

AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3243

2/29/09

**DNR 1**

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Kelly

*adopted*

<b>DEPARTMENT:</b>	NATURAL RESOURCES
<b>APPROPRIATION:</b>	Fire Suppression
<b>ALLOCATION:</b>	Fire Suppression Preparedness

**DELETE:** \$61.0 General Funds

**EXPLANATION:** The House Subcommittee's budget inadvertently included \$61,000 of general funds more than what was requested for the cost increases for helicopter and fixed wing aircraft contracts. (The House Subcommittee reports included \$241,800, instead of the \$180,000). This amendment removes the \$61,000 of excess general funds.

OPERATING BUDGET AMENDMENT

*DNR2*

**OFFERED IN:** The House Finance Committee

*adopted  
2/29/08*

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Kelly

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** Resource Development  
**ALLOCATION:** Geological Development

**ADD:** \$1,200.0

**FUNDING SOURCE:** General Fund (GF) \$850.0  
State Designated Receipts (Oth) \$350.0

**EXPLANATION:** Airborne Geophysical and Geological Mineral Inventory  
Move from Capital Budget to Operating Budget

OPERATING BUDGET AMENDMENT

**DNR 3**

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

2/29

**OFFERED BY:** Representative Kelly

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** Resource Development  
**ALLOCATION:** Oil & Gas Development

adopted

**ADD:** \$200.0

**FUNDING SOURCE:** General Fund (GF) \$200.0

**EXPLANATION:** Contract Auditors for Reducing Royalty and Net Profit Share  
Lease Audit Backlogs  
Move from Capital Budget to Operating Budget and change fund source from Alaska  
Capital Fund (oth) to General Fund

OPERATING BUDGET AMENDMENT

**DNR 4**

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

*2/29/08*

**OFFERED BY:** Representative Kelly

*adopted*

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** State Public Domain & Access  
**ALLOCATION:** RS2477/Navagability Assertions & Litigation Support  
*Nav. g. a. b. l. i. t. y*

**ADD:** \$300.0

**FUNDING SOURCE:** General Fund (GF)

**EXPLANATION:** BLM 2009 – State Support for Public Access  
Move from Capital Budget to Operating Budget

OPERATING BUDGET AMENDMENT

DNR 5

OFFERED IN: The House Finance Committee

TO: CSHB 310(FIN)/CSHB 312(FIN)

2/22

OFFERED BY: Representative Kelly

U/O

DEPARTMENT: Natural Resources  
APPROPRIATION: State Public Domain & ~~Access~~ Public Access  
ALLOCATION: RS2477/Navigability Assertions & Litigation Support

ADD: \$100.0

FUNDING SOURCE: General Fund (GF)

EXPLANATION: **RS2477 Surveys**  
Move from Capital Budget to Operating Budget and authorize one new Natural Resource Specialist II position to support the RS2477 Surveys providing on-site inspection, public issue resolution, research and small contract management.

OPERATING BUDGET AMENDMENT

DNR 6

OFFERED IN: The House Finance Committee

2/27

TO: CSHB 310(FIN) / CSHB 312(FIN)

adopted

OFFERED BY: Representative Kelly

DEPARTMENT: Natural Resources  
APPROPRIATION: Parks and Recreation Management  
ALLOCATION: Parks and Recreation Access

ADD: \$283,300

FUNDING SOURCE: \$70,000 Federal 1002  
\$113,300 Interagency Receipts 1007  
\$100,000 Statutory Designated Program Receipts 1108

**EXPLANATION:**

State Parks, Fish & Game, Transportation and Public Facilities and other partner projects are increasing each year and additional staff was needed to handle the increased workload. Three new positions were added in the FY08 Management Plan, and two seasonal positions were converted to full-time status. New positions included an Engineering Assistant to perform developmental and professional engineering duties for the Design and Construction section; an Environmental Impact Analyst to serve as coordinator on environmental studies, construction permitting and monitoring to meet National Environmental Policy Act (NEPA) compliance standards; and a Natural Resource Specialist assigned to the Interpretation and Education section. These positions are all currently filled. The funding for these positions is derived directly from the projects they are working on (non-general fund), and is a combination of federal, interagency and statutory designated program receipts.

OPERATING BUDGET AMENDMENT

DNR 9

OFFERED IN: The House Finance Committee

2/27

TO: CSHB 310(FIN)

OFFERED BY: Rep. Thomas

adopted

DEPARTMENT: DNR  
APPROPRIATION: State Parks  
ALLOCATION: Park Management

ADD: \$92.9

FUNDING SOURCE: General Funds -OTI

EXPLANATION: The Chilkoot River Corridor is an important public use area in northern Lynn Canal. The area boasts an important salmon run used by sport, subsistence and commercial fishermen, and is also used by the general public for outdoor recreation. These uses often conflict and there is a serious public safety issue with the number of bears in close proximity to anglers and campers. This amendment will provide one-time funding for a planning process including all stakeholders in a land use plan that will protect public safety.

OPERATING BUDGET AMENDMENT

DPS 1

**OFFERED IN:** The House Finance Committee

**TO:** HCS CSHB 310 (FIN)

2/27

**OFFERED BY:** Representative Stoltze

adopted

**DEPARTMENT:** Public Safety  
**APPROPRIATION:** Alaska Fire Standards Council  
**ALLOCATION:** Alaska Fire Standards Council

**Add:** \$220,000

**FUNDING SOURCE:** General Funds (1004)

**EXPLANATION:**

The subcommittee recommended that \$220,000 of general funds be added to the Alaska Fire Standards Council appropriation to assist the Council in developing and regulating fire training standards.

The Alaska Fire Standards Council was established by the Legislature in 1998; however, it has not been adequately funded to establish and implement needed fire training standards for Fire departments throughout Alaska.

OPERATING BUDGET AMENDMENT

DP52

OFFERED IN: The House Finance Committee

2/27

TO: HCS CSHB 310 (FIN)

adopted

OFFERED BY: Representative Stoltze

DEPARTMENT: Public Safety  
APPROPRIATION: Fire and Life Safety  
ALLOCATION: Fire and Life Safety Operations

ADD: \$11.7, GF (1004)

DEPARTMENT: Public Safety  
APPROPRIATION: Alaska State Troopers  
ALLOCATION: Alaska State Troopers Detachments

ADD: \$382.8, GF (1004)

DEPARTMENT: Public Safety  
APPROPRIATION: Statewide Support  
ALLOCATION: Administrative Services

ADD: \$11.5, GF (1004)

DEPARTMENT: Public Safety  
APPROPRIATION: Statewide Support  
ALLOCATION: Alcoholic Beverage Control Board

ADD: \$1.1, GF (1004)

**EXPLANATION:**

**Increased Vehicle Costs**

The House Finance subcommittee received the four amendment requests less than one day before the scheduled closeout meeting and did not have the time necessary to recommend a funding level.

This is the first time in a number of years the agency has requested increments for increased vehicles costs. Per testimony by the department, the agency has been able to absorb these and other increased costs by utilizing funds appropriated to trooper detachments through vacancy rate adjustments.

It is recommended that the increments be funded at half the requested level since the subcommittee has no historical data to review actual vehicle costs. A further review of these costs and the trooper vacancy rates will be examined in the next budget cycle.

OPERATING BUDGET AMENDMENT

OPS 3

**OFFERED IN:** The House Finance Committee

**TO:** HCS CSHB 310 (FIN)

2/27

adopted

**OFFERED BY:** Representative Stoltze

**DEPARTMENT:** Public Safety  
**APPROPRIATION:** Council on Domestic Violence and Sexual Assault  
**ALLOCATION:** Council on Domestic Violence and Sexual Assault

**Delete:** \$1.2

**FUNDING SOURCE:** Permanent Fund Felon Funds (1171)

**EXPLANATION:** Requested Administration Amendment

This amendment, requested by the administration, reduces the CSVSA grant increment due to over-appropriation of PFD felon funds created by the exempt health insurance increases. This amendment reconciles the PFD felon funds to the FY09 allocated amount.

OPERATING BUDGET AMENDMENT

OPS 4

**OFFERED IN:** The House Finance Committee

**TO:** HCS CSHB 310 (FIN)

**OFFERED BY:** Representative Stoltze

2/27

adopted

**DEPARTMENT:** Public Safety

**Page 31**

**Insert after line 25**

It is the intent of the legislature that the Department of Public Safety provide additional state trooper coverage for international border communities to help meet Federal and Homeland Security requirements.

**Page 32**

**Insert after line 32**

It is the intent of the legislature that Permanent Fund felon and misdemeanor funds should be used before general funds for CDVSA program funding.

Renumber accordingly

**EXPLANATION:** Intent Language

This intent language was approved and listed in the subcommittee report, however the language was not included when the committee substitute was drafted. This amendment fulfills the wishes of the subcommittee.

OPERATING BUDGET AMENDMENT

DPS 5  
sk

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

2/27

**OFFERED BY:** Representative Kelly/Stoltze

**DEPARTMENT:** Department of Public Safety  
**APPROPRIATION:** AST  
**ALLOCATION:** AST Detachment

adopted

**ADD:** \$75.0

**FUNDING SOURCE:** General Fund (GF)

**EXPLANATION:** Restore funding to Shooting Ranges.  
Three Ranges – One in Anchorage, one in Fairbanks and one in Juneau.

OPERATING BUDGET AMENDMENT

**DOT&PF 1**

**OFFERED IN:** The House Finance Committee

**OFFERED BY:** Representative Thomas as requested by Representative Johansen

2/27

**DEPARTMENT:** DOT&PF  
**APPROPRIATION:** Commissioner's Office  
**ALLOCATION:** Unallocated Reduction

*withdrawn*

**DELETE:** \$35,000

**FUNDING SOURCE:** General Funds

**EXPLANATION:** To discontinue use of state funds for conducting polls.

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: 2/27/08

Amendment: \_\_\_\_\_

MEMBER

Favor

Oppose

MEMBER	Favor	Oppose
CRAWFORD	✓	
<del>PEPPER</del> HARRIS	✓	
GARA	✓	
HAWKER		✓
JOULE	✓	
KELLY		✓
NELSON		
STOLTZE		✓
THOMAS	✓	
CHENAULT		✓
MEYER		✓

Yea 5

Nay 5

Failed 5-5

Amended  
DOTPF 2

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)

**OFFERED BY:** Representative Thomas as requested by Representative Seaton

2/27

**DEPARTMENT:** Transportation and Public Facilities  
**APPROPRIATION:** Marine Highway System  
**ALLOCATION:** Marine Vessel Operations

**ADD:** \$2,297,600 General Fund (OTI)  
\$1,950,000 Marine Highway Funds

ADD the Following Language:

*delete*

"The amount appropriated from the general fund to the Marine Highway System, is reduced by an amount equal to any appropriation to the Alaska Marine Highway System Fund (AS 19.65.060(a)) passed by the Twenty-Fifth Alaska State Legislature in 2008 and enacted into law; the reduction may not exceed \$2,297,600."

**EXPLANATION:** This is a one time increment (OTI). Funding is necessary for the Alaska Marine Highway System to avoid the curtailment of service to Southwest Alaska from November 2008 through April 2009 while the M/V Tustumena is in a C.I.P. project. This amendment will add back:

-Southwest service will be increased from one week per month to two weeks per month.

-Cross Gulf will return to two northbound and two southbound (with stops at Yakutat) per month during this time period

-Positively impacted communities will be Homer, Seldovia, Chenega Bay, Kodiak, Whittier and Yakutat, Ketchikan, and Juneau.

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: \_\_\_\_\_

Amendment: DOT 3

MEMBER

Favor

Oppose

MEMBER	Favor	Oppose
<del>ROBERT</del> HARRIS		✓
GARA	✓	
HAWKER		✓
JOULE	✓	
KELLY		✓
NELSON		✓
STOLTZE		✓
THOMAS	✓	
CRAWFORD	✓	
MEYER		✓
CHENAULT		✓

Yea 4

Nay 6

Failed 4-6

2/27

**DOT PF 3**

**AMENDMENT TO CS HB 310 (FIN)**

**Offered in:** House Finance Transportation Subcommittee

**Offered by:** Representative Thomas as requested by Representative LeDoux

**Agency:** Department of Transportation and Public Facilities

**Appropriation:** Highways, Aviation & Facilities

**Allocation:** Central Region Highways & Aviation

**Add:** \$300,000

**Funding source:** General Funds

**Explanation:** I request that the \$300,000 be included in the budget to purchase calcium chloride for dust control in the Central Region.

