

ALABAMA LEGISLATIVE COMMISSION ON JUDICIAL BRANCH 7/2

2362 SHESS SB 409 - SB 431

2362

MEMORANDUM

State of Alaska

DEPARTMENT OF NATURAL RESOURCES, DIVISION OF LAND AND WATER MANAGEMENT

TO: Mark Wittow
Special Assistant

DATE: February 9, 1983

FILE NO:

TELEPHONE NO:

FROM: Richard A. Lefebvre
Deputy Director

SUBJECT: Mental Health Lands
Litigation

You requested on February 1, 1983, that we review the information you provided to determine what, if anything, we should do and report back. You specifically made reference to item "1e" of the plaintiff's first set of interrogatories.

It is our position that most of the research work would fall to RTS as they would have to search the selection records, be sure that plats are current, etc. We think the work would be allocated as follows:

- 1a - RTS
 - 1b - RTS
 - 1c - RTS
 - 1d - RTS/DLM
i. DLM
ii. DLM
iii. DLM
iv. DLM
v. DLM
 - 1e - DLM
- (RTS must provide current status information or list of ADL's, etc involved. Information provided in the form of work sheets - not typed.)

Frank Mielke has provided a very rough estimate of 9,360 + parcels we would have to deal with. This is based on information compiled by Burke Piley in 1977. Frank calculated the following.

1. It would take approximately five minutes per parcel to a) search status plats (plus our spending time to evaluate the contractor) b) note any conveyance, and c) record the serial number and date of all third party interest conveyed — $9,360 \times 5 \text{ minutes} = 780 \text{ mh} = 6.5 \text{ hr}$ (assuming they are up to date).
2. Assuming that half the parcels are subject to a conveyance or third party interest, it would take approximately 15 minutes per parcel to a) retrieve the casefile assuming case files are on hand, b) research the casefile and determine terms of sale or conveyance, and c) record amount received and other comments — $9,360 \text{ (divided by } 2) = 4,680 \times 15 \text{ minutes} = 1120 \text{ mh} = 9.75 \text{ hr}$. (longer if we have to call in cases from areas or districts).

FILE # 530.3.1
~~530.3.1~~

Mark Wittow
February 8, 1983
Page 2

3. In addition to manpower costs, the following additional costs are estimated.

Contractual (map and plat reproduction, document copying, express delivery, etc)	\$2,000
Commodities	500
Equipment (desks, word processing rental, etc.)	1,500
	<u>\$4,000</u>

4. Summary of Costs

-Personal Services (16.25 mm plus 10% unforeseen contingency, rounded to 18 mm @ N70 II level)	\$57,222
-Contractual	2,000
-Commodities	500
-Equipment	1,500
	<u>\$61,222</u>

5. The interrogatories required by DNR to answer could be completed by a) hiring six additional non-permanent staff for a three month period, b) putting the whole job out to contract, which will cost approximately 25 percent more than if done by DNR staff (plus our spending time to evaluate the contractor) c) transferring funds and positions from existing budgeted projects.

It will make a difference if work sheets are acceptable or if all the information had to be typed.

Additionally, we think Frank's estimate is very light. This is based on the amount of research it has taken on the University case work; with the records in the shape they are there is no telling what gets missed.

One other point we should make is that if the subject of appraisal of all these parcels comes up you're talking "big bids."

Be advised that we are only giving these requests a quick analysis and have not discussed with DRS.

P/L/dml

cc: Jim Anderson

FY 84 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 82 ACTUAL	FY 82 FINAL AUTH	FY 83 ACTUAL	FY 84 GOV. AMEND. BUDGET	FY 84 INITIAL AUTH.	FY 84 CURRENT AUTH.	FY 84 EXPENDITURES + ENCUMBRANCES 7/1 to 12/31	FY 84 OTHER OBLIGATIONS 7/1/ to 12/31	FY 84 PROJECTED EXPENDI- TURES + to 6/30	FY 84 (DEFICIT) OR EXCESS	FY 85 GOVERNOR'S RECOMMENDED
PERSONAL SERVICES									86.0 *	(86.0)*	
TRAVEL											
CONTRACTUAL SERVICES						30.0			193.5	(163.5)	
COMMODITIES									.5	(.5)	
EQUIPMENT											
LANDS, BLDG.											
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL	-0-	-0-	-0-	-0-	-0-	30.0	-0-	-0-	280.0	(250.0)	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											

AGENCY: Natural Resources BRU: Mgmt. & Admin. COMPONENT: CIP/Special Projects Revised _____

MEMOS/1433 *3 Temp positions - vacant, unfunded existing.

RS 03-2097 Weiss v. State
Mental Health Lands

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FOURTH JUDICIAL DISTRICT

VERN T. WEISS, et als.,)
Plaintiffs)
vs.)
STATE OF ALASKA,)
Defendant.)

