

SCOMM

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ALASKA LEGISLATIVE COUNCIL



-Minutes-

Meeting of

November 15-16, 1977

Ketchikan - Juneau

The Legislative Council meeting of November 15-16, was held aboard the MV Malaspina on the afternoon of November 15 en route from Ketchikan to Juneau and on November 16 at the Capitol in Juneau. Attending the first segment were Chairman Miller and members Ziegler, Brown, Gruening, Malone and Ray and ex officio member Urion. All members were present at Juneau except Buchholdt, Eliason, Bradley and Rader. Staff members in attendance were John Doyle, Executive Director; Billy Berrier, Director of Legal Services; Myrton Charney, Director of Administrative Services; Gregg Erickson, Director of Research Services; and Pete Hoefpner, Projects Assistant.

Other legislators in attendance were Representatives Cotten, McKinnon, Miles and Osterback and Senator Sackett.

Approval of Minutes

The minutes of the Legislative Council meeting of August 29 were approved as submitted.

Administrative Matters

The Legislative Council dealt with staff recommendations, (see copy attached) committee rerequests for additional interim funding, and other administrative matters.

Council Budget for Fiscal 1979. The budget for the Council/Agency for Fiscal 1979 will be formally submitted as required by law to the Finance Committees about April 1 when the Council has a better picture of interim needs and special projects requiring funds. Permission was given to submit, for the information of the Governor, a tentative preliminary budget figure which anticipates the standard expenditures of the Council/Agency and the preliminary recommendations of staff plus the following additions:

- 1) Add four positions under Legislative Leadership. This involves making available to the minority leaders an administrative assistant and a secretary.

- 2) Budget for a session of 120 days rather than 90 days.
- 3) Budget for the carpeting of the hallway of the second floor of the Capitol.

The staff was directed to submit a floor plan and a cost estimate for a more beneficial use of space on the sixth floor of the Court Building prior to the time of the closing of the 1979 budget request.

Assembly Rent Rates. The Council approved a motion by Sen. Ziegler, that the staff, with Chairman Miller, is to make an upward revision of the rental rates for the 11 apartments in the Assembly Building to a level approximating like units in Juneau in order that rent subsidation be avoided.

Request for More Press Space. Chairman Miller reported receipt of requests from media representatives for press space in addition to the two rooms now provided by the Legislature to news media in the Capitol. It was noted that the press request is companion to those from other private sector groups as well as from legislator-legislative sources which could use more and better space in the Capitol. The staff director was asked to explore the possibility of letting the working press use a work room in the Assembly Building during the session if space not needed for legislative activities could be found.

Social Services Directory. Two years ago the Council, through the Agency, took on as a pilot project the production of the Social Services Directory. The earlier versions had been prepared by the Easter Seal Society, but the upkeep was deemed too expensive for a non-governmental entity. The directory, updated annually, is something which public and private special service groups say they want and need. The staff estimates (November 15 memo) that the overall editorial, production, distribution and related costs is approximately \$53,000. When the Agency undertook the test runs, it was assumed that the continuation of the project would be the responsibility of the Department of Health and Social Services. The Department has indicated an interest provided that the Legislature makes publication funds available. The staff was directed to advise the Governor that the pilot project has established the appeal and usefulness of the directory and it recommends continuation as an executive agency function. The Council would endorse the appropriation of the money to continue the project in the Department of Health and Social Services.

Additional Funding Requests. The Council acted on written funding requests as follows:

Interim Committee on Subsistence Hunting & Fishing. \$1,025.00 for maps and overlays and transcription of tapes from hearings and meetings. Rep. Malone moved and asked unanimous consent. Sen. Hackney objected. Motion carried on a voice vote.

Presiding Officers: Sen. Ziegler moved and asked unanimous consent that pursuant to the request made by President Rader, the presiding officers be authorized to use any money not spent in the interim for authorized permanent staff for staffing purposes during the 1978 session. There being no objection it was so ordered.

Interim Committee on Corrections. Sen. Ray moved and asked unanimous consent that the written request for \$6,100 be approved. Sen. Hackney objected. The motion carried on a voice vote.

OMAR Reimbursement. Sen. Colletta explained the request from the Organization for the Management of Alaska's Resources, Inc., (see OMAR letter of August 31) for \$6,347.09 representing one-third of the cost of bringing California Legislators and other state officials to Alaska for an energy tour. Sen. Colletta explained that he has assumed that clearing it with the Vice Chairman of the Council in the absence of the Chairman was sufficient clearance to obligate the Council. Discussion on the failure to follow standard procedures was had. Sen. Colletta moved and asked unanimous consent. Objections were heard. After discussion the motion passed on a voice vote.