Kodiak and other communities in the Central Region have limited roads, but the parts that are not paved are hazardous during dry weather. Limited visibility for drivers, health concerns for those with respiratory problems, and dust concerns for homeowners are factors that will be tolerable if there is an adequate amount of calcium chloride available for all communities in the Central Region.

OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 310(FIN)/CSHB 312(FIN)

OFFERED BY: Representative Chenault

*UFA 1*  
*adopted 2/27*

DEPARTMENT: University  
APPROPRIATION: University Campuses  
ALLOCATION: University of Alaska Anchorage

ADD: 320.0 GF  
273.4 Univ Repts

FUNDING SOURCE: General Fund, Univ Repts

EXPLANATION: Funds the College of Arts and Sciences general education requirements to meet student demand in Tier I and Tier II general education courses

2/27

WHAZ

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

withdrawn

**OFFERED BY:** Representative Chenault

**DEPARTMENT:** University  
**APPROPRIATION:** University Campuses

**ADD:** Intent Language: It is the intent of the Legislature that those students qualifying for the University's Scholars' Program who require remedial coursework must reimburse the University for tuition for those particular courses.

**EXPLANATION:** There are a number of students who receive scholarships under the Scholars' Program who must take remedial courses prior to enrollment in regular, college-level classes .

*1, 10, 20, 21, 22, 23*

**UAA3**

**OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Chenault

**DEPARTMENT:** University  
**APPROPRIATION:** UAA Small Business Development Center  
**ADD:** 550.0  
**FUNDING SOURCE:** Business License Receipts  
**EXPLANATION:** More appropriately belongs in operating budget, not in capital-requested the Administration to move this appropriation

*Adopted  
no/obj*

*UFA 4*

**OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Chenault / *Representative Kelly  
Gross*

**DEPARTMENT:** University  
**APPROPRIATION:** University of Alaska Campuses  
**ALLOCATION:** System Reductions/Additions

**ADD:** 3201.1

**FUNDING SOURCE:** General Fund

**EXPLANATION:** Restores increase for non-represented step increase request as calculated by the university using a grid rather than a step increase system.

*Added*

**UHA 5**

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Chenault  *& Kelly*

**DEPARTMENT:** University  
**APPROPRIATION:** Statewide Programs and Services  
**ALLOCATION:** Statewide Programs and Services

**ADD:** 202.2

**FUNDING SOURCE:** General Fund

**EXPLANATION:** Restores increase for non-represented step increase request as calculated by the university using a grid rather than a step increase system.

OPERATING BUDGET AMENDMENT

w/D  
UNAB

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Les Gara

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** System reductions/additions

**ADD:** \$3,703,100

**FUNDING SOURCE:** 1004 General Fund

**EXPLANATION:** This appropriation would fund the step increases for employees.

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: \_\_\_\_\_

Amendment: Am to Am

WA 7

MEMBER

Favor

Oppose

GARA	✓	
HAWKER	✓	
JOULE	✓	
KELLY		✓
NELSON		—
STOLTZE	✓	
THOMAS	✓	
CRAWFORD	✓	
<del>██████</del> HARRIS	✓	
CHENAULT	✓	
MEYER	✓	

Yea \_\_\_\_\_

Nay \_\_\_\_\_

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: \_\_\_\_\_

Amendment: WA 7  
main

MEMBER

Favor

Oppose

MEMBER	Favor	Oppose
HAWKER	✓	
JOULE	✓	
KELLY		✓
NELSON		—
STOLTZE	✓	
THOMAS	✓	
CRAWFORD	✓	
<del>WATSON</del> HARRIS	✓	
GARA	✓	
MEYER	✓	
CHENAULT	✓	

Yea \_\_\_\_\_

Nay \_\_\_\_\_

Adopted  
as  
Amended  
H 6 A 7

OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 310(FIN)/CSHB 312(FIN)

OFFERED BY: Representative Reggie Joule

DEPARTMENT: University of Alaska  
APPROPRIATION: University of Alaska  
ALLOCATION: Statewide Budget Reductions/Additions-Systemwide

ADD: ~~\$600,000~~ \$500,000

FUNDING SOURCE: 1004 General Funds

**EXPLANATION:** Alaska Native Science & Engineering Program:  
In May 2008, ANSEP will graduate 23 Alaska Native engineers and scientists from the University. More than 50 organizations support this effort with cash and internships. Beginning with high school freshmen, structured programs lead students each step of the way through high school, into the undergraduate years, on to graduate school, and into professional life. At each level the goal is to create empowerment and excitement around careers in engineering and science. ANSEP is unique from a budgetary perspective. Funding formulas for neither Alaskan high schools, nor the University system cover ANSEP costs, yet both benefit from the program.

" Funds should target  
training and development  
to existing programs "

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: \_\_\_\_\_

Amendment: WA 8

MEMBER

Favor

Oppose

JOULE	✓	
KELLY		✓
NELSON		—
STOLTZE		✓
THOMAS		✓
CRAWFORD	✓	
<del>██████</del> HARRIS		✓
GARA	✓	
HAWKER		✓
CHENAULT		✓
MEYER		✓

Yea \_\_\_\_\_

Nay \_\_\_\_\_

Failed

UMAS

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Harry Crawford

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Budget Reductions/Additions-Systemwide

**ADD:** \$5,318,900

**FUNDING SOURCE:** 1004 General Funds

**EXPLANATION:** The University Board of Regents recommended increased funding for initiatives to improve student success and prepare Alaskans for Jobs. This funding was not included in the subcommittee recommendation. This amendment would provide funding for the following efforts:

1. Preparing Alaskans for Jobs: Fisheries -\$1,000.0

Alaska's fisheries lead the nation in value, productivity, and sustainability. During the last year alone, fisherman plying Alaska's waters were paid more than \$1 billion for their catch. While the value of Alaska's fish continues to rise, the number of experts available to manage the health of these resources is dwindling. Restoring this funding will help alleviate the current "near-crisis in staff," due to an aging workforce and a low number of in-state fisheries graduates. The University also needs this \$1 million commitment from the State to match an equal commitment from the Rasmuson Foundation.

2. University Research Investment: Engineering, Transportation, and Energy (Energy Center at Fairbanks Campus)- \$500.0

This funding will enable UA to launch an Integrative Center for Energy Research in Alaska (ICERA) focusing on three areas: rural energy needs through evaluation of rural energy options (including alternative energy options), energy and power needs for economic development (mining and petroleum refinement), and cutting edge fossil fuel technologies (shallow viscous oil and gas, methane hydrates, gas line planning/development).

3. University Research Investment: Biomedical, Health, and Competitive Research- \$1,623.3

Funding requested by the Regents in FY09 provides the necessary resources to help grow UA's research enterprises in areas most critical to the state, including Biomedical, Health, and Competitive Research. UA's research supports 2,400 jobs in Alaska, with the majority funded through competitively awarded external dollars. The state's investment in research is strong policy direction enabling an environment that promotes research endeavors important to Alaska industry thus building stronger public/private alignment to advance Alaska's economy.

4. Student Success: Meeting Student Demand (Distant Ed Support)- \$300.0

Distance education is critical for Alaska to ensure access to high demand programs and higher education in general. Throughout the state there is an explosion of interest by students and faculty interested in taking and offering courses via distance delivery. These funds will be channeled to support three important programs.

5. Student Success: Student Success Initiatives- \$1,500.0

Alaska benefits considerably when our stocks of "educational capital" grow. From a workforce and revenue standpoint, state rates of return on baccalaureate education are far higher than those associated with any other educational step. Helping students succeed (i.e., improving retention and graduation rates) is vitally important to the future of Alaska. The requested funds will be used to initiate and enhance capacity on the following major programs to promote student success: supplemental instruction, early warning systems for at-risk students, mandatory course placements, articulation with select high schools, increased opportunities for tech-prep and early college programs in rural communities, more rigorous and intense academic advising, tutoring, and social support networks.

6. Student Success: Improve delivery at UAA- \$320.0

This provides funding for six new faculty positions to reduce the time needed to earn a degree in the College of Arts and Sciences. Classes are at or near 100 percent capacity in Tier I and 95 percent in Tier II. This is insurance that all student can take their GER courses in Math, English, Communication, and Humanities, which are the main targets of this funding.

7. Student Success: College Prep and Dev. Studies- \$75.6

This amendment provides funds for College Preparatory and Developmental Studies. These courses included English, Math, and English as a Second Language. This is an effort to improve

accommodations for the 1,000 degree seeking students who require these courses before taking their GER courses

Adopted

HB 199

OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 310(FIN) / CSHB 312(FIN)

Chenault

OFFERED BY: Representative

DEPARTMENT: University of Alaska  
APPROPRIATION: University of Alaska Campuses  
ALLOCATION: System Reductions/Additions

ADD: \$364.3

FUNDING SOURCE: General Funds 1004

DELETE:

FUNDING SOURCE:

**EXPLANATION:** University Campuses Restore AHECTE salary reduction  
This amendment reinstates funding for step increases for the Alaska Higher Education Crafts & Trades Employees (AHECTE), the UA "blue-collar" employee. There is a tentative agreement that AHECTE members are in the process of ratifying. The agreement includes small grid movements and high dependence on annual steps. By law, if the terms of the contracts are not funded, the University cannot pay the negotiated provisions. Meeting the terms of the AHECTE contract, which is expected to be ratified in the next week, requires restoration of the \$364.3 cut by HFSC. In subsequent collective bargaining negotiations, the University will present an alternative compensation schedule that is more grid reliant than step for adoption by the AHECTE.

To be competitive in recruiting and retaining qualified employees, annual step increases are a necessary component of UA's total compensation packet. When comparing state and university compensation programs, it should be noted that UA's actual 8 % personnel cost increases in the last 3 years have been less than the 8.5% for state government, 10.9% for the Legislature, and 10% for the Court system. These annual increases may seem high, but for all groups, retirement was a factor that pushed costs up.

*adopted*

*Lang 1*

TO: CSHB 310(FIN)/CSHB 312(FIN)

OFFERED BY: Representative Chenault

Add a new language section:

**It is the intent of the legislature that general funds be the last fund source to be expended from any appropriation that has multiple fund sources. It is the intent of the legislature that the Office of Management and Budget and the Department of Administration assist the legislature in carrying out this intent.**

**Explanation:**

Allocations that are permitted to carry forward non-general funds from prior fiscal years often spend general funds in order to maximize the carryforward of other fund sources. This language is designed to encourage agencies to follow a traditional—but unwritten—policy that is intended to minimize carryforward and maximize lapsing general funds.

**2007 HOUSE FINANCE  
COMMITTEE VOTE SHEET**

*Failed  
4-7*

DATE: 2/27/08

Amendment: Lang. 2

MEMBER

Favor

Oppose

HAWKER		✓
JOULE	✓	
KELLY		✓
NELSON	✓	
STOLTZE		✓
THOMAS		✓
CRAWFORD	✓	
<del>W. HARRIS</del> HARRIS		✓
GARA	✓	
MEYER		✓
CHENAULT		✓

Yea 4

Nay 7

failed  
4-7

Lang 2

25-GH2015M.2  
Bailey  
2/25/08

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE Nelson

TO: CSHB 310(FIN), Draft Version "M"

1 Page 57, line 1, following "DEVELOPMENT":

2 Insert "(a)"

3

4 Page 57, following line 4:

5 Insert a new subsection to read:

6 "(b) The sum of \$200,000 is appropriated from the general fund to the Department of  
7 Education and Early Development for payment as grants to school districts that operate a  
8 charter school with an average daily membership of less than 150 for support of these charter  
9 schools in those districts for the fiscal year ending June 30, 2009. The amount appropriated  
10 under this subsection shall be allocated among eligible school districts in the proportion that  
11 the average daily membership of the eligible charter schools in the district bears to the total  
12 average daily membership of all eligible charter schools in all school districts that operate an  
13 eligible charter school."