FILED in the Trial Courts
State of Alaska, Fourth District

DEC 16 1983

By _____ Deputy

No. 4FA-82-2208 Civil

ORDER COMPELLING ANSWERS TO INTERROGATORY

Upon the motion of the plaintiffs, and for good cause shown, it is hereby

ORDERED that the defendant State of Alaska shall file its answers to plaintiffs' Interrogatory No. 1 on or before the

30th day of March, 1984.

December

DATED at Fairbanks, Alaska, this 15 day of ~~November~~, 1983.

I certify that on 12-16-83
copies of this form were sent to
CLERK: [Signature]

A.S. - Justice
Fiske

Levanne Taylor
Judge of the Superior Court

File
11-10-83

For Report Only
Alaska State Bank

~~COPIES~~
~~FILED~~
~~IN~~
~~THE~~
~~CLERK'S~~
~~OFFICE~~

Office of
The Attorney General, P.O. Box
K, Juneau, AK 99811
Inis 103
[Signature]
83
PLAINTIFFS

1981) the Alaska Supreme Court discussed the law of public trusts and the powers of the state legislature with regards to land held in public trust. In the University of Alaska case the court held that lands patented to the Territory of Alaska under an Act of 1929 were held in a public trust for the exclusive use and benefit of the [now] University of Alaska.

The contested land grant to the Territory of Alaska at issue herein is one for the benefit of the mentally ill in Alaska. The original language of the grant, no longer codified, is as follows:

All lands granted to the Territory of Alaska under this section, together with the income therefrom and the proceeds from any dispositions thereof, shall be administered by the Territory of Alaska as a public trust and such proceeds and income shall first be applied to meet the necessary expenses of the mental health program of Alaska. Such lands, income, and proceeds shall be managed and utilized in such manner as the Legislature of Alaska may provide. Such lands, together with any property acquired in exchange therefore or acquired out of the income or proceeds therefrom, may be sold, leased, mortgaged, exchanged, or otherwise disposed of in such manner as the Legislature of Alaska may provide, in order to obtain funds or other property to be invested, expended, or used by the Territory of Alaska. The authority of the Legislature of Alaska under this subsection shall be exercised in a manner compatible with the conditions and requirements imposed by other provisions of this Act. Formerly 48 USC §46-3, P.L. 84-633 §202 (1956).

Since the language of the original grant clearly creates a public trust, there is no need to imply such a trust as the court did in University of Alaska, supra. Having found such a trust to exist, the question then becomes how to construe its terms.

The 1929 Act (to the University of Alaska) stated with particularity that the land being granted was to be put to the exclusive use and benefit of the University of Alaska. The court construed this language literally and held the state liable for the actual value of the land from which the beneficiary had been

deprived. The court also expressly found that the legislature retained the power to dispose of the land held in trust so long as the beneficiary's account was credited with cash representing the actual value of the assets transferred. Finally, the court found that invalidation of the statute under which the legislature had acted was an improper remedy and that a more appropriate remedy would be one for an accounting.

The general policy of Congress when conveying public lands has been to restrict the use or disposition of the lands to ensure that the private sector would not take advantage of the ceded lands to the detriment of the general public. This policy was explained in Lassen v. Arizona, 385 U.S. 458, 463-464 (1967) by the United States Supreme Court:

"All the restrictions on the use and disposition of the trust lands, including those on the powers of sale and lease, were first inserted by the Senate Committee on the Territories. Senator Beveridge, the committee's chairman, made clear on the floor of the Senate that the committee's determination to require the restrictions sprang from its fear that the trust would be exploited for private advantage. He emphasized that the committee was influenced chiefly by the repeated violations of a similar grant made to New Mexico in 1898. The violations had there allegedly consisted of private sales at unreasonably low prices, and the committee evidently hoped to prevent such depredations here by requiring public notice and sale. The restrictions were thus intended to guarantee, by preventing particular abuses through the prohibition of specific practices, that the trust received appropriate compensation for trust lands." (footnotes omitted).

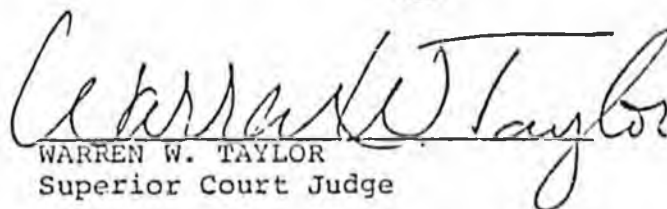
Lassen v. Arizona, supra.

The State asks this court to differentiate between the trust implicitly created in the University of Alaska case and the trust expressly created in the instant case. The State argues that the trust is not for the exclusive benefit of Alaska's mental health program because P.L. 84-830 §202(e) states in essence that all trust revenues not needed for the "necessary expenses" of the mental health program may be spent on other public projects. This court declines to construe the trust so broadly.

By so holding, this court does not purport to rule that the State of Alaska is powerless to transfer or exchange trust lands. P.L. 84-830 §202(e) specifically allows such a transfer. Rather, the trust is entitled to be reimbursed for the full value of any lands transferred from it to the "pool" of public lands envisioned in A.S. 37.14.050. "To imply a more expansive purpose for the trust than that stated in the Enabling Act is to indulge in a license of construction which Congress intended to prevent." United States v. State of New Mexico, 536 F.2d 1324, 1327 (1976).

