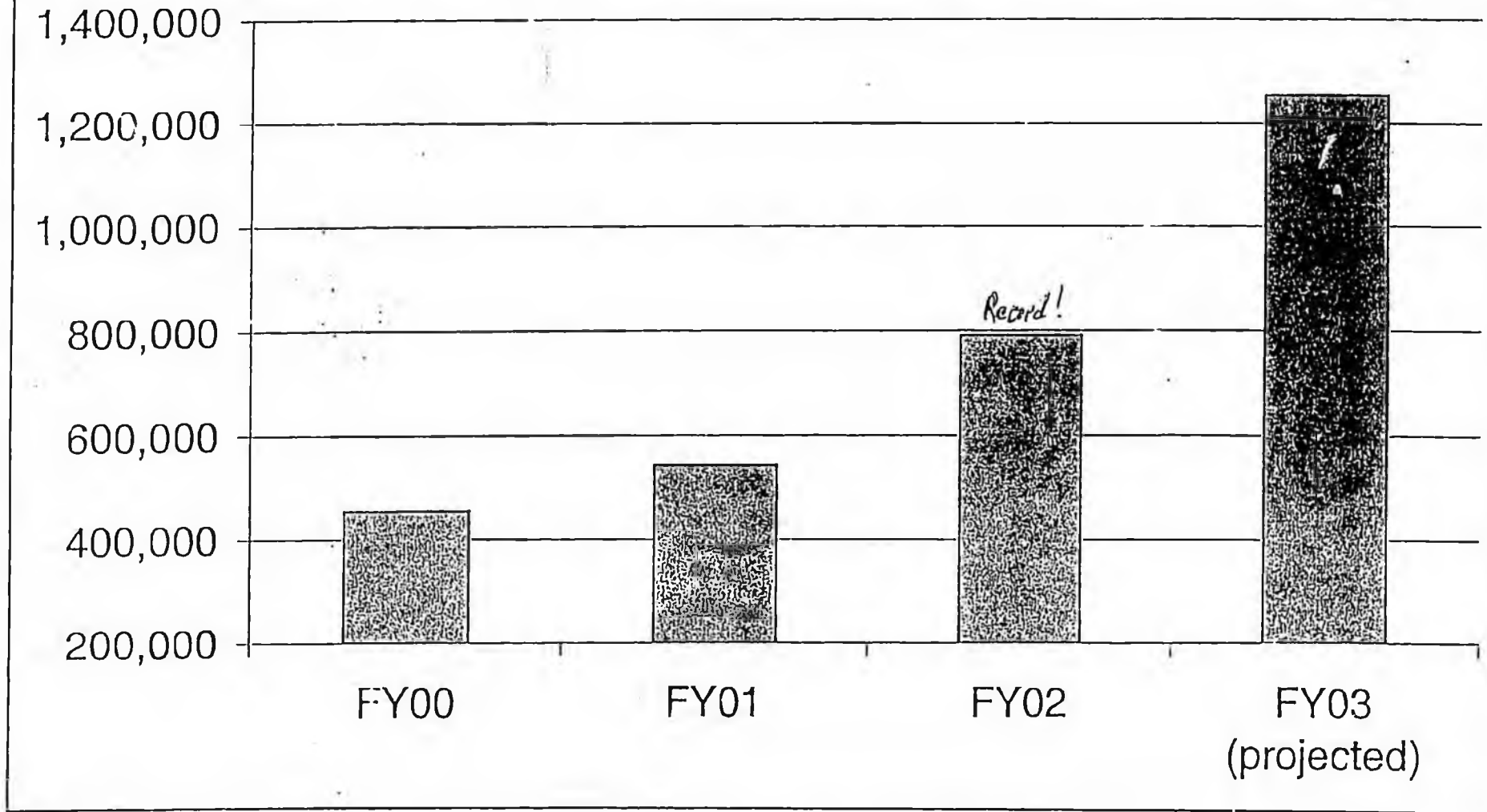
Directors Office
Division of Forestry
550 West 7th, Suite 1450
Anchorage, AK 99501
(907)-269-8476