*adopted*

OPERATING BUDGET AMENDMENT

*Lang 3*

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)/CSHB 312(FIN)

**OFFERED BY:** Representative Kelly

**DEPARTMENT:** NATURAL RESOURCES  
**APPROPRIATION:** Resource Development  
**ALLOCATION:** Pipeline Coordinator

Add a Subsection to Section 15. DEPARTMENT OF NATURAL RESOURCES

The sum of \$213,400 is appropriated from federal receipts to the Department of Natural Resources, Resource Development, Pipeline Coordinator's office for a cooperative agreement between the U.S. Bureau of Land Management and the department for the fiscal years ending June 30, 2009, June 30, 2010, and June 30, 2011.

**EXPLANATION:**

This amendment will establish a multi-year appropriation that will sunset when a new cooperative federal agreement with the U.S. Bureau of Land Management ends on June 30, 2011.

This new cooperative agreement is being finalized between U.S. Bureau of Land Management and Alaska Department of Natural Resources (State Pipeline Coordinator's Office). The agreement will span three years and reapportions shared costs to include building lease, IT, phones, copiers, etc. The agreement will provide federal reimbursement of up to \$276.7 for applicable shared costs, an increase of \$213.4 from the FY08 Federal Authorization for the Pipeline Coordinator Component.

*adopted*

*Lang 4*

OPERATING BUDGET AMENDMENT

**OFFERED IN:** The House Finance Committee

**TO:** HCS CSHB 310 (FIN)

**OFFERED BY:** Representative Stoltze

**Amend Language**

**Section 16 (Department of Public Safety) by adding two new subsections:**

- (c) The sum of \$1,270,000 is appropriated from the general fund to the Department of Public Safety, division of Alaska state troopers, special projects, for rural alcohol interdiction efforts during the fiscal year ending June 30, 2009.
- (d) If federal receipts are received by the Department of Public Safety for the rural alcohol interdiction program during the fiscal year ending June 30, 2009, the appropriation in (c) of this section is reduced by the amount of the federal receipts.

**Explanation:**

Both the Department of Public Safety (DPS) and the Department of Law (DOL) are requesting fund source changes in FY'09 to replace lost federal funding for the Rural Alcohol Interdiction Program. DPS is requesting \$870,000 and DOL is requesting \$400,000. This amendment funds DPS with the entire general fund replacement and the agency will continue to provide interagency receipts to DOL for program related attorney services.

*adopted*

OPERATING BUDGET AMENDMENT

*Lang 5*

OFFERED IN: The House Finance Committee

TO: CSHB 310(FIN)/CSHB 312(FIN)

OFFERED BY: Representative Chenault

Amend section 18(d) as follows:

(d) The governor shall allocate amounts appropriated in (a) of this section as follows:

(1) to the Department of Transportation and Public Facilities, 65 percent of the total plus or minus 10 percent;

(2) to the University of Alaska, eight [10] percent of the total plus or minus three percent;

(3) to the Department of Health and Social Services and the Department of Corrections, not more than five percent of the total amount appropriated for each department;

(4) to any other state agency, not more than four percent of the total amount appropriated;

(5) the aggregate amount allocated may not exceed 100 percent of the appropriation.

**Explanation:**

This amendment restores the fuel allocation to the University of Alaska to the Eight percent level in effect for FY07 and FY08. Analysis of supplemental requests to cover fuel costs indicates that the change in the Committee Substitute would be necessary only if general funds were used to pay for 100% of the cost increases. The amendment indicates an expectation that the University pay a share of increased fuel costs from University receipts.

*adopted*

OPERATING BUDGET AMENDMENT

*Lang 6*

**OFFERED IN:** The House Finance Committee

**TO:** CSHB 310(FIN)

**OFFERED BY:** Representative Chenault

**Delete language in Section 25(b) and insert the following:**

The amount necessary to pay the first five ports of call their share of the tax collected under AS 43.52.220 in calendar year 2008, according to AS 43.52.230(b), is appropriated from the commercial passenger vessel excise tax account (AS 43.52.230(a)) to the Department of Revenue for payments during the fiscal year ending June 30, 2009.

**Explanation:**

This language clarifies that the receipts collected in calendar year 2008 from the commercial vessel head tax, are to be distributed per AS 43.52.230(b) in fiscal year 2009. The intent is to provide payment to the qualifying local governments upon completion of the calendar year as soon as possible after the end of the calendar year.

*Withdrawn*

25-GH2015M.6  
Bailey  
2/26/08

*Lang*

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 310(FIN), Draft Version "M"

1 Page 72, following line 21:

2 Insert new subsections to read:

3 "(d) The sum of \$3,500,000,000 is appropriated from the general fund to the budget  
4 reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

5 (e) The sum of \$1,500,000,000 is appropriated from the general fund to the budget  
6 reserve fund (art. IX, sec. 17, Constitution of the State of Alaska)."

7

8 Reletter the following subsection accordingly.

9

10 Page 73, line 3, following "10(a)":

11 Insert ", 27(d)."

**HB**

**310**

**SFIN**

**FILE**

## SENATE FINANCE COMMITTEE REPORT

DATE: 3/5/08

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

Finance Committee considered CS FOR HOUSE BILL NO. 310(FIN) am

HB 310 APPROP: OPERATING BUDGET/LOANS/FUNDS

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska; and providing for an effective date."

and recommends:

- be replaced with  SCS or  CS CSHB 310 (FIN)
- adopt previous  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

<b>SENATE BILL:</b>	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
<b>HOUSE BILL:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Eiton	✓			
	THOMAS	✓			
	Dawson				✓
	Wilson	✓			
CO-CHAIR:	Steaman	✓			
CO-CHAIR:		✓			

Thomas

# Senate Finance Subcommittee

**Senator Thomas**  
Subcommittee Chair  
Room 510, Capitol Building  
Phone 465-2327



**Subcommittee Members**  
Sen. Lyda Green  
Sen. John Cowdery  
Sen. Gary Wilken

## Department of Commerce, Community and Economic Development Recommendations

The Senate Finance Budget Subcommittee for the Department of Commerce, Community and Economic Development submits an Operating Budget to the Senate Finance Committee for FY 09 as Follows:

Fund Source	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
General Funds	10,800.8	10,819.4	9,523.8	-1,295.6
Federal Funds	50,489.1	54,388.0	54,315.9	-72.1
Other Funds	95,842.6	102,916.0	100,947.6	-1,968.4

Positions	08 Mgt Plan	Adj Gov Amd.	Sen. Sub
PFT	509	516	515
PPT	3	1	1
Temp	4	15	15

The Subcommittee held four meetings and took the following actions:

### Budget Action

The Subcommittee adopted the FY09 adjusted base as the starting point for comparison with the Governor's FY09 budget request. The following are highlights of actions taken by the Subcommittee:

- Deleted a special assistant to the Commissioner to fund the Development Manager position in the Office of Economic Development.
- Funded a new grant administrator in the Division of Community and Economic Development. The number of grants overseen by each administrator has reached an unmanageable level.
- Added funding for the Alaska Legal Services Corporation to offset loss of federal funding for legal assistance to victims of domestic violence.
- Deleted the Independent Traveler grant to ATIA, the Qualified Trade Association.

- Added three positions and \$3 million in Federal funding to the Alaska Aerospace Development Corporation, to support three additional launches.
- Included full funding for Power Cost Equalization.
- Added \$250.0 in General Funds to the Alaska Seafood Marketing Institute to match federal funds for overseas marketing.
- Added two positions and receipt supported services funding to the Division of Banking and Securities for the second year of the fiscal note for HB 162, the mortgage lending bill that passed last session. Also, the Subcommittee authorized the banking division to use an additional \$180.0 in RSS funds for enforcement and legal costs.
- Added \$503.0 in receipt supported services funds to the Division of Insurance for investigation and enforcement.
- Added \$1,000.0 in RCA receipts for the legal costs of the Regulatory Commission of Alaska.

The Subcommittee did not accept the Governor's request for General Funds to offset unrealizable federal and other funds, in the Office of Economic Development.

The Subcommittee also declined the requested \$500.0 increment for increases in Department of Administration charges for core services between FY05 and FY08.

Finally, the Subcommittee did not include the \$200.0 General Fund increment for the new Energy Coordinator position in AIDEA/AEA. This was a late amendment and the Subcommittee defers it to the full committee.

**Documents attached:**

Legislative Finance Reports

1. Agency Totals - FY2009 Operating Budget-Senate Structure
2. Allocation Summary All Funds - Senate Structure
3. Allocation Summary General Funds - Senate Structure
4. Transaction Comparison - Senate Structure (between Adj Base and Sen Sub)
5. Transaction Comparison - Senate Structure (between GAMAdj and Sen Sub)
6. Transaction Comparison - Senate Structure (between House and Sen Sub)
7. Wordage Report - Operating Budget, Senate Structure

# Senate Finance Subcommittee

**Senator Thomas**  
Subcommittee Chair  
Room 510, Capitol Building  
Phone 465-2327



**Subcommittee Members**  
Sen. Bettye Davis  
Sen. Con Bunde

## Department of Labor and Workforce Development Recommendations

The Senate Finance Budget Subcommittee for the Department of Labor and Workforce Development submits an Operating Budget to the Senate Finance Committee for FY 09 as follows:

Fund Source	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
General Funds	23,380.2	26,176.0	28,210.5	2,034.5
Federal Funds	86,256.2	85,701.9	85,731.9	30.0
Other Funds	51,471.6	54,926.7	54,843.9	-82.8

Positions	08 Mgt Plan	Adj Gov Amd.	Sen. Sub
PFT	835	835	834
PPT	106	105	105
Temp	46	44	44

The Subcommittee held five meetings and took the following actions:

### Budget Action

---

The subcommittee adopted the FY 09 adjusted base as the starting point for comparison with the Governor's FY 09 budget request.

The Governor's FY 09 operating budget request proposes a significant increase in general funds to cover unrealizable fund sources due to the GGU negotiated contract. Five components, Labor Market Information, Data Processing, Employment and Training Services, Unemployment Insurance, and Client Services, totaled \$2,064.6 million in General Funds. The subcommittee accepted the fund source changes in these components recognizing the significant impacts on workforce services without this change. The subcommittee declined requested General Fund fund source changes in two components: the Commissioner's Office and Management Services.

The Governor's FY 09 operating budget request proposes spending \$1,080.0 General Funds for Alaska Gasline Inducement Act (AGIA) related services. This recommendation creates a separate Results Delivery Unit (RDU) for the AGIA related services in the Governor's Office. This will allow for transparency in the budget process this year and in future years as the State of Alaska moves closer to the construction of a natural gas pipeline and ensuring that Alaska has the workforce to support this project.

The subcommittee recommendation also transfers \$3.5 million General Funds for the Alaska Construction Academies from the Capital to the Operating Budget.

In total, the subcommittee recommendation would increase the FY 09 Governor's Amended Request by approximately \$2,034.5 General Funds, largely due to the \$3.5 million transferred from the Capital Budget for the Alaska Construction Academies. The proposal is \$293.5 GF greater than the House proposal due to the inclusion of funding for Labor Market Information salary increases and the Southwest Alaska Vocational Technical Center. The following actions were taken by the subcommittee:

#### **Commissioner and Administrative Services**

##### *Commissioner's Office*

Declined to accept the \$5.4 GF increment to correct the unrealizable fund source for salary adjustments.

##### *Office of Citizenship Assistance*

Deleted \$159.6 GF and one PFT in the Office of Citizenship Assistance, eliminating all funding for that office.

##### *Management Services*

Declined to accept the \$75.0 GF/Match increment to correct the unrealizable fund source for salary adjustments.

##### *Labor Market Information*

Accepted the \$98.5 GF increment to correct the unrealizable fund source for salary adjustments.

Accepted a \$95.0 GF increment for 1 PFT Economist II for AGIA Training Program and Regional Economic Analysis. The FY 09 request was \$110.0 GF. This is a decrement of \$15.0 GF from the FY 09 request. This funding is transferred to the new AGIA RDU in the Governor's Office.