Consistent with our Supreme Court's ruling in State v. University of Alaska, 624 P.2d 807, 815 (Alaska 1981), the invalidation of A.S. 37.14.010-.050 is an improper remedy. Consequently, summary judgment is entered for plaintiffs and defendants are hereby ordered to account for the value of the lands removed from the P.L. 84-830 §202 trust.

DATED at Fairbanks, Alaska, this 14 day of June, 1983.


WARREN W. TAYLOR
Superior Court Judge

MEMORANDUM

State of Alaska

TO: Jay Hogan, Associate Director
OMB - Budget Review
Office of the Governor

DATE: January 20, 1984

FILE NO:

TELEPHONE NO: 564-2406

FROM: *Mary Halloran*
Mary Halloran
Director of Management
Dept. of Natural Resources

SUBJECT: FY84 Supplemental
Request for \$140,000
Natural Resources -
State Recorder's Ofc

This is a request for an FY84 Supplemental appropriation, in the amount of \$140,000, for operational expenses of the State Recorder component/allocation of the Management and Administration BRU/appropriation.

(1) \$45,000 of this supplemental is needed to pay rent for new location of the Fairbanks Recorder's Office (Section 93, Chapter 106, SLA 1983 provided \$15,000 for the move but no funding for additional space costs). The other \$95,000 of this requests would respond to a need identified by an OMB audit to reduce delays experienced by the public in the Anchorage Recorder's Office (please see attachment).

(2) Not approving the supplemental request continues the documented delay in performing the statutory recording actions. The recording delay increases proportionately larger each month. The volume of documents received in the first six months of FY84 is 25% over FY83. The large delay and pending recording actions increase the probability of the recording office functions becoming unmanageable, unusable, and a greater risk of liability to the State for errors in the performance of statutory required recording actions.

(3) The supplemental must be passed within one month to be the most effective in reducing the delays the public experiences in the recording office. The State Court System has informed the Department that they would evict the Fairbanks Recording Office under their statutory authority. The Court agreed to delay the eviction if the Department could receive funding within three months. A delay will cause the Department to be evicted in Fairbanks.

(4) Recent OMB audit information is available if requested.

Attachments

CATEGORY	NRMEC
COVER PROGRAM	Management & Administration
AGENCY	Natural Resources
DIVISION	Technical Services
BUDGET REQUEST UNIT	Information/Record Management
BUDGET COMPONENT	Information/Record Management

REVISED PROGRAM
REQUEST FOR NEW POSITION

POSITION TITLE <p style="text-align: center;">Recording Clerk I</p>		JUSTIFICATION: These 5 new PFT positions have been requested in the FY85 Budget submittal. These entry level positions will increase the number of statutory recording actions performed in the Anchorage district recording office. It will make available longer public hours for receiving and recording of title documents.
LOCATION <p style="text-align: center;">Anchorage</p>		
TYPE (FULL OR PART-TIME) <u> PFT </u>		
NUMBER REQUESTED <u> 5 </u>		
RANGE <p style="text-align: center;">8A</p>	BARGAINING UNIT <p style="text-align: center;">GGU</p>	
MONTHLY SALARY <p style="text-align: center;">1553</p>	# MONTHS (CY) <p style="text-align: center;">3</p>	
		DETAIL OF RELATED EXPENSES
01 PERSONAL SERVICES	31.8	300 - space, phone, postage, copier machine, long distance rental equipment
02 TRAVEL	0.0	400 - general office supplies
03 CONTRACTUAL	15.0	500 - desk, chairs, calculator, bookshelf, reader/printer for each new position
04 COMMODITIES	2.3	
05 EQUIPMENT	7.5	
08 OTHER		
TOTAL	56.6	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	56.6	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

CATEGORY	NRMEC
COVER PROGRAM	Management & Administration
AGENCY	Natural Resources
DIVISION	Technical Services
BUDGET REQUEST UNIT	Information/Record Management
BUDGET COMPONENT	Information/Record Management

REVISED PROGRAM
REQUEST FOR NEW POSITION

POSITION TITLE Recording Clerk I		JUSTIFICATION: These 5 non-perm positions will decrease the number of statutory recording actions which are approximately four months behind acceptable industry standards. The positions will perform entry level Recording Clerk duties.
LOCATION Anchorage		
TYPE (FULL OR PART-TIME) <u>Non-permanent</u>		
NUMBER REQUESTED <u>5</u>		
PANGE 8A	BARGAINING UNIT GGU	
MONTHLY SALARY 1553	# MONTHS (CY) 3	
		DETAIL OF RELATED EXPENSES
01 PERSONAL SERVICES	31.8	300- rental equipment for temporary position furniture
02 TRAVEL	0.0	
03 CONTRACTUAL	6.5	
04 COMMODITIES	0.0	
05 EQUIPMENT	0.0	
08 OTHER		
TOTAL	38.3	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	38.3	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

MEMORANDUM

State of Alaska

TO: Jay Hogan
Associate Director
Division of Budget Review
Office of Management and Budget

DATE: December 16, 1983

FILE NO:

TELEPHONE NO: 465-2400

FROM: *Brd Arnold*
Esther C. Wunnicke
Commissioner
Department of Natural Resources

SUBJECT: Revised request
for FY 84 funding

This request supersedes my memorandum of December 8 which identified FY 1984 funding needs of this department.