Recorder's office

SB75
SB76
3/5/03

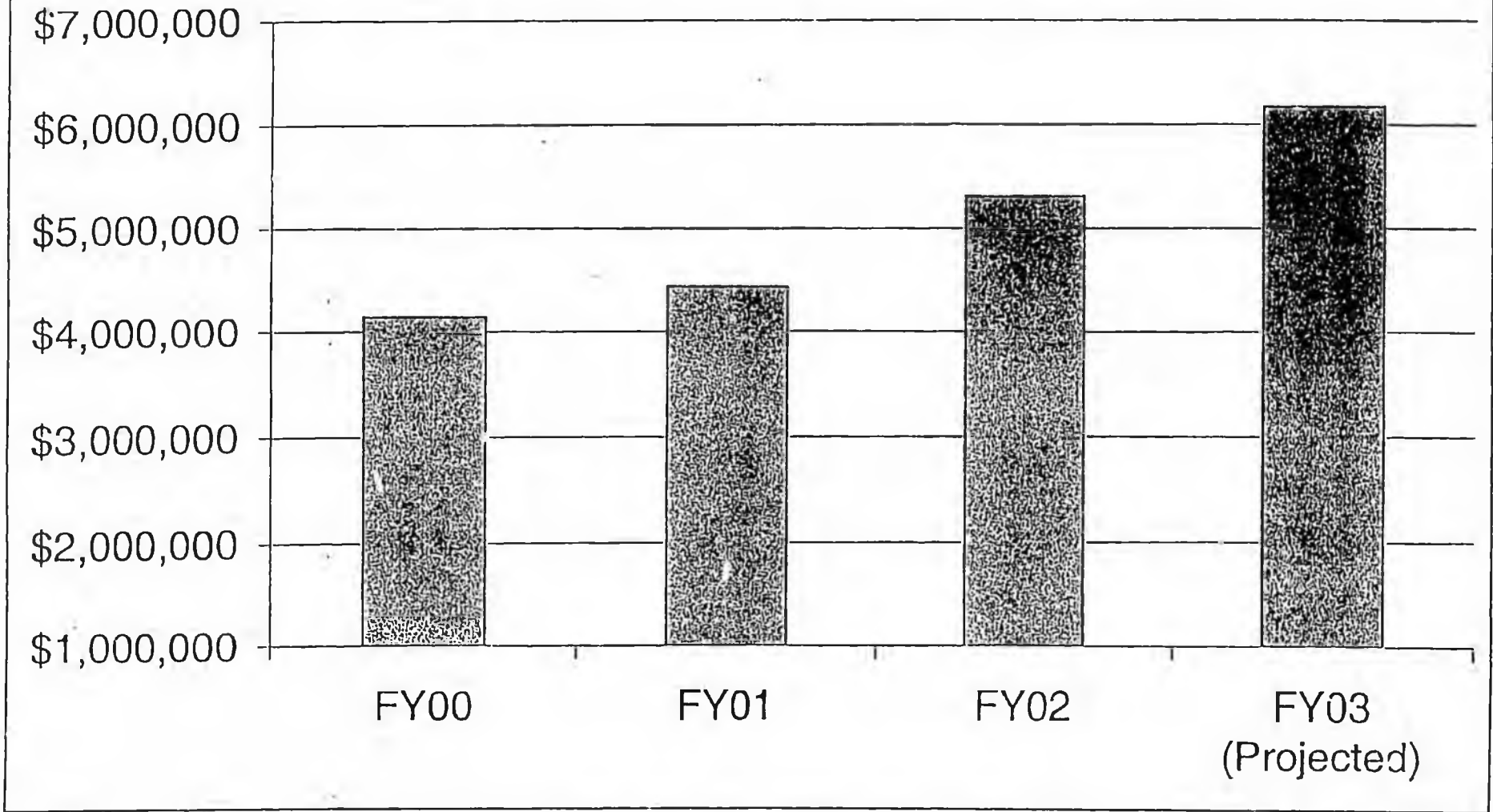
Increase in Document Size (Image Count) FY00 - FY03



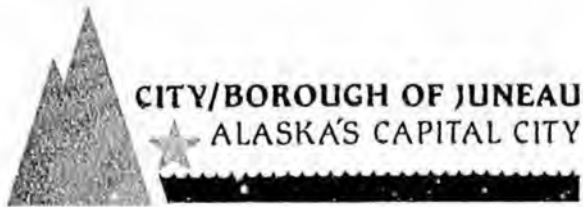
Records office

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3/29/02

Increase in Revenue FY00 - FY03



Provided by DNR
11/10/02 3/5/02



OFFICE OF THE MAYOR

Telephone: (907) 586-5240; Facsimile: (907) 586-5385
Sally_Smith@ci.juneau.ak.us

March 4, 2003

The Honorable Lyda Green, Co-chair
Senate Finance Committee
State Capitol Building
Juneau, Alaska 99801-1182