#### **Workers' Compensation and Safety:**

##### *WC Benefits Guaranty Fund*

Accepted the increment of \$200.0 Workers' Compensation Benefit Guaranty Funds for the purpose of allowing additional benefit payments.

##### *Wage and Hour Administration*

Accepted the increment of \$50.0 GF for the maintenance of the Certified Payroll System.

*Mechanical Inspection*

Accepted the increment of \$41.5 Building Safety Fund to support reclassification of an administrative position to a Boiler Inspector.

*Occupational Safety and Health*

Accepted the increment of \$61.0 Workers' Safety Account to correct the unrealizable fund source for salary adjustments.

Accepted the increment of \$46.5 Workers' Safety Account for the cost to change an administrative position to a Safety Compliance Officer.

**Workforce Development**

*Employment and Training Services*

Accepted the increment of \$775.8 GF to correct the unrealizable fund source for salary adjustments.

Accepted the increment of \$10.0 Statutory Designated Receipts for the Performance Assessment Network Agreement.

Accepted the \$950.0 I/A Receipt authorization for Alaska Youth First Initiative.

Accepted the increment of \$400.0 Federal Reed Act Authorization to offset the decrement of \$400.0 in general federal receipt authorization.

*Unemployment Insurance*

Accepted the increment of \$734.6 GF to correct the unrealizable fund source for salary adjustments.

Accepted the increment of \$60.0 Statutory Designated Receipts to allow Memorandums of Agreement with State Municipalities.

Accepted the increment of \$956.1 Federal Reed Act Authorization to offset the decrement of \$956.1 in general federal receipt authorization.

*Adult Basic Education*

Accepted the transfer of \$528.8 GF to GF/Match to reflect the federal Maintenance of Effort Requirement.

*Workforce Investment Board*

Accepted the deletion of 1 PFT and reduced I/A Receipt Authority to align with anticipated receipts.

*Business Services*

Accepted the increment of \$1,247.9 STEP fund authorization.

*Alaska Vocational Technical Center*

Accepted the increment of \$163.5 TVEP authorization.

Declined to accept the increment of \$135.0 GF for AGIA Training Program implementation, which included a Recruiter and Vocational Instructor Training.

*Kotzebue Technical Center*

Accepted the increment of \$81.7 TVEP authorization.

*SW AK Vocational Education Center*

Accepted the increment of \$29.7 TVEP authorization.

Accepted the \$195.0 GF increment to replace reduced federal funding and maintain SAVEC operations.

*Yiut Learning Center (The People's Learning Center)*

Accepted the increment of \$29.7 TVEP authorization.

**Construction Academy Training**

*Construction Academy Training*

Added a new RDU for the Alaska Construction Academies and \$3.5 million GF. This matches the amount appropriated in the FY 08 Capital Budget and the Governor's FY 09 capital budget request. The nature of the activity is operational rather the capital. This will maintain construction academies in Anchorage, Fairbanks, Kenai, Mat-Su, Juneau and Ketchikan.

**Vocational Rehabilitation**

*Client Services*

Accepted the increment of \$267.4 GF/Match to correct the unrealizable fund source for salary adjustments.

Accepted the transfer of \$257.2 GF to GF/Match to reflect the federal Maintenance of Effort Requirement.

Accepted the decrement of \$93.4 I/A Receipts to align with anticipated receipts.

*Independent Living Rehab*

Accepted the increment of \$39.5 GF for Independent Living Services in Rural Alaska.

*Special Projects*

Accepted the increment of \$7.1 for interpreter referral services.

Accepted the decrement of \$500.0 Federal Receipts due to completion of customized employment grant.

*Assistive Technology*

Accepted the increment of \$68.1 I/A Receipts to support a program coordinator position.

## **New Governor's Office RDU: AGIA Workforce Training Program**

### *New Component: Labor Market Information Services*

Accepted a \$95.0 GF increment for 1 PFT Economist II for AGIA Training Program and Regional Economic Analysis. The FY 09 request was \$110.0 GF. This is a decrement of \$15.0 GF from the FY 09 request.

### *New Component: Workforce Training Info Services*

Accepted \$50.0 GF for web and print based Alaska Training Program guide.

### *New Component: Regional Training Center Development*

Accepted \$340.0 GF to fund 1 PFT program coordinator and grant authority for training 70 apprentices. Decrement of \$70.0 GF.

### *New Component: Cooperative Training*

Accepted \$375.0 GF to fund cooperative training agreements with business and industry for AGIA specific industries.

## **Documents attached:**

### **Legislative Finance Reports**

1. Agency Totals – FY2009 Operating Budget-Senate Structure
2. Allocation Summary All Funds – Senate Structure
3. Allocation Summary General Funds – Senate Structure
4. Transaction Comparison – Senate Structure (between Adj Base and Sen Sub)
5. Transaction Comparison – Senate Structure (between GAmAdj and Sen Sub)
6. Transaction Comparison – Senate Structure (between House and Sen Sub)
7. Wordage Report – Operating Budget, Senate Structure

# ALASKA STATE LEGISLATURE

Senator Huggins, Chair.  
 Senator Gary Stevens  
 Senator Bettye Davis  
 Senator Albert Kookesh  
 Senator Gary Wilken



State Capitol  
 Juneau AK 99801-1182  
 907-465-3878  
 Fax: 907-465-3265  
 800-862-3878

## FY 09 Senate Finance Budget Subcommittee Department of Education & Early Development

March 12, 2008

The Senate Finance Budget Subcommittee for the Department of Education and Early Development submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

Fund Source	08 mgt. plan	09 Gov Amd Adj	Sen sub	Gov Amd Adj to Sen Sub
General Funds	\$1,019,565.4	\$936,955.4	\$935,467.3	-\$1,488.1
Federal Funds	\$214,741.9	\$214,566.9	\$214,566.9	0
Other Funds	\$34,126.7	\$35,983.4	\$36,033.4	50.0
Total	\$1,268,434.0	\$1,187,505.7	\$1,186,067.6	-\$1,438.1

Positions	08 mgt plan	09 Gov Amd Adj	Sen Sub	Gov Amd Adj to Sen Sub
PFT	331	329	328	-1
PPT	15	14	14	0
Temp	0	0	0	0
Total	346	343	342	-1

The Subcommittee held three meetings with the Department and took the following action:

### Budget Action

1. Adopted the FY09 Adjusted Base.
  2. Reviewed each of the increments, decrements and budget amendments submitted by the Governor.
- Following are the highlights of the budget action:

#### Highlights:

##### Adopted

- \$373.1 GF for Alaska Challenge Youth Academy (formula funded program)
- \$750.0 GF for Graduation Qualifying Exam Contractual Increase
- \$414.0 GF for Work Ready/College Ready Initiative
- \$350.0 GF for Mt. Edgecumbe Boarding School Food Services and Dorm Management Services Contractual Increase (amended Gov's original request of \$450.0 GF)
- \$200.0 GF EED Facilities Rent - New Archives Lease for Built-to-Suit Building (amended Gov's original request of \$250.0 GF)
- \$432.1 GF for WWAMI Program Expansion
- \$600.0 GF Head Start - Gov's amendment
- \$300.0 GF for Alaska Longitudinal Data System (Gov's proposed increment was \$610.0 to backfill federal dollars with general funds.)
- TRS corrections from the FY08 conference committee action \$1,007.1 GF
- Various transactions for Unrealized Fund Sources for Salary Adjustments GGU- \$357.4 GF

### Denied

- \$235.0 GF School District Improvement Plan Implementation (potential fiscal note funding - SB 285)
- \$500.0 GF Alaska Statewide Mentoring Program Funded at FY 08 level of \$4.5 million
- \$407.1 GF for Early Learning Programs

### Senate Subcommittee Recommended Increments

- Senate Subcommittee recommends an increase to AMEREF's base budget by \$50.0 for a total budget of \$100.0 GF. (In FY08 this program was funded at \$100.0)
- \$40.0 GF Match - Alaska State Council on the Arts-State match to obtain federal funds.
- \$100.0 GF - Education Support Services, School Finance & Facilities, Charter School Grant Funds. This appropriation is for the three smallest Charter Schools in the State.

### Items of Concern

1. Subcommittee Issues of Concern
  - a. The House and Senate structure are not the same for the Head Start/Early Learning Program. The House renamed the program for Head Start/Early Learning to Early Learning Coordination.

### Language and Wordage

1. The Subcommittee recommends deleting \$2.5 million GF for the School Performance Incentive Program and recommends adding \$2.5 million GF from the numbers section to the language section. \$2.5 million GF was requested by the Governor in the FY 09 budget numbers section with open-ended wordage in the language section to fund this program.
2. The Subcommittee recommends standard wordage be added for receipts from the teacher certification fees for Teaching and Learning Support.
3. The House added intent language for the \$600.0 GF increment for Head Start. This language maintains that the \$600.0 GF funding for Head Start be distributed as grants to providers who match these grants dollar for dollar and who will use these funds to enroll additional children in the program. The Senate Subcommittee did not adopt the intent language relating to Head Start.
4. The Subcommittee adopted intent language stating that \$100.0 of the total amount appropriated for charter schools be divided among the three smallest charter schools based on the average daily membership of each school.

### Documents attached:

#### Legislative Finance Reports

1. Agency Totals—FY2009 Operating Budget-Senate Structure
2. Allocation Summary All Funds— Senate Structure
3. Allocation Summary General Funds - Senate Structure
4. Transaction Comparison – Senate Structure (between Adj Base and Sen Sub)
5. Transaction Comparison – Senate Structure (between G&mdAdj and Sen Sub)
6. Transaction Comparison – Senate Structure (between House and Sen Sub)
7. Wordage Report – Operating Budget, Senate Structure

Respectfully submitted,  
Senator Huggins  
Senate Subcommittee Chair

# ALASKA STATE LEGISLATURE

Senator Huggins, Chair  
Senate Subcommittee  
Senator Bill Wielechowski  
Senator Fred Dyson



State Capitol  
Juneau AK 99801-1182  
907-465-3878  
Fax: 907-465-3265  
800-862-3878

## Senate Finance Budget Subcommittee Military & Veterans Affairs

February 29, 2008

The Senate Finance Budget Subcommittee for the Department of Military & Veterans Affairs submits an operating budget to the Senate Finance Committee for FY 09 as follows:

Fund Source	08 mgt. plan	09 Gov Amd Adj	Sen sub	Gov Amd Adj to Sen Sub
General Funds	\$12,324.5	\$12,754.8	\$11,062.3	-\$1,692.5
Federal Funds	\$20,336.2	\$21,173.2	\$21,173.2	0
Other Funds	\$10,305.7	\$12,748.9	\$12,748.9	0
Total	\$42,966.4	\$46,676.9	\$44,984.4	0

Positions	08 mgt plan	09 Gov Amd Adj	Sen Sub	Gov Amd Adj to Sen Sub
PFT	284	283	283	0
PPT	2	2	2	0
Temp	1	1	1	0
Total	287	286	286	0

The Senate Finance Budget Subcommittee on the Department of Military and Veterans Affairs met two times and took the following action from FY09 adjusted base:

### Budget Action

- 1.) Adopted the FY 09 Adjusted Base
- 2.) Moved the National Guard Naval Militia Retirement System contributions to direct Appropriation to Retirement. 986.6 GF decrement requested in FY09 and a \$735.9 decrement in the base budget.
- 3.) Accepted other increments/decrements proposed by the Governor.
- 4.) Accepted Governor's Amendment to transfer PCN 09-0012 Engineer/Architect II to Department of Transportation and Public Facilities. Position will remain at Ft. Richardson and be paid for by an RSA from DMVA. The hope is that DOT/PF will be more successful in filling the position since there is career path within that department.

The subcommittee adopted these amendments and included them in the Proposed FY09 Senate structure.

### Subcommittee Increment Accepted

- 1.) Veterans' Services 30.0 GF - Increase grants for Veterans Outreach Programs/Veterans Service Organizations.

## Language

The committee adopts the following language under section 14 of the operating bill.