We have carefully reviewed our operating budget and have determined that, owing to postponed filling of vacancies, we will have sufficient funding to establish the Division of Mining early in calendar year 1984. However, we need to request supplemental funding for two State Recorders' offices. The need for these funds has been detailed to you in earlier memoranda regarding possible use of the Governor's contingency fund.

In brief, the dual request is:

1. To reduce delays the public experiences in the Anchorage Recorder's Office; this action is supported by OMB audit \$ 95.0
 2. To pay rent for new location of Fairbanks Recorder's Office effective January 1, 1984 or as soon thereafter as possible; court system contemplates eviction of DNR from current office space at that time \$ 45.0
- \$140.0

We appreciate your consideration of this request. Please advise if additional information is necessary.

cc: James K. Barnett
/ Mary Halloran
Glen Price

MEMORANDUM

State of Alaska

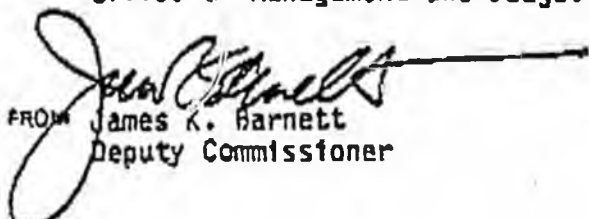
DEPARTMENT OF NATURAL RESOURCES, OFFICE OF THE COMMISSIONER

TO Jay Hogan, Associate Director
Division of Budget Review
Office of Management and Budget

DATE: November 28, 1983

FILE NO.

TELEPHONE NO.

FROM  James K. Barnett
Deputy Commissioner

SUBJECT: DNR FY 84 Funding
Requirements

This memorandum summarizes our conversation last week in which we discussed immediate funding requirements of the Department of Natural Resources for fiscal year 1984. As I indicated, various members of our JUNEAU staff are pursuing solutions to these funding needs, but I felt it appropriate that you in your new position have a summary of our three requirements because of their critical importance to current Department responsibilities.

1. Division of Mining. As you know, Governor Sheffield asked that we establish a Division of Mining beginning with the next calendar year. Currently no funds have been allocated to this function, yet we believe that splitting the existing Division of Minerals and Energy Management into two new Divisions will leave each Division seriously underfunded. Furthermore, since the Governor's action was intended to enhance mineral development in the State, we believe it is appropriate that the new Division of Mining obtain necessary funding so that its new director has the adequate administrative support necessary to function in our agency. A great deal of analysis has gone into our request for additional FY 84 funding, and our current analysis shows that just \$90,000 is needed to fund a Director, Deputy Director and Secretary and certain one-time expenses. This is a minimum amount to make the Division functional and is less than the \$100,000-\$125,000 quoted by the Governor on his public television program to be the amount required for the new Division. We understand DCED has been asked to provide some funding for the new Division, but we have as yet received no information on whether any funding will be forthcoming from that Department.
2. Recorders Office. The Anchorage District Recorders Office and other offices in the 14-city Recorder's Office network have been overwhelmed with an unprecedented workload this year because of expanded commercial activity in our state. The situation is so serious that original documents have not been returned in Anchorage since April and office hours have been curtailed in many offices. Several letters of complaint have been received this year, from title companies, legislators, communities and private citizens. Larry Crawford also devoted some attention this problem. His initial request was to ask OMD to conduct an audit during the months of September and October, which audit verified the need for

funding to deploy more Records Office personnel to alleviate the backlog. Mr. Crawford did not take action on our funding request, although the problem continues to worsen as the year progresses. We have proposed as an interim measure a short-term plan to hire six individuals to work on the existing backlog and hope to return the Anchorage office to normal business hours by June 30, 1984. In accordance with the attached documentation, this interim step for FY 84 would cost \$95,000.

The Records Office network requires more significant funding than this proposed short-term solution and we hope that some form of "program reductions" formula can be instituted by the Legislature this year. However, these additional temporary full-time employees can help to alleviate the immediate problem, which is compounding itself on a daily basis.