The Honorable Gary Wilken, Co-chair
Senate Finance Committee
State Capitol Building
Juneau, Alaska 99801-1182

Dear Senator Green and Senator Wilken:

This letter is to request your support of SB76 (Section 12c.), which would expeditiously pass through to the City and Borough of Juneau. grant funds provided by the U.S. Fish and Wildlife Service for the acquisition of 148 acres of land adjacent to Herbert River.

The property is a key inholding between Eagle Beach State Park and Amalga Meadows Park. In April 2002, the Juneau Assembly directed staff to apply for grants to help with the acquisition. Through the efforts of Southeast Alaska Land Trust and other supporting groups, a National Coastal Wetland Conservation Grant was obtained in the amount of \$553,000 from the U.S. Fish and Wildlife Service. That grant has been directed to the State of Alaska to be passed through to the City and Borough of Juneau.

Juneau's Assembly is scheduled to accept the \$553,000 grant and appropriate matching funds at its meeting on Monday, March 10, 2003. We are eager to receive the grant funds from the state legislature so that we may complete the acquisition of this important inholding as soon as possible.

Thank you for your consideration of this matter. Please do not hesitate to call me at 586-5240 if you have questions.

Sincerely,

Sally Smith
Mayor

CC: Senator Kim Elton
Representative Beth Kerttula
Representative Bruce Weyhrauch



FRANK H. MURKOWSKI
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 18, 2003

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Therriault:

I am transmitting to you today two supplemental appropriation bills for Fiscal Year 2003. Issues requiring attention on an expedited basis are in a separate "fast track" bill. This bill includes supplemental needs with less immediate timing requirements.

Initial projections by the Legislature were that the Administration would be requesting a \$140 million general fund supplemental package. In contrast, we are submitting a combined package (both "fast track" and regular) that totals \$63.3 million in general funds. This is a result of our Administration's commitment to doing all we can to manage programs within the budget approved by the Legislature.

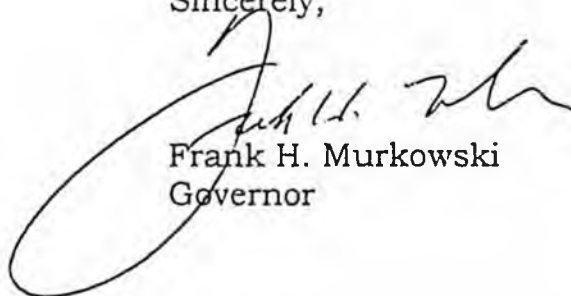
As you may recall, some of the supplemental requests are the result of legislative decisions made last session in which low case formula projections were reduced and some programs, such as the Office of Public Advocacy and Public Defender Agency were not funded for a full-year.

In some instances, we have been able to cover shortfalls in one area by excess appropriations in another. For instance, based on current estimates of general funds needed for the foundation formula, \$6.7 million can be transferred to cover other supplemental needs. The general fund capitalization of the debt retirement fund may also be reduced for two reasons: 1) the amount available for school debt reimbursement from the public school fund is higher than anticipated, and 2) the actual amount of school debt reimbursement is lower than anticipated.

Senate President Gene Therriault
February 18, 2003
Page 2

The Administration's goal is to limit future supplemental requests to circumstances that were unanticipated and not within management's control. To that end, we look forward to working with you on the funding levels for the Fiscal Year 2004 operating budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski", is written over the typed name and title. The signature is fluid and cursive, with a large loop at the beginning.

Frank H. Murkowski
Governor

SITE: ANCHORAGE LIO

COMMITTEE: SFIN

DATE: 2-25-03

SUBJECT OF MEETING:

SB 75/SB 76

UPDATE #:



P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y or N**

Barbara Brink		AK Public Defender	Y-SB 76
Email address:			
Brant McGee		AK Public Advocate	Y-SB 76
Email address:			
Dan Seamount		AOGCC	Ans ?
Email address:			SB 76
Capt. Howard Starbard		DPS/FWP Div.	Ans ?s
Email address:			SB 76
Email address:			
Email address:			
Email address:			