“Five percent of the market value of the average ending balances in the Alaska veterans’ memorial endowment fund (AS 37.14.700) for the fiscal years ending June 30, 2006, June 30, 2007, and June 30, 2008, is appropriated from the Alaska veterans’ memorial endowment fund to the Department of Military and Veterans’ Affairs for the purposes specified in AS 37.14.730(b) for the fiscal year ending June 30, 2009.”

## Documents Attached

Legislative Finance Reports

Agency Totals – Senate structure

Appropriation/allocation Summary All Funds – Senate Structure

Appropriation/allocation Summary General Funds – Senate Structure

Transaction Compare Between Adjusted Base and Senate Subcommittee

Transaction Compare Between GovAmdAdj and Senate Subcommittee

Transaction Compare Between House and Senate Subcommittee

# ALASKA STATE LEGISLATURE

Senator Huggins, Chair.  
 Senator Lyda Green  
 Senator Tom Wagoner



State Capitol  
 Juneau AK 99801-1182  
 907-465-3878  
 Fax: 907-465-3265  
 800-862-3878

## FY 09 Senate Finance Budget Subcommittee Department of Natural Resources

March 11, 2008

The Senate Finance Budget Subcommittee for the Department of Natural Resources submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

Fund Source	08 mgt. plan	09 Gov Amd Adj	Sen Sub	Gov Amd Adj to Sen Sub
General Funds	71,180.2	71,016.0	68,778.5	-2,237.5
Federal Funds	16,392.9	15,659.7	15,676.8	17.1
Other Funds	45,287.7	45,754.0	45,443.0	-311.0
Total	132,860.8	132,429.7	129,898.3	-2,531.4

  

Positions	08 mgt plan	09 Gov Amd Adj	Sen Sub	Gov Amd Adj to Sen Sub
PFT	786	811	786	-25
PPT	252	247	253	6
Temp	76	75	75	0

The Subcommittee held five meetings with the Department and took the following actions:

### Budget Action

1. Adopted the FY09 Adjusted Base.
2. Reviewed the increments, decrements and budget amendments proposed by the Governor. All budget amendments proposed by the Governor were accepted. Following are the highlights of the budget action:

#### Highlights

##### Adopted

- ? \$1,318.1 GF for Oil & Gas Development.
- ? \$464.4 GF for Expanded Audit Function passed in fiscal note for HB 2001.(2 new positions)
- ? \$300.0 Stat Desig for Increased Royalty Modification Applications.
- ? \$90.0 CIP Repts for Alaska Coastal & Ocean Management-federally funded Capital Projects.
- ? \$200.0 CIP Repts for Non Emergency Hazard Mitigation Projects(USFS).
- ? \$500.0 GF for the North Latitude Plant Material Center - GF replaces unrealizable Federal Receipts in order to continue the foundation seed program. The Senate subcommittee adopted the \$500.0 GF as an IncOTI
- ? \$225.0 GF Gov's amendment for the Certified Seed Production. Will provide pathogen tested and certified potato seed.
- ? \$1,684.1 MIITAAR for Mental Health Trust Land Office Admin Budget.

- ? \$1,037.7 GF Fire Suppression Preparedness Aviation Contract Cost Increase.
- ? \$50.0 GF for Claims, Permits & Leases - Guide Services Initiative Phase I (Senate subcommittee amended the original request of \$100.0 GF. -(1 new position)
- ? \$523.0 GF Gov's amendment for the Petroleum Systems Integrity Office this is in the language section of the bill funding is through June 20, 2009.

### Denied

- ? \$391.7 GF for AGIA implementation support. (3 new positions)
- ? \$216.7 GF for Oil & Gas exempt employees salary parity with AOGCC staff.
- ? \$85.0 GF for Claims, Permits & Leases, for increased mining activity/coal regulatory program. (1 position)
- ? \$308.3 GF for Water Development - increased Mining Activity and workload. (3 positions)
- ? \$95.0 GF for Geological Development Hydrology Research Program. (1 new position)
- ? \$700.0 GF/CIP Repts for Parks Management - Partial implementation of Long Term Strategic Plan for State Parks. (2 new PFT positions, 4 PPT to PFT)
- ? \$90.0 GF - Agriculture Development - Senate Subcommittee eliminated 90.0 GF and 1 position. This funding is equivalent to the property manager position for Mat Maid properties. The Mat Maid properties should be sold soon or be placed under property management under the state building fund.

### Fund Source

The Senate subcommittee denied \$250.7 in fund source changes to general funds due to salary adjustments. \$21.2 in general funds was accepted.

### Wordage Report

Carry forward wordage is in the budget for Forest Management and Development, State Historic Preservation Program and Parks Management.

### Documents attached:

#### Legislative Finance Reports

1. Agency Totals – FY2009 Operating Budget-Senate Structure
2. Allocation Summary All Funds – Senate Structure
3. Allocation Summary General Funds - Senate Structure
4. Transaction Comparison – Senate Structure (between Adj Base and Sen Sub)
5. Transaction Comparison – Senate Structure (between GAmAdj and Sen Sub)
6. Transaction Comparison – Senate Structure (between House and Sen Sub)
7. Wordage Report – Operating Budget, Senate Structure

Respectfully submitted,

Senator Huggins  
Senate Subcommittee Chair

Sen Olson

# ALASKA STATE SENATE

SENATOR DONALD C. OLSON  
SENATE FINANCE SUB-COMMITTEE CHAIR



ALASKA  
STATE CAPITOL  
ROOM 514  
JUNEAU, ALASKA 99801-1182

(907) 465-3880  
FAX (907) 465-4821

## SENATE FINANCE / HEALTH & SOCIAL SERVICES SUB-COMMITTEE

SUB-COMMITTEE MEMBERS: SENATOR GREEN, SENATOR DAVIS, SENATOR DYSON

### FY 09 Budget Recommendations

Date: March 14, 2008

The Senate Finance Sub-committee for the Department of Health and Social Services submits an operating budget for FY 2009 to the full Senate Finance Committee as follows:

	08 Mgt Plan	09 Gov Amd	Sen Sub (includes language)	Difference (Gov Amd/Sen Sub)
Gen Funds	\$ 794,605.2	\$ 938,167.5	\$ 903,309.1	\$(34,858.4)
Fed Funds	1,023,813.9	1,030,429.4	1,006,582.3	(23,901.1)
Oth Funds	156,200.2	171,270.9	171,446.7	175.8
<b>Total</b>	<b>\$1,974,619.3</b>	<b>\$2,139,867.8</b>	<b>\$2,081,338.1</b>	<b>\$(58,529.7)</b>

### Position Changes

	08 Mgt Plan	09 Gov Amd	Sen Sub	Difference (Gov Amd/Sen Sub)
FT	3,367	3,459	3,436	(23)
PT	103	98	98	
NP	155	135	136	1

### Budget Action

The Senate Finance Sub-Committee budget authorizes \$58,729.7 less in total, \$34,858.4 less in General Funds (GF), than the Governor's Amended Budget Request. The differences are shown in summary and in detail in the attached reports.

The Governor's Amended budget request was accepted with some differences and comments as follows:

- Adopted \$67,914.9 of GF (\$94,525.1 in total funds) for -- to name the biggest items -- Federal Medical Assistance Percentage (FMAP) rate change from 52.48% to 50.53%, projected Medicaid formula growth, various provider rate increases, the State Children's Health Insurance Program (SCHIP) shortfall, and various Medicaid cost containments.
- Reduced funding by \$23,000.0 in GF (\$46,000.0 in total funds) for an unallocated reduction to general medicaid rebasing.
- Adopted \$17,962.9 of GF (\$158.3 in total funds) due to the elimination of ProShare financing.
- Amended and adopted \$1,613.4 of GF/Mental Health (\$18,378.0 in total funds) for Mental Health Trust and other non-GF funding sources.
- Adopted \$20,345.4 of GF to fund the Senior Benefits Payment Program.
- Adopted \$11,656.8 of GF (\$12,894.8 of total funding) for cost increases and program growth in other non-medicaid existing programs, which includes additional base grant funding for core services with an emphasis on substance abuse treatment, additional statewide community based youth development programs, and additional community based grants to invest in home and community based supports for seniors.
- Adopted \$1,929.0 of GF for increases to the youth facilities across the state for additional front line staffing and safety and security.
- Added decrements to disband the Office of Faith Based & Community Initiatives (reduction of \$256.3 in GF and 503.0 in federal funds), to reduce the Commissioner's Office by \$100.0 in GF, and to reduce the Public Affairs Office by \$570.8 in GF.

Other changes are shown in the reports included with this.

With so many essential services to our most vulnerable Alaskans funded by this budget, there were many worthy and important requests that we were not able to fund. An example is a request for \$13 million of funding to strengthen and expand the Community Health Centers (CHCs). Although they are an alternative to more expensive care provided in hospitals, and have received the highest rating possible from the federal Office of Management and Budget for efficiency and quality, unfortunately it was not possible to include an expansion such as this in this budget recommendation.

There were some technical changes included to move some components to different places in the budget. Those are: "Suicide Prevention Council" is now under the "Behavioral Health" RDU, "Rate Review" is now under "Health Care Services" RDU, and "Health Plan and Infrastructure" is now under "Public Health;" RDU. In addition, new components were added: "Senior Benefits Payment Program" was added to the "Public Assistance" RDU, "Agency-wide Unallocated Reduct" was added to

“Departmental Support Services” RDU. Finally, a new RDU and Component were added, both titled “Community Initiative Matching Grants”.

It is also our intention to allow Legislative Finance to do technical adjustments if any are needed.

#### Items of Concern

---

Clearly, the biggest concern for this budget is the size of the budget itself, and whether continued increases, such as are included this year, can be sustained and continue to be added each year. This budget funds some of the most essential services of state government and not only are the costs of all the programs escalating, but in addition, there continues to be growth in the programs as the elderly population increases, poverty levels increase, and substance abuse and other behavioral health problems abound.

Another concern for this budget is the continuing change to the FMAP rate and other federal programs, which cost tens of millions each year as federal funds are replaced with GF.

#### Attached Reports

---

Agency Totals – FY 2009 Operating Budget – Senate Structure  
Allocation Summary–FY 2009 Operating Budget–Senate Structure (all funds)  
Allocation Summary–FY 2009 Operating Budget–Senate Structure (GF)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (adj base to SenSub)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (GA to SenSub)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (Hsc to SenSub)  
Wordage Report–FY 2009 Operating Budget–Senate Structure

# ALASKA STATE SENATE

SENATOR DONALD C. OLSON  
SENATE FINANCE SUB-COMMITTEE CHAIR

ALASKA STATE CAPITOL  
ROOM 514  
JUNEAU, ALASKA 99801-1182



DENISE LICCIOLI, FINANCE AIDE  
(907)465-3880  
FAX (907) 465-4821

## SENATE FINANCE / PUBLIC SAFETY SUB-COMMITTEE

SUB-COMMITTEE MEMBERS: SENATOR WIELECHOWSKI, SENATOR MCGUIRE, SENATOR ELLIS, SENATOR BUNDE

### FY 09 Budget Recommendations

Date: March 14, 2008

The Senate Finance Sub-committee for the Department of Public Safety submits an operating budget for FY 2009 to the full Senate Finance Committee as follows:

	08 Mgt Plan	09 Gov Amd	Sen Sub	Difference (Gov Amd/Sen Sub)
Gen Funds	\$108,336.2	\$114,934.6	\$112,990.2	\$(1,944.4)
Fed Funds	17,671.3	11,573.7	11,573.7	
Oth Funds	21,369.3	23,033.5	23,033.5	
Total	\$147,376.8	\$149,541.8	\$147,597.4	\$(1,944.4)

#### Position Changes

	08 Mgt Plan	09 Gov Amd	Sen Sub	Difference (Gov Amd/Sen Sub)
FT	833	846	833	(13)
PT	17	17	17	
PPT	12	12	12	

#### Budget Action

The Senate Finance Sub-Committee budget authorizes \$1,944.4 less in total than the Governor's Amended Budget Request. The differences are shown in summary and in detail in the attached reports.

Per your direction, the increased fuel and utility cost, which would have increased GF by \$635.0, were removed from this budget request, to be dealt with by the full Finance Committee.