3. Records Office move in Fairbanks. In accordance with the attached letter which I recently sent to Art Snowden, you can see that the Fairbanks Court System wants to evict the Fairbanks Records Office in order to free up 3,652 square feet of office space. We in DNR of course have no funding for such a move and, if any funding were available for our Records Office problems, the more immediate need is to improve the backlog rather than move the Fairbanks Records Office. However, the court system has quite a different view and Mr. Snowden indicates that the presiding judge in the Fairbanks Superior Court intends to evict our Records Office on January 1, 1984. We hope this is untrue, but in any event we are proceeding as quickly as possible to identify some interim measure for this fiscal year. If we were to make this office space move, it will cost approximately \$90,000 on an annual basis, or \$45,000 beginning next January for the balance of the fiscal year. We will be working with the Department of Administration in order to resolve this conflict in spite of the fact that none of the agencies affected (the Department of Administration, the Department of Natural Resources or the Alaska Court System) have any funding for the rental costs. The Department of Natural Resources does, however, have adequate funding for the actual move, in that \$15,000 was funded by the Legislature last year. No funds were allocated, however, for rental costs.

I thank you in advance for your kind attention to the Department of Natural Resources FY 84 funding requirements. Each of these requests is small, yet they are of such an immediate nature that special funding from the Governor's Contingency Fund would be greatly appreciated. Our total requirement for these three items is \$230,000.

If you have any comments or questions concerning the foregoing, Bob Arnold and Virginia Stonkus are also well-briefed on these issues. Of course, I will also be glad to assist in any way possible to bring these funding requests to a prompt solution.

cc: Esther Wannicke, Commissioner
Bob Arnold, Deputy Commissioner
Virginia Stonkus, Deputy Director, Division of Management
Jim Anderson, Director, Department of Technical Services

ANCHORAGE RECORDER'S OFFICE

Resources Necessary:

The resources necessary to implement short term (7 months) plan with objective of bringing the Anchorage Recorder's Office sufficiently current so that it is operating within or approaching allowable time frames sufficiently current to allow the office to return to and remain open during normal business hours (8:00 A.M. to 4:30 P.M.) by June 30, 1984 are:

Six temporary full time employees for seven months (12/1/83 to 6/30/84) at Grade BA at cost of \$2,123 per month x 6 each = \$12,738 x 7 months =	\$89,166
Equipment rental and supplies	<u>\$5,834</u>
Total Cost	\$95,000

Space Requirements:

Work will be accomplished in the Anchorage District Recorder's Office and no additional space will be needed. Adjacent space being vacated by the Uniform Commercial Code central office will be utilized as well as space to be made available as of result of relocating archival film storage to off site facilities as strongly recommended by Office of Management and Budget.

Deliverables:

Deliverables are shown on the attached chart in terms of a reduction of existing backlogged situations as expressed in terms of days or months related to normally acceptable time frames. In summary targeted deliverables, though not at fully acceptable levels, are well within an acceptable time frame so as to allow the Anchorage District Recorder's Office to return to normal business hours.

Operational Continuance at Acceptable Levels:

With the above emphasis to reduce backlogged situations and if service level 4 as proposed in the FY 1985 budget submission is funded normal business hours can be maintained through FY 1985.

FY 84 SUPPLEMENTAL REQUEST ANALYSIS

	.1 FY 82 ACTUAL	2 FY 82 FINAL AUTH	3 FY 83 ACTUAL	4 FY 84 GOV. AMEND. BUDGET	5 FY 84 INITIAL AUTH.	6 FY 84 CURRENT AUTH.	7 FY 84 EXPENDITURES + ENCUMBRANCES 7/1 to 12/31	8 FY 84 OTHER OBLIGATIONS 7/1/ to	9 FY 84 PROJECTED EXPENDI- TURES + 7/1 to 6/30	10 FY 84 (DEFICIT) OR EXCESS	11 FY 85 GOVERNOR'S RECOMMENDED
PERSONAL SERVICES	1,070.2	1,075.2	1,155.1	1,294.2	1,294.2	1,381.2	596.9		1,444.9	(63.7)	1,695.0
TRAVEL	3.8	8.5	3.2	9.5	6.7	14.7	2.7		14.7	-0-	12.2
CONTRACTUAL SERVICES	212.8	429.7	384.9	459.9	178.6	184.6	64.3		251.1	(66.5)	245.0
COMMODITIES	34.3	69.7	35.8	76.9	72.5	74.5	16.3		76.8	(2.3)	60.0
EQUIPMENT						23.0			30.5	(7.5)	62.0
LANDS, BLDG.											
GRANTS, CLAIMS											
MISCELLANEOUS					76.0	-0-					
TOTAL	1,321.1	1,583.1	1,579.0	1,843.5	1,628.0	1,678.0	680.2		1,818.0	(140.0)	2,074.2
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	1,321.1	1,583.1	1,579.0	1,843.5	1,628.0	1,678.0	680.2		1,818.0	(140.0)	2,074.2
INTER-AGENCY RECEIPTS											

AGENCY: Natural Resources

BRU: Information/
records Mgmt.

COMPONENT: Information/Records Mgmt

Revised

*5 PFT positions for the remainder of FY 84,
which are included in the Governor's FY85 Budget &

MEMOS/1433 5 non-permanent positions for the remainder of FY84.