Status of Litigation

Mr. Berrier, Director of Legal Services reported on the status of litigation involving legislative powers:

- 1) Croft v. Thomas alleges misleading wording on ballot proposition for legislative involvement in land transfers. Pending in Superior Court. Briefing in process.
- 2) A.L.I.V.E. Voluntary v. State concerns constitutionality of legislature's power to annul regulations. Decision of Superior Court affirming constitutionality is on appeal. Council granted amicus curia status on appeal.
- 3) Kelley v. Hammond concerns Legislative Budget & Audit Committee's power to approve transfer and power of executive to spend custodial funds without appropriation. Pending in Superior Court. Briefs filed; argument scheduled.

Interstate Office for Senator Ziegler

The Chairman noted that Council Vice Chairman Senator Ziegler had recently been elected Chairman-elect of the Western Conference of the Council of State Governments and would be serving as program chairman for the 1978 annual meeting of the Conference in Spokane.

Advisory Subcommittee on Royalty Oil

Rep. Malone called the Council's attention to current staff work underway

on behalf of the Legislature concerning the sale of royalty oil, and suggested ways in which this work might be better coordinated. The Chairman indicated that it was his intention to appoint an interim committee on the royalty oil sale issue, and that the announcement to the membership thereof would be forthcoming soon. It was generally understood that any limited monies necessary for support of the committee during its two-month existence would be provided by the Legislative Council (Note: Chairman Miller subsequently announced the appointment of a subcommittee of the Council to coordinate the staff effort, the committee consisting of Representatives Miles and Chatterton and Senators Poland and Colletta)

Deferred Compensation Plan

Chairman Miller reported as a matter of information, that Mr. Charney, Director of Administrative Services, would be acting for himself in joining with other state employees in a suit seeking to enjoin the state from making changes in the employees deferred compensation program without IRS clearance. Mr. Charney advised that he would not proceed if there was objection from the Council. No objection was voiced.

Oversight Report

Mr. Doyle asked for and received permission to publish the annual report to the Legislature reviewing court decisions which include statements regarding legislative intent, discrepancies in the law, or other problems requiring legislative attention.

Reports from Interim Committees

The Council received or heard reports from the following Interim committees or subcommittees of the Legislative Council:

House Permanent Fund. A written report was submitted and Chairman Gruening made some brief comments.

Senate Permanent Fund. Staff assistant Rob Koscis reported that the committee is following the study plan reported to the Council in August and is proceeding with the drafting of legislation.

Interim Committee on Corrections. A brief report had accompanied the additional funding request from Chairman Meekins.

Interim Committee on Alcoholism & Alcohol Related Problems. Chairman Colletta submitted a written report.

Interim Committee on Educational Programs (Financing). Chairman Buchholdt submitted a written status report dated November 16.

Interim Committee on Insurance. Chairman McKinnon reported that the committee was concentrating on auto insurance (no-fault) and homeowner's insurance. The bodily injury aspect is being given prime attention and a proposal is now being examined to estimate

the effect on insurance rates. Merit rating proposals are also being examined. The problem of property insurance in the bush areas is also being given special attention.

Interim Committee on Resources. Chairman Osterback submitted a detailed written report on the committee's work on bottom fishery matters. He also recounted details of his trip to Denmark as part of the official Alaska trade mission and emphasized the need to tap the eager European market for products of the Alaskan fishery.

Interim Committee on State Affairs. Chairman Miller announced that Rep. Sam Cotten has assumed the chairmanship of the Interim Committee effective with the filing of former Chairman Rep. Bradley for statewide office. Rep. Cotten will give the windup report for the committee at the next Council meeting.

Interim Committee on Telecommunications. Chairman Brown submitted the consultant's report and made some amplifying remarks.

Interim Committee on Transportation. Chairman Ray noted that the subcommittees are reporting in and because of the illness of the consultant the first phase report is about 10 days behind schedule.

Chairman Miller reported that the work of the Legislative Teleconferencing Task Force has made considerable program in its work and should complete its recommendations and plans at a mid-December meeting and then make a report to the Council in January.