The Governor's Amended budget request was accepted with some additional differences and comments as follows:

- Adopted \$150.0 for increased lease costs
- Added \$1,595.9 to increase VPSO salaries, to add 15 additional VPSOs with 9 months of funding, and to add a stipend to each community with a VPSO(s)
- Adopted \$435.5 of PFD Felon Receipts for Council on Domestic Violence and Sexual Assault, and amended it by reducing GF by \$100.0
- Added \$220.0 to assist, develop and regulate fire standards training
- Added \$200.0 for Victims for Justice
- Amended and adopted a reduction of \$734.5 to GF for various funding source changes (Gov Amd request was for a reduction of \$688.7)
- Amended and adopted \$500.0 for Anchorage prisoner transport (Gov Amd request was \$656.3)
- Amended and adopted \$227.5 for increased prisoner transport (Gov Amd request was \$455.0)
- Amended and adopted \$96.1 for enhanced training (Gov Amd request was \$192.3)
- Amended and adopted \$546.0 for increased vehicle costs (Gov Amd request was for \$1,092.3)

Other changes are shown in the reports included with this.

The Sub-Committee also recommended language and conditional funding to be included in the "numbers section" of the CS for the Rural Alcohol Interdiction Team.

#### Structure Changes

There are some name changes included in this proposal. The appropriation previously called "Fire Prevention" is now titled "Fire and Life Safety". Other allocation name changes are: "Fire Prevention Operations" to "Fire and Life Safety Operations", "Fire Services Training" to "Education Bureau", and "Judicial Services Bureau - Anchorage" to "Alaska Bureau of Judicial Services". Finally, a new RDU and Component were added, both titled "Victims for Justice".

### Items of Concern

Perhaps the biggest concern for this budget is the continuing problem with vacant VPSO positions. With the vacancy rate as high as it is and has been, it is difficult to protect Alaskans and provide public safety in the rural areas of the state. The increased funding contained in this proposal is the first of several such increases expected in this budget over the next few years. One of the items being funded is a pay increase for the VPSOs. It is hoped that the rise in salary will have a positive impact on recruitment and retention efforts. The VPSO Task Force also recommended including funding for CPI increases annually on par with increases requested for the Alaska State Troopers, and adding funding for 15 additional positions over this and the next 3 years. This proposal is a start toward strengthening public safety in the rural areas of the state.

The other concern that remains with this budget is the possible loss of funding for the Rural Alcohol Interdiction Team. The Governor's budget included a request for \$870.0 of funding contingent on a similar loss of federal funding. Our recommendation does reduce the federal receipts, but includes the GF funding for this component and \$400.0 that would go to the Department of Law for program related attorney services, as contingent language since it is too early to know whether or not they have a problem. By doing so, only if the federal funding is not received will the Department have the GF funding available.

It is also our intention to allow Legislative Finance to do technical adjustments if any are needed.

### Attached Reports

---

Agency Totals – FY 2009 Operating Budget – Senate Structure  
Allocation Summary–FY 2009 Operating Budget–Senate Structure (all funds)  
Allocation Summary–FY 2009 Operating Budget–Senate Structure (GF)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (adj base to SenSub)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (GA to SenSub)  
Transaction Comparison–FY 2009 Operating Budget–Senate Structure (Hse to SenSub)  
Wordage Report–FY 2009 Operating Budget–Senate Structure

# ALASKA STATE SENATE

SENATOR DONALD C. OLSON  
SENATE FINANCE SUB-COMMITTEE CHAIR

ALASKA STATE CAPITOL  
ROOM 514  
JUNEAU, ALASKA 99801-1182



DAVE GRAY, FINANCE AIDE  
(907)465-3877  
FAX (907) 465-4821

## SENATE FINANCE / TRANSPORTATION SUB-COMMITTEE

SUB-COMMITTEE MEMBERS: SENATOR WIELECHOWSKI, SENATOR MCGUIRE, SENATOR ELLIS, SENATOR BUNDE

### FY 09 Budget Recommendations

Date: March 14, 2008

The Senate Finance Sub-committee for the Department of Transportation and Public Facilities submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

	08 Mgt Plan	09 Gov Amd	Sen Sub	Difference
Gen Funds	\$205,471.4	\$209,547.1	\$209,291.5	\$ (255.6)
Fed Funds	3,762.8	4,076.5	4,086.3	9.8
Oth Funds	289,395.1	288,558.9	291,109.4	2,550.5
Total	\$498,629.3	\$502,182.5	\$504,487.2	\$2,304.7

#### Position Changes

	08 Mgt Plan	09 Gov Amd	Sen Sub	
FT	3,174	3,191	3,187	(4)
PT	447	446	445	(1)
PPT	199	214	199	(15)

#### Budget Action

The Senate Finance Sub-Committee budget authorizes \$2,304.7 more in total than the Governor's Amended Budget Request. This increase derives from the partial restoration of ferry service to southwest communities by the M/V Kennebecott. This service is necessitated by the extended lay up of the M/V Tustumena for major repairs and refitting. \$2,297,000 in general funds and \$1,950,000 in Marine Highway Funds were added as one time items (OTI) for the Kennebecott's operations during the Tustumena's down time.

Per your direction, the increased fuel and utility cost were removed from this budget request, to be dealt with by the full Finance Committee.

The other main differences between the Governor's Amended budget request and that of the sub-committee's proposal are as follows:

- Removed \$42.0 GF of training and travel funds from the Maintenance Management System increment.
- Denied the \$180.0 GF increment for desk top computer support in the transportation and security component.
- Reduced the GF increment for the Road Weather Info System by \$54.0 down to \$200.0
- Denied the \$200.0 GF increment for ongoing funding of the new non-federally funded bridge program while sustaining the \$150.0 GF start up increment for non-federally funded bridges.
- Changed the \$70.0 GF increment for a new Weights and Measures Inspector Trainee position to receipt supported services (RSS) fund source.
- Changed the \$15.0 GF increment for the Chena Pump Campground maintenance in the Northern Region Facilities component to I/A fund source with the Department of Natural Resources.
- Reduced \$280.0 GF for three new maintenance positions in the Northern Region Facilities component down to \$100.0 one position.
- Denied \$950.0 GF for 15 positions in the new Equipment Operator Training Program.
- Denied \$200.0 GF increment for environmental clean-up and compliance in the Northern Highways and Aviation component.
- Denied \$95.0 GF and \$250.0 GF increments for wayside and pullout maintenance and bike path maintenance, respectively, in the Northern Highways and Aviation component.
- Reduced the increment for two clerical positions for Southeast Highways and Aviation to one position and \$30.0 GF.
- Throughout the budget, increased GF requests for personnel cost adjustments or for short falls in receipt supported funding levels have been denied.

The Sub-Committee recommends the addition of conditional language for expenditures of traffic fines collected up AS 28.90.030 and Whittier Tunnel toll receipts. There is also language for lapsing Southeast Region Highways and Aviation funds.

# Senate Finance Subcommittee

**Senator Stedman**  
**Subcommittee Chair**  
 Room 516, Capital Building  
 Phone 465-3873 / Fax 465-3922  
 Staff – Darwin Peterson



**Subcommittee Members**  
 Sen. Bert Stedman  
 Sen. Lesil McGuire  
 Sen. Hollis French  
 Sen. Gene Therriault

## Department of Law Recommendations

The Senate Finance Budget Subcommittee for the Department of Law submits an Operating Budget to the Senate Finance Committee for FY 09 as follows:

<u>Fund Source</u>	<u>08 mgt. plan</u>	<u>09 Gov AmdAdj</u>	<u>Sen Sub</u>	<u>Difference</u>
General Funds	39,257.4	56,326.9	45,930.3	(10,396.6)
Federal Funds	3,113.9	3,054.6	3,054.6	0
Other Funds	23,862.8	23,231.4	23,388.2	156.8

<u>Positions</u>	<u>08 mgt. plan</u>	<u>09 Gov AmdAdj</u>	<u>Sen Sub</u>
PFT	537	544	542
PPT	9	9	9
Temp	0	0	0

The Subcommittee held two meetings with the Department and took the following actions:

### Budget Action

- Accepted the Governor's amended proposal with the following adjustments and comments.
  - Reduced the Governor's request for GF to replace the Community Gun Violence federal grant that ended on 12/31/06. The request was reduced 50% from \$121.6 to \$60.8.
  - Reduced the Governor's request for two new positions in the Anchorage Special Offenders Unit. The request was reduced 50% from \$343.6 to \$171.8.

- Denied \$260.0 in GF increments for the Criminal and Civil Divisions the Governor requested as a result of a reduction in federal funds from the Juvenile Accountability Block Grant program. This funding has historically come from DH&SS as I/A receipts. The subcommittee recommends this funding be restored in the DH&SS budget with continued I/A receipts issued to the Department of Law.
- Denied the \$400.0 GF increment for the Rural Alcohol Interdiction Program in the Criminal Division's Fourth Judicial District and Criminal Appeals/Special Litigation Component. This funding has historically come from DPS as I/A receipts. Funding for this program has been restored in the FY09 DPS budget and it is the intent of the subcommittee that funding for the program will continue to come from DPS in the form of I/A receipts.
- Reduced the Governor's request for a new PFT Associate Attorney for adult restitution cases. The request was reduced 50% from \$111.5 to \$55.8. The subcommittee recommends the Department use this funding to continue hiring temporary staff to address the backlog.
- Denied the Governor's multi-year request for \$9,600.0 from the Alaska Capital Income Fund for work related to the state gas pipeline and replaced it with a \$5,000.0 GF one time increment. This increment was moved from the Department of Law to the Governor's Office under Branch-wide Oil and Gas Development. The subcommittee recommends the Department request additional funds in the FY10 budget as needed.
- Denied the Governor's request for a new PFT Associate Attorney for electronic records and discovery requests.

## Wordage

---

The subcommittee recommends the wordage as referenced on the wordage report listed.

## Language

---

The subcommittee denied the following language under the Department of Law:

"The sum of \$9,600,000 is appropriate from the Alaska capital income fund (AS 37.05.565) to the Department of Law, oil, gas and mining section, for work related to the gas pipeline and to bringing North Slope natural gas to market, and to other oil and gas projects, for the fiscal years ending June 30, 2009 and June 30, 2010."

Senate Finance Subcommittee on the Dept. of Law – Close-out report

Attached FY 09 Operating Budget Reports

1. Agency Totals – Senate Structure
2. Allocation Summary (all funds) – Senate Structure
3. Allocation Summary (GF) – Senate Structure
4. Transaction Comparison (between Adj Base and Sen Sub)
5. Transaction Comparison (between Gov Amd Adj and Sen Sub)
6. Wordage – Senate Structure

Respectfully Submitted,



Senator Bert Stedman, Chair  
Senate Subcommittee on the Department of Law  
March 11, 2008

# ALASKA STATE LEGISLATURE

## SENATE FINANCE COMMITTEE Department of Revenue Operating Budget Sub-Committee



Senator Bert Stedman, Chair  
Senator Hollis French  
Senator Con Bunde

Official Business

State Capitol, Room 516  
Juneau, AK 99801-1182  
Phone: (907) 465-3873  
Fax: (907) 465-3922

### FY09 OPERATING BUDGET RECOMMENDATIONS

March 13<sup>th</sup>, 2008

The Senate Finance Budget Subcommittee for the Department of Revenue submits the following FY09 Operating Budget Recommendations to the Senate Finance Committee:

Fund Source	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
General Funds	\$ 40,572.8	\$ 18,925.3	\$ 17,057.9	\$(1,867.4)
Federal Funds	\$ 36,479.4	\$ 37,031.2	\$ 37,040.3	\$ 9.1
Other Funds	\$184,898.8	\$208,802.3	\$208,243.9	\$ ( 558.4)

Positions	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
PFT	860	873	868	(5)
PPT	49	50	50	0
Temp	17	17	17	0

The Subcommittee held two meetings with the Department and took the following actions:

### Budget Action

Accepted the Governor's amended budget and fund source changes for salary increases with the following exceptions:

#### TAX DIVISION

- Approves \$800k in GF for full funding of Audit Master positions authorized in the passage of HB 2001 during last year's special session on oil tax.
- Approves increment of \$120.9 to hire a Programmer Analyst V for the oil & gas production tax database system

- Approves one-time increment of \$540 k in GF for funding 2 contract auditors at \$100 per hour, 40 hours a week with 30% additional for transportation, lodging and other related expenses. The original request was for 3 contract auditors and \$1,013.2 GF.