**45.0 for Fairbanks Recorder's Office lease at new quarters (Recorder's Office is being evicted from court building)

MEMORANDUM

State of Alaska

TO: Esther Wunnicke, Commissioner
Department of Natural Resources

DATE: October 28, 1983

FILE NO:

TELEPHONE NO: 274-3528

FROM: Jim Leonard, Manager *JLE*
Anchorage Office of Management and Budget

SUBJECT: Management Review of State
Recorder's Office

Attached are the Executive Summary and Final Report on our review concerning the operation of the State of Alaska Recorder's Office. The review was conducted by Jim Leonard and Phil Weber. Questions should be directed to either myself or Phil at 274-3528.

Attachments

cc: Bob Arnold, Department of Natural Resources
Jim Barnett, Department of Natural Resources
Jim Anderson, Department of Natural Resources
Frank Wheeler, Office of Management and Budget
Lennie Boston, Office of the Governor
✓ Sana Efird, Office of Management and Budget
Glen Price, Legislative Audit

OFFICE OF
MANAGEMENT & BUDGET

OCT 31 1983

BUDGET REVIEW

EXECUTIVE SUMMARY

A Management Analysis of the Operation of the State of Alaska Recorder's Office

Purpose and Scope

From August 29, through September 9, 1983, the Office of Management and Budget conducted a review of the State of Alaska Recorder's Office. The purpose of the review was to:

1. Improve the operational effectiveness of the Recorder's Office.
2. Identify what steps are needed to reduce an excessive workload backlog.

Background

The recording function is a primary activity of government. The Recorder's Office provides a secure place to accurately record real property documents to insure the security and certainty of title.

The Recorder's Office charges recording fees which are returned to the General Fund. In recent years, these receipts have been more than operational costs. However, the Recorder's Office does not have access to these excess receipts as a means to improving operations.

Between 1979 and 1983, the Recorder's Office document processing volume has grown by 24 percent; however, there has not been any proportional growth in the number of staff positions or improvements in automation capabilities. The current automated system cannot be supported.

Findings

1. Workload bottlenecks -

We found two steps in the processing of recorded documents which create substantial workload backlog. Both are labor intensive steps:

Indexing :- this process involves transferring information and preparing it for computer data entry. In various district offices, this process was from 20 to 60 days behind.

Validation :- This process includes comparing computer reports to source documents to insure accuracy. This process was up to five months behind at one office. Because original source documents must be kept for

validation, the public often must forfeit documents for up to five months or have duplicate copies made.

2. Responsiveness :

The Recorder's Office workload is controlled externally by the public demand for recording; however, the ability to manage the workload is controlled internally as a function of the State's operating budget and the authorized staffing levels.

The Office has little, if any, flexibility to respond quickly to the volume of transactions received from the public. Unless action is soon taken to add staff for the backlog described above, the backlog will continue to grow.

3. Storage :

The Recorder's Office archives storage area is not fire proof. If the Anchorage public records were destroyed, there is a high probability that the archives would also be destroyed. This would create insolvable legal problems with respect to re-establishing accurate chain of title for the Anchorage Recording District.

Conclusions

1. Within the current budget and staffing level constraints, all practical steps have been taken to increase the efficiency of indexing and validation.
2. If the State Recorder's Office could use more of the funds generated by recording public documents, the Office could more easily staff for increased levels of activity. The inability to provide an adequate level of service costs the public about \$9 million per year. Under this concept, increased recording fees may be necessary if it is desired that the Recorder's Office contribute a fixed amount of surplus funds to the General Fund.
3. The lack of a fire proof storage area for archival documents presents an unnecessary risk which could have a devastating effect upon the continuity and security of future land title recording activities.

Recommendations

1. Increase the number of full time permanent employees to handle the projected increase in transaction volumes. The estimated cost is \$226,000 per year.
2. Hire part time, temporary employees to reduce the current indexing and validation backlog. The one time estimated cost is \$4,200 to \$13,500.

3. Automate the indexing portion of the document processing workload by using optical scanning equipment or a computer system capable of online data entry or both. The estimated one time cost is \$350,000 plus annual maintenance.
4. Use program receipts to fund the suggested automation and staff increases. This would enable the Recorder's Office to better meet the service level demands imposed by the public.
5. Identify two fire proof locations for archive storage. One would serve as the primary storage for archives. The second location would serve as a backup in the event the first archival site was destroyed.

MANAGEMENT ANALYSIS OF THE OPERATION OF THE
STATE OF ALASKA RECORDER'S OFFICE

At the request of the Department of Natural Resources, Division of Technical Services, the Office of Management and Budget conducted a management review of the State Recorder's Office from August 29 through September 9, 1983.

The purpose of the review was to determine what actions are needed to improve overall operations of the office and to reduce the workload backlog, dating up to five months. The methodology used to conduct the review involved:

- a. reviewing Alaska Statutes regarding Recorder's Office duties;
- b. reviewing history and functions;
- c. observing operations in the offices at Anchorage, Kenai and Palmer;
- d. interviewing title companies and Recorder's Office employees.

BACKGROUND

The Recorder's Office has been affiliated with many State entities. First with the Alaska Court System until transfer to the Department of Administration in January 1977. It next came under the control of the Department of Commerce and Economic Development in July, 1979. In July, 1980 it was finally transferred to the Department of Natural Resources.