Special Business

Commissioner of Revenue Sterling Gallagher requested and was given an opportunity to appear before the Council. He submitted for Council's consideration a letter dated September 30 from Mr. Leslie J. Goldman, a functionary in the Energy Policy and Planning section of the Executive Office of the President. The letter suggested that it might be appropriate for Mr. Goldman or some other high official in the Carter Administration to visit the State to discuss the possibility of state financing for the Alcan gas pipeline. Mr. Gallagher asked that the Council indicate its preferences in this matter. After considerable discussion in which it was pointed out that the Legislature was not on record as approving financial assistance to any gas pipeline proposal, Sen Ray moved, asked and received unanimous consent that the Chairman, on behalf of the Council, write to Mr. Goldman and extend the appropriate invitation.

Time and Place of Next Meeting

It was agreed that the Legislative Council would hold its last meeting of the biennium on Saturday, January 7, beginning at 2:00 p.m., in the Capitol, Room 123-A. Sen. Ray gave notice that he would be unable to attend because of his commitment to a religious observance.

Adjournment

The Legislative Council meeting was adjourned at 3:10 p.m.

WORKING PAPER FOR DISCUSSION OF PLANS FOR THE 1979-80 BUDGET
REQUEST OF THE LEGISLATIVE COUNCIL/LEGISLATIVE AFFAIRS AGENCY

The law provides that the Council submit a budget annually to the finance committees and that the executive director submit an estimated budget for information purposes to the Governor for inclusion in his executive budget. (AS 24.20.130)

The staff is submitting, for Council review and decision at this time, a ballpark figure for the Fiscal 1979 budget which can be given to the Governor as a solid, but preliminary, figure for general legislative operation. After the first statehood session, it was realized that a realistic legislative budget cannot be formulated by the Council for submission to the finance committees until the session is well underway and any new programs, projects and plans for the interim have begun to take shape. The 1960 law was designed to meet these special circumstances.

It is the staff recommendation that the customary preparation of the general budget be delayed until April 1. In the meantime, the Council will be reviewing with the leadership any special projects or interim plans likely to affect the Council/Agency budget request. This should also allow the Council officers to avoid the situation of last year when the subcommittees of the finance committees had to be advised and sometimes met with every other week to report and discuss changes directed by the Council.

	<u>Fiscal 1978 (after transfers)</u>	<u>Fiscal 1979 (Preliminary to Governor)</u>
Legislators' Salaries & Allowances	1,126,000	1,169,700
Legislative Leadership	195,400	203,400
Executive Administration	149,000	169,500
Administrative Services	1,109,300	1,173,700
Research Services	493,200	510,900
Legal Services	675,500	704,500
Session	1,629,900	1,736,500
Council & Subcommittees	1,748,400	595,000
Assembly Building	60,000	323,000
Equipment Account	95,000	107,500
Capital Improvements	<u>21,000</u>	<u>-0-</u>
TOTAL	7,302,700	6,693,700

I. What's different in 1979 from 1978:

1. Benefits increase especially in Social Security and Retirement
2. Normal inflation
3. Merit increases for permanent staff
4. Conversion of temporary employee to permanent in Executive Director's Office
5. One new position in print shop
6. Conversion of temporary employee to seasonal in Legal Services

7. Addition of Ketchikan Office for session which was authorized in 1978 but not funded
8. Increase in Michie Contract for publication of Alaska Statutes
9. Reduce interim work to \$400,000--Council may want to adjust this either up or down
10. Increase in Assembly Building lease
11. No capital improvements

II. Other considerations which the Council may wish to add:

1. Increase session budget from 90 days to 100, 110, or 120 days. Estimated cost would be \$17,600 per day for our budget plus the Executive Branch must be notified to increase their budget for such items as janitorial services, security, and television coverage which we usually have covered in our supplemental appropriations in the past (over 90 days).
2. Adding additional information offices. Cost would depend on location and how many; also whether we could occupy existing state office space or would we have to rent. As a guide, \$30,000 per location would be a top figure for full-time session and \$26,500 if only operated 1/2 day as Ketchikan. If we could utilize state space, the cost could be reduced by an additional \$2,300 per location. (These costs based on 90-day session.)
3. Steering Council for Alaska Lands budget which was appropriated to Department of Natural Resources in 1978 could be included in our budget for 1979 since we are doing all the fiscal work anyway.
4. Adding Capital Improvements for the following:
 - a. recarpet second floor of Capitol
 - b. remodel sixth floor of Court Building to maximize better utilization of space
 - c. remodel fourth floor of Capitol if decision is made to relocate the Attorney General (if there were to be a change in Governor, it might be the most opportune time to do this).
5. Other considerations by the Council