#### TREASURY DIVISION

- Approves \$360 increment (\$126.0 GF/ \$234 Inter Agency Receipts) to increase in house fixed-income portfolio investment capabilities.
- Approves \$25 k increment in Retiree Health Insurance Fund Receipts to cover increased costs of investment management services.
- Approves \$250 k increment in Statutory Designated Program Receipts to bring the retained fees for the State Bond Committee's financial advisor services "on-budget". This provides more transparency and accountability with regard to the costs of these services.

#### ALASKA RETIREMENT MANAGEMENT BOARD (ARMB)

- Accepts a one-time increment of \$300k GF for conducting an independent audit of the state's actuary.

#### ADMINISTRATIVE & SUPPORT

- Accepts House recommendation to delete position transferred from the Alaska Natural Gas line Development Authority. (\$33.3 GF/\$55.6 Inter Agency Receipts)

#### MENTAL HEALTH TRUST OPERATIONS

- Approves a \$254k increment in Mental Health Trust Receipts to allow for increased positions as recommended in the Board of Trustees operating plan

#### ALASKA HOUSING FINANCE OPERATIONS

- Approves increment of \$893.0 in AHFC Receipts to correct unrealizable fund sources for salary adjustments. A corresponding decrement of \$759.4 Federal Receipts and -\$133.6 CIP Receipts is included.
- Approves \$11.4 in Fed Receipts for the project based contract administration expenses.
- Approves \$180.0 in AHFC Receipts for scheduled computer & printer replacements.
- Approves \$505.7 in AHFC Receipts for costs associated with increased business activity.

- Decrements \$400.0 in AHFC Receipts for reduced private lease space in the Atwood building.

#### **ALASKA PERMANENT FUND CORP OPERATIONS**

- Denies a \$83.6 increment in Perm Fund Corp Receipts to hire 1 new Accountant
- Denies a \$95.3 increment in Perm Fund Corp Receipts to hire 1 new Investment Associate
- Denies a \$63.5 increment in Perm Fund Corp Receipts to hire 1 new IT Technician
- Denies a \$70.1 increment in Perm Fund Corp Receipts to hire 1 new Administrative Specialist
- Approves \$180.9 in Perm Fund Corp Receipts to hire 1 Attorney to provide in-house legal counsel necessary due to the growth and complexity of the Corporations activities.
- Approves \$41.2 in Perm Fund Corp Receipts for increased travel costs.
- Approves \$89.0 in Perm Fund Corp Receipts for the increased cost of contractual services.
- Approves \$272.3 in Perm Fund Corp Receipts for salary management plan increases.
- Accepts \$15.8 decrement in Perm Fund Corp Receipts for reduced commodity and equipment spending plans

#### **APFC CUSTODY AND MANGEMENT FEES**

- Approves a \$18,615 k increment in Perm Fund Receipts to pay for increased custody and management fees

#### **ATTACHMENTS:**

Report 1 – Agency Totals

Report 2 – Allocation Summary – Senate Structure

Report 3 – Allocation Summary – Senate Structure (GF Only)

Report 4 – Transaction Compare – Gov Amend Adjusted & Senate Subcommittee

Report 5 – Transaction Compare – House & Senate Subcommittee

Report 6 – Transaction Compare – Adjusted Base & Senate Subcommittee

Report 7 – Wordage

# ALASKA STATE LEGISLATURE

## SENATE FINANCE COMMITTEE

University of Alaska

Operating Budget Sub-Committee

Senator Bert Stedman, Chair  
Senator Lyman Hoffman  
Senator Charlie Huggins  
Senator Donny Olson  
Senator Kim Elton  
Senator Joe Thomas  
Senator Fred Dyson



Official Business

State Capitol, Room 516  
Juneau, AK 99801-1182  
Phone: (907) 465-3873  
Fax: (907) 465-3922

## FY09 OPERATING BUDGET RECOMMENDATIONS

March 13<sup>th</sup>, 2008

The Senate Finance Budget Subcommittee for the University of Alaska submits the following FY09 Operating Budget Recommendations to the full Finance Committee:

Fund Source	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
General Funds	\$ 290,758.3	\$ 310,050.0	\$ 309,585.5	\$ (464.5)
Federal Funds	\$ 152,660.9	\$ 156,076.9	\$ 157,076.9	\$ 1,000.0
Other Funds	\$ 356,693.3	\$ 371,200.2	\$ 373,023.6	\$ 1,823.4

Positions	08 Mgt. Plan	Adj Gov Amd	Sen Sub	Difference
PFT	4,650	4,693	4,694	1
PPT	221	222	222	0
Temp	0	0	0	0

## Budget Action

The Subcommittee reviewed all of the increments and decrements submitted by the Governor and recommends the following budget actions:

- **GF Spending:** The subcommittee's recommended budget is a \$164.5 k GF reduction (less than 1.0%) from the Governor's amended adjusted request.
- **Appropriation Structure:** The committee is recommending a different appropriation structure than was requested by the Governor.

- Over the last several years, the University has received a single appropriation from the Legislature.
- The House recommended breaking this into 3 appropriations this year:
  - Statewide Programs & Services
  - University of Alaska Campuses and
  - Small Business Development Center. This item has traditionally been in the Capital Budget but this year it has been moved into the operating budget and given a separate appropriation.
- The Senate Subcommittee accepted the House's recommendation to move the Small Business Development Center to its own appropriation in the operating budget and to fund it with Business License Receipts instead of General Funds.
- The Senate Subcommittee is recommending that the single University of Alaska Campuses appropriation be broken into 4 separate appropriations:
  - University of Alaska Anchorage
  - University of Alaska Fairbanks
  - University of Alaska Southeast
  - University of Alaska Community Campuses
- A similar appropriation structure was used by the Legislature prior to FY05 and is still used by the University.
- Transaction Detail:
  - Budget Reductions/Additions: The subcommittee left 3 transactions in the Systemwide Budget Reductions & Additions appropriation but recommends that the full Committee consider distributing these as appropriate over the new appropriation structure.
    - Accepted the House recommendation to add \$1.0 mill GF for library, IT and other operating costs. This was \$128.9 GF less than the Governor's request.
    - Accepted a \$3.201 mill GF salary increment for Non-Representative grid increases.
    - Accepted a \$300 k GF increment for Distance Education Faculty Training. This will enhance the i-teach and i-design programs and enhance distance faculty development.

- Accepted a \$202.2 GF salary increment in Statewide Services for Non-Represented grid increases.
- Accepted the House recommendation to decrement \$757.0 GF as a 5% unallocated reduction within Statewide Services.
- Denied \$1.320 mill GF of utility cost increases. Utility cost increases are expected to be addressed in future supplemental appropriations and through the “trigger” language in the operating budget.
- Approved the Board of Regent’s full \$5.776 GF increment to help prepare Alaskan’s for jobs in the health, engineering and fisheries professions. The committee included \$1.0 million to create a new bachelor of fisheries program and restored the \$300.0 k health care decrement made in the House.
- Denied \$966.4 GF for University research in the areas of climate impact and natural resources.
- Accepted the House’s recommendation to add a \$300.0 k GF increment for tutoring and distance learning within the Alaska Native Science & Engineering Program.
- Accepted the House’s recommendation to add a \$320.0 GF and \$273.4 University Receipts for the College of Arts & Sciences general education requirements.
- Approved an \$80.0 k GF increment for a Career Counselor position at the Mat-Su College.
- Approved a \$350.0 k GF to stabilize Cooperative Extension Program funding.
- Approved a \$1.5 mill (\$500 k GF Match/\$1.0 Federal Receipts) increment to create a research center in Fairbanks to address rural energy and alternative energy programs.



Official Business

# Alaska State Senate

## Senate Finance Subcommittee on Corrections

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

March 12, 2008

To: Sen. Lyman Hoffman, Co-Chair  
Senate Finance Committee

From: Sen. Kim Elton, Subcommittee Chair

Re: FY 09 Senate Corrections Budget Subcommittee

---

The Senate Finance Budget Subcommittee for the Department of Corrections submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

Fund Source	08 mgt. plan	09 Gov Amd		Difference
		Adjusted	Sen Sub	
General Funds	\$198,835,100	\$212,816,000	\$207,988,200	\$4,827,800
Federal Funds	\$3,918,200	\$2,918,200	\$2,990,500	(\$72,300)
Other Funds	\$24,587,300	\$30,227,800	\$30,651,900	(\$124,100)

### Personnel

Positions	08 mgt plan	09 Gov Amd	
		Adjusted	Sen. Sub
PFT	1,513	1,524	1,505
PPT	4	5	4
Temp	0	0	0

A detailed committee recommendation follows.



# Alaska State Senate

## Senate Finance Subcommittee on Corrections

Official Business

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

March 11, 2008

To: Sen. Lyman Hoffman, Co-Chair  
Senate Finance Committee

From: Sen. Kim Elton, Subcommittee Chair  
Sen. Hollis French  
Sen. Tom Wagoner

Handwritten signatures of Sen. Kim Elton, Sen. Hollis French, and Sen. Tom Wagoner.

Re: FY 09 Senate Budget Subcommittee Recommendations

The Senate Finance Budget Subcommittee for the Department of Corrections submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

General Funds	\$207,988,200
Federal Funds	\$2,990,500
Other Funds	\$30,651,900

The subcommittee met multiple times with the department and took the following actions:

### Budget Action

1. Adopted the FY09 Adjusted Base, with the exception of certain changes to the position adjustments and transfers that reestablish funding for correctional officer premium pay. Those changes are described below.
2. Reviewed each of the increments (24 GF, 2 Mental Health) and decrements (0) submitted by the governor and adopted the following:

#### Increments:

- Added a one-time increment of \$50.0 (\$25.0 GF, \$25.0 MHTAAR) for a study of evidence-based options to lower crime and corrections costs in Alaska.
- Adopted two net-zero add/delete transactions to realign positions within the department.
- Amended and adopted an increment for the file imaging program to provide one-time funding of \$180.0 GF.
- Adopted an increment of \$30.9 GF for increased space at the Palmer office building.
- Amended and adopted an increment for increased travel and contractual expenses associated with new prison expansions. The subcommittee provided \$180.0 in CIP receipts.

Adopted a Facility Maintenance increment of \$2,500.0 I/A receipts to reflect increased expenses in the department's facilities.

Adopted an increment of \$801.0 (451.8 GF, 349.2 PFD Crim) to begin implementation of an outpatient substance abuse program within correctional facilities.

Adopted \$310.0 GF for sex offender treatment within correctional facilities.

Adopted \$30.0 GF for educational materials.

Adopted an increment of \$331.8 PFD Crim to pay increased costs of the Residential Substance Abuse Treatment program.

Adopted \$343.0 GF for the increased bed rate at the Arizona contract facility.

Adopted \$150.0 GF to begin a sex offender treatment program in the Arizona contract facility.

Adopted \$1,000.0 GF to replace a decrement of \$1,000.0 Fed for decreasing federal prisoner days.

Adopted \$1,853.9 GF in 12 transactions to eliminate the vacancy factor in 24-hour facilities.

The subcommittee approved 20 of the 30 positions the department eliminated in the 09 adjusted base in order to fund correctional officer premium pay and adjusted fund transfers accordingly. The department has completed a posting study that shows filling five additional positions at Pt. Mackenzie, 1 in the Anchorage Correctional Complex, two in Palmer, one at Hiland Mountain, and one at Yukon-Kuskokwim Correctional Center will reduce overtime by as much or more than the costs associated with filling those positions.

Reduced and adopted an increment for Community Residential Centers. The subcommittee approved \$750.0 GF. This is \$250.0 below the governor's request.

Adopted an increment of \$260.0 (\$50.0 GF, \$210.0 MHTAAR) to implement the Assess, Plan, Identify, Coordinate (APIC) model as part of the Mental Health Trust Authority's Disability Justice initiative. The subcommittee applauds the department and the Trust for working collaboratively on this program, as directed by the senate's FY 08 operating budget intent language.