The transfers have likely contributed to inadequate support, funding or management attention. These factors could be the causes of the operational problems which currently exist.

In the four year period from 1979 to 1983, there was a 24 percent increase in the number of documents processed by the Recorder's Office. Although the budget for the office increased, there were no increases in staffing levels to account for the growth in transaction volume. The past inadequate staffing has contributed to the backlog, the untimely processing of source documents which belong to the public, and to additional costs for those who are financing land purchases and sales.

There are three areas which require immediate attention.

WORKLOAD BACKLOG

We identified two steps in the document processing cycle which create backlogs. Both of these steps are very labor intensive.

Indexing

The indexing process occurs prior to computer data entry, microfilming and report preparation. This involves transferring information from source documents to data entry forms. This manual transfer of "index information" re-

quires about two minutes per document; however, because of the volume of documents received which require indexing, it may take two staff days to index one day's volume of documents. This condition occurred during our review on September 1, when 550 documents were received.

Because of processing activities which occur before indexing, the past inadequate staff levels, and the high volume of documents received, a three week processing delay now exists. For example, on September 1, 1983 the Anchorage office was indexing documents received August 10. At the Kenai office, the documents being indexed that day included those received during July.

This delay impacts the availability of current reference materials for the public. For example, title companies refer to unvalidated reports to determine if there are liens on property. As a result, the accuracy of their assessments is in doubt.

Validation

Validation is necessary to insure that reports available to the public are accurate. The process involves the comparison of the source document to the computer report. Because the public needs current information, unvalidated reports are placed in the library for public use. On September 1, 1983 the most current report in the Anchorage office was dated August 9. In Kenai, the last validated report was December 16, 1982.

Original source documents cannot be returned until validation is accomplished. During our review, original documents dating back to April 12, 1983 were not yet mailed.

RESPONSIVENESS

The Recorder's Office has no control over the workload it must handle. The workload is controlled externally by public demand for the recording of documents. In contrast, the ability to handle the workload is controlled internally by operating budget and staffing constraints.

Because of the conflict between internal constraints and external demands, the Recorder's Office cannot quickly react to increased public requirements. As a result, backlogs occur causing degraded service to the public.

The time needed to conduct title searches has increased from 1 to 10 days. This delay creates a financial burden to the general public through increased interest charges on every transfer of real estate involving security interest. Based on the number of mortgages being processed in Anchorage, the increased time needed to conduct title searches costs the public about \$9 million per year. (See Attachment 1)

ARCHIVE STORAGE IS NOT FIRE PROOF

The Anchorage Recorder's Office maintains the State archives which are kept in a room that is not fire proof. The archives provide the only source of information in the event the public records are lost or destroyed. If the

district records in Fairbanks were destroyed, the archives in Anchorage would be used to replace them. However, if the archives and public records in Anchorage were destroyed, there would be no means to replace the Anchorage records and they would be lost forever.

The archive storage room is also used to store original documents until the computer reports are validated and the originals returned to the public. A fire in the archives room could also destroy these very valuable documents.

CONCLUSIONS

--All possible management efforts have been taken to increase the efficiency of processing documents. These efforts include:

- The dual qualification of personnel to insure that personnel are fully utilized;
- reducing the amount of handling of the documents;
- borrowing personnel from other Department of Natural Resource activities and other state agencies on a short-term basis.

--The Recorder's Office cannot quickly respond to increased public demands for service. The ability to provide an increased level of service to the public is constrained by the operating budget and staff levels. Failure to provide increased service to the public creates a backlog of documents waiting to be processed. This causes public records to be out-of-date which increases the time required for title searches. Costs to the public, in Anchorage alone, are about \$9 million per year.

--The lack of a fire proof archive storage area is an unwarranted risk. The loss of archival documents would create untenable legal problems concerning certainty and continuity of title.

RECOMMENDATIONS

Increased Permanent Staff

The Department of Natural Resources should increase the staffing levels in the State Recorder's Office. This increase should include the addition of permanent full time employees to handle projected increases in the workload. The following are our estimates of permanent position requirements.

- Anchorage - 5.0
- Kenai - 1.5
- Palmer - 1.5

It is estimated that personnel, equipment and space rental costs would be about \$226,000 per year.

The total number of new full time positions which are required might be reduced through the consolidation of remote Recorder's Offices which DNR considers not cost efficient. A workload analysis of these offices might lead to the transfer of positions to those recording districts where new positions are needed.

Temporary Staff

Temporary part time employees should be hired to work on eliminating the current backlog. These employees could be obtained from temporary employment agencies, students or handicapped personnel. It is estimated this would cost from \$1,200 to \$13,500.

Automation

The Department of Natural Resources should automate the document recording process as much as possible. Considerations, at a minimum, should include:

- The use of an optical scanner for indexing and validation activities;
- The use of an on-line data entry system; or
- A combination of optical scanner and on-line capabilities.