Adopted an increment of \$446.0 (\$223.0 GF, \$223.0 MHTAAR) for mental health services. The subcommittee again applauds the department and the Trust for joining forces to reduce recidivism, costs, and overall crime.

Adopted an increment of \$2,126.9 (PFD Crim) for inmate health care.

Adopted an increment of \$106.7 and one PFT to create a health care manager. This position will dramatically increase the health systems information available to the department so it can begin to realize efficiencies in—and reduce the cost of—inmate health care and health management.

Adopted an increment of \$169.0 in interagency receipts to hire two mental health clinicians to support mental health courts.

#### Amendment Action

The governor did not submit amendments for the Department of Corrections budget.

#### Personnel

Reviewed the position count for the Department of Corrections. The position count for FY 07 was:

1502PFT, 8PPT, 3Temp

The requested position count for FY 09 is:

1524PFT, 5PPT, 0Temp

The subcommittee recommends:

1505 PFT, 4PPT, 0Temp

#### Items of Concern

Subcommittee issues of concern about the Department of Corrections include:

1. The subcommittee encourages the department to work collaboratively with federal agencies to stem the reduction of federal prisoner days.
2. The historic rate of increase in Community Residential Center contract costs, reflected in the FY 09 request for a 6.3% increase in GF, is unsustainable.
3. The department's FY 08 difficulties in constructing additional small housing units led the subcommittee to exclude increments for similar units in FY 09. Including the construction costs in the capital budget is more appropriate, so the legislature can consider future staffing and operations costs once the facilities are built. We recommend the construction costs by part of the capital budget.

#### Wordage Recommendations

The subcommittee recommends correcting the statutory reference in the governor's conditional carry forward language related to the Prisoner Employment Program.

#### Closing Comments

The subcommittee thanks the Department of Corrections employees for their dedication to justice and service to Alaska. Theirs is an often dangerous and usually thankless job. We also thank Billie Jo Gehring of the Legislative Finance Division for her hard work and dedication to fiscal policy work. We appreciate her eye for budgetary detail and willingness to put in long hours serving our state.

#### Documents attached:

##### Legislative Finance Reports

1. Allocation Summary - Senate Structure
2. Allocation Summary, General Funds Only - Senate Structure

3. Transaction Comparison – Senate Structure (Between Adjusted Base and Senate Subcommittee)
4. Transaction Comparison – Senate Structure (Between Governor Amended and Senate Subcommittee)
5. Transaction Comparison – Senate Structure (Between House and Senate Subcommittee)
6. Wordage Report – FY 2009 Operating Budget, Senate Structure
7. Agency Totals – FY 2009 Operating Budget, Senate Structure



Official Business

# Alaska State Senate

## Senate Finance Subcommittee on the Courts

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

March 11, 2008

To: Sen. Lyman Hoffman, Co-Chair  
Senate Finance Committee

From: Sen. Kim Elton, Subcommittee Chair  
Sen. Johnny Ellis  
Sen. Gene Therriault

Handwritten signature of Sen. Kim Elton.

Handwritten initials of Sen. Johnny Ellis and Sen. Gene Therriault.

Re: FY 09 Senate Budget Subcommittee Recommendations

The Senate Finance Budget Subcommittee for the Alaska Court System submits an operating budget to the full Senate Finance Committee for FY 09 as follows:

General Funds	\$78,624,100
Federal Funds	\$1,675,600
Other Funds	\$1,493,300

The subcommittee met multiple times with the courts and took the following actions:

### Budget Action

1. Adopted the FY09 Adjusted Base.
2. Reviewed each of the increments (19 GF, 6 Mental Health) and decrements (0) submitted by the governor on behalf of the court system and adopted the following:

#### Increments:

Adopted \$100.0 GF for Ketchikan security screening  
Reduced an increment for implementation of the magistrate salary study's findings to \$152.0 GF. This increment is 50 percent implementation.  
Reduced two judicial vacancy rate increments from \$1089.0 GF to \$250.0  
Adopted \$76.0 GF for a custody investigator in the first judicial district, initially part of a larger increment requested to improve services in the trial courts. The original request included an additional \$182.7 for a second new position and four position upgrades.  
Amended and adopted \$550.0 for wellness court contractual increases. This increment is \$300.0 GF and \$250.0 MHTAAR. The subcommittee particularly appreciates the Mental Health Trust Authority's assistance in ramping up Alaska's therapeutic courts, which have been a high priority of both the legislature and court system. This helps fulfill the goal of crime reduction.

Reduced an increment for juror process enhancement to \$69.0 GF. This increment excludes an additional \$288.0 the court system requested to fund juror parking in the Municipality of Anchorage.

Amended and adopted \$43.5 GF for lease increases at several rural court locations. In most cases the increased lease costs remain significantly below executive branch costs per square foot in the same cities. This increment does not include \$25.8 to lease a parking lot in Kenai.

Reduced an increment to expand the Homer courthouse to \$76.9 GF. This is \$77.5 below the court system's request, to reflect the FY 07 increment in that amount, which was reallocated without legislative approval for two fiscal years.

Added an increment of \$100.0 GF for the Multi-Agency Justice Integration Consortium. By integrating information systems among courts, corrections, state and local law enforcement, and others, MAJIC enhances the entire criminal justice system by making complete, timely, accurate information available where and when it is needed.

Adopted six MHTAAR increments in the Mental Health Trust Authority's Disability Justice initiative:

\$236.3 for Fairbanks Juvenile Mental Health Court

\$204.4 for Juneau Mental Health Court

\$25.0 for neuropsychiatric evaluations for therapeutic court participants

\$99.4 for Anchorage Mental Health Court capacity increase

\$147.7 for safeguards to prevent financial victimization

\$25.0 to train prosecutors and defense attorneys.

Adopted an increment of \$1.7 GF to bring the Alaska Commission on Judicial Conduct's capital outlay authority to \$5.0

Adopted an increment of \$2.0 GF to maintain the commission's vacancy rate at three percent.

Adopted an increment of \$64.5 GF to allow the Judicial Council to accommodate the sustained increase in the number of judicial vacancies and applicants for each vacancy.

#### Amendment Action

The governor did not submit amendments for the court system budget.

#### Personnel

Reviewed the position count for the Alaska Court System. The position count for

FY 07 was:                    724PFT,        58PPT,        33Temp

The requested position count for FY 09 is:

774PFT,        56PPT,        32Temp

The subcommittee recommends:

728 PFT,        61PPT,        32Temp

### Items of Concern

Subcommittee issues of concern about the Alaska Court System include:

1. The subcommittee encourages the court system to partner with the Municipality of Anchorage and City of Kenai to find parking solutions that reflect the significant costs the state bears in handling municipal offenses. General fund appropriations for parking in every large municipality would be unsustainable. General fund appropriations for parking in only certain municipalities would be inequitable.
2. The legislature approved a three percent vacancy rate for the judicial conduct commission in FY 08. The subcommittee encourages the Division of Legislative Finance to work collaboratively with the Office of Management and Budget and the Administrative Director of the court system to reflect this policy decision in the agency's adjusted base budget.

### Wordage Recommendations

The subcommittee recommends removing the governor's transmittal language.

### Closing Comments

The subcommittee thanks the Alaska Court System's employees for their dedication to justice and service to Alaska. We also thank Billie Jo Gehring of the Legislative Finance Division for her hard work and dedication to fiscal policy work. We appreciate her eye for budgetary detail and willingness to put in long hours serving our state.

### **Documents attached:**

#### Legislative Finance Reports

1. Allocation Summary - Senate Structure
2. Allocation Summary, General Funds Only - Senate Structure
3. Transaction Comparison - Senate Structure (Between Adjusted Base and Senate Subcommittee)
4. Transaction Comparison - Senate Structure (Between Governor Amended and Senate Subcommittee)
5. Transaction Comparison - Senate Structure (Between House and Senate Subcommittee)
6. Wordage Report - FY 2009 Operating Budget, Senate Structure
7. Agency Totals - FY 2009 Operating Budget, Senate Structure

# Senate Finance Subcommittee

**Senator Hoffman**  
**Subcommittee Chair**  
**Room 518, Capital Building**  
**Phone 465-4453 / Fax 465-4523**  
**Staff**  
 Tim Grussendorf



**Subcommittee Members**  
 Sen. Bert Stedman  
 Sen. Gary Stevens  
 Sen. Bill Wielechowski  
 Sen. Thomas Wagoner

## Department of Fish & Game Recommendations

The Senate Finance Budget Subcommittee for the Department of Fish and Game submits an Operating Budget to the Senate Finance Committee for FY 09 as Follows:

Fund Source	08 mgt. plan	09j Gov AmdAdj	Sen Sub	Difference
General Funds	\$ 40,060.8	\$ 52,569.4	\$ 52,138.4	\$ (431.0)
Federal Funds	\$ 62,151.8	\$ 54,748.9	\$ 54,748.9	\$ - 0
Other Funds	\$ 64,998.6	\$ 65,536.8	\$ 64,360.3	\$ (1,176.5)

Positions	08 mgt pln	09 Gov AmdAdj.	Sen. Sub	Sen to Gov
PFT	863	878	876*	(2)
PPT	782	766	760*	(6)
Temp	58	58	57	(1)

\*Staffing adjustments recommended by department, no new positions requested.

The Subcommittee held two meetings with the Department and took the following actions:

### Budget Action

- Accepted the Governors amended proposal with the following adjustments and comments.
- Accepted the Proposed fund source changes for salary increases.
- Accepted the Governors amendment for \$7,228.4 to replace Federal Funds with GF in the base. These funds are proposed to replace lost federal grants that the department has traditionally received through the National Marine Fisheries Service. It should be noted that these funds have never been in the base budget of NMFS, but have been inserted by Alaska's congressional delegation. The Western Region Fisheries Management GF of \$1,043.7. and the Wildlife Conservation Special Project of \$1,180.0 will not be added to the base but will be General Fund One Time Only.

- Legislative Intent to close the commercial fisheries and sport fish offices in Soldotna and transfer staff to regional office in Anchorage that is accompanied by a corresponding GF reduction of \$80.0 for lease space for these offices.
- Reduce Governors budget for Public Shooting Ranges \$676.5 (F&G funds) Following through on the Legislative intent from last year.
- Removed all \$500.0 from the AK sport fish enterprise account from the numbers section of Sport Fisheries' budget. This funding is derived from a surcharge on the sale of fish licenses and must be used for hatcheries operations. The entire \$500.0 will be put in a language section and the appropriation will be contingent upon passage of the re-appropriation for hatcheries in the FY08 fast track supplemental bill.
- Denied \$151.0 increment for commercial fisheries crewmember and seafood buying database support.
- Reduce Sport fish Services GF allocation by \$100.0
- Reduce Wildlife Conservation Services GF allocation by \$100.0

### Areas of Concern

- **Use of Commercial Fisheries Revolving Loan Fund:**

The Governor's proposed budget includes \$1,326.3 of funding from the Commercial Fisheries Revolving Loan Fund in the Department of Commerce. This is of great concern to the committee because it is eating into the principal of the fund. The fund and the associated program in the Division of Investments are very effective in assisting Alaskans to invest in the industry. Apart from encouraging the increase in Alaskan ownership in the North Pacific fishing industry, the health of the CFRLF may soon be particularly critical to help the industry respond to federal mandates for emission controls for diesel engines. The committee recommends that the Department of Fish and Game present a budget for FY 10 that does not include any use of funds from the CFRLF.

- **Salaries**

The Department has indicated for several years that retaining key fisheries and game management personnel is becoming more and more difficult because state salaries are not competitive with the salaries paid to equivalent positions in the federal government. The departure of experienced biologists with critical knowledge of the Alaskan fishing industry and game resources will leave the department with deficiencies in its core functions. This issue was included in the FY 08 subcommittee report yet nothing has changed, so it remains a major item of concern.

- **Hunter Education Shooting Ranges**

It is the intent of the Legislature that ADFG transfer ownership of the three shooting ranges in Fairbanks, Anchorage and Juneau to those municipalities or appropriate private entities.