The advantages of automation are:

- An optical scanner would reduce the time required to enter indexing information by 60-70 percent.
- On-line data entry would be much faster than manually transcribing indexing information.
- On-line entry could automatically compute fees, record book and page data and enter serial number, date and time information.
- Both an optical scanner and on-line system could be tied directly to a computer for data entry purposes. The capabilities of these systems would eliminate much of the manual data entry requirements and improve accuracy.

Development of an automated system should be accomplished using a structured methodology. Department of Natural Resources studies estimates that automation would cost \$350,000.

Administration and Use of Program Receipts

Consider establishing a board of directors to manage the State Recorder's Office. The board could represent a cross section of the state and private functions to which services are provided. This board could approve or disapprove all actions relating to the operation of the Recorder's Office. Administrative control should remain under the Department of Natural Resources.

The State Recorder's Office should be provided with the capability to use program receipts for staffing and automation requirements. This would allow the office to more quickly react to public demand for increased service levels without the constraints of the normal budget and staff acquisition processes. In FY 1983, the Recorder's office program receipts were \$1.2 million more than the operating budget. This surplus could fund the costs for all previous recommendations. If it is desired to have a fixed amount of surplus receipts deposited to the general fund, then consideration should be given to increasing recording fees.

Archive Storage

The Department of Natural Resources should take immediate action to obtain a fire proof area for the storage of archive documents. In addition, a second fire proof archive repository should be obtained to store second copies of archival documents. This second repository should be located so that any catastrophic event which might destroy one facility would not destroy the second.

ATTACHMENT 1

The estimate of the financial impact to the general public is based upon the delay in processing recorded documents. A real estate purchase is not considered officially closed until it has been recorded. At the closing meeting, all documents are signed and then forwarded for recording. Any delay in recording will mean the seller will not receive the purchase price money until the transaction has been officially closed. During the delay, the seller has lost the interest which could be earned if the purchase price money had been received and invested on the day of the closing meeting.

Mortgages in the Anchorage area are estimated to number at least 30,000 per year. The mortgages average about \$100,000 each. At a 12 percent interest rate the daily interest lost is about \$1,000,000. A nine-day delay would mean about \$9,000,000 lost.

$30,000 \text{ mortgages} \times \$100,000 \text{ per mortgage} = \$3,000,000,000.$

$\$3,000,000,000 \times 12\%/360 \text{ days} = \$1,000,000 \text{ per day}.$

$\$1,000,000 \text{ per day} \times 9 \text{ day recording delay} = \$9,000,000.$

Memorandum

Alaska Court System

TO:

Judge VanHooymissen
Presiding Judge
Fairbanks, AK 99701

DATE : September 1, 1983

FROM:

Wayne
Wayne W. Wolfe
Clerk of Trial Courts
Fairbanks, AK 99701

SUBJECT: Recorders Space/
General Information

Pursuant to your request I have researched the "Recorders" space question and have learned the following:

1. The recorder occupies 2237 square feet or 3.29% of the total building space.
2. A.S.22.05.025 grants specific authority for the Supreme Court to control the occupancy of all court facilities in which 75% or more is used by the court system (copy attached). This statute, however, terminates June 30, 1984, therefore action must be done quickly. The statute negates A.S.44.21.020 allowing the Department of Administration control of state facilities (copy attached).
3. No written agreements, leases or other writings exist which I can find to allow the recorder to remain. I have had discussions with Gerry Dubin, Mary Jo, Fred Barrett of D.O.T. and Faye Bain of Leasing and General Services in Juneau. Ms. Bain is sending ASHA occupancy records on file for our building (604 Barnette) by today's mail. This however, does not in my belief affect the recorder move. I will review and make a copy available to you upon receipt.
4. The Recorder is currently under the control of the Department of Natural Resources.
5. You are aware of Art Snowden's letter of 1982 giving notice to D.N.R. to move. This notice is well over a year old. I do not have a copy of this document.
6. The true problem area in these considerations is funding. Ms. Bain informs me that D.N.R. has \$16,000 set aside in anticipation of this move, however she states that the projected move costs will be:

1. Leasing of Space 10/83 to 7/1/84	\$37,600.00
2. Moving Expense	3,500.00
3. Telephone transfer and set up projected at (about)	1,000.00
	<u>\$42,100.00</u>

Memo to Judge Van Hoomissen
Page 2

This creates a short fall of funding of \$26,100.00.

She also informed me Mr. Snowden has approached the Governor's office for assistance from his contingency funds. His response is as yet unknown. See Administrative Rule 26 attached.

It is my belief that any order for eviction must come from the Supreme Court or at least through some delegation from that body to yourself. I think we are stretching, but Rule 27 may be "broadly" interpreted to grant that power, however, realistically the Supreme Court should be the author of any such order.

There is additionally the inherent power of the court as established by common law and case law.

WWW/kkn

cc: ACA
File

§ 22.05.025

JUDICIARY

§ 22.05.050

Legislative history reports. — For legislative committee report on ch. 83, SLA 1967 (HB 141), see 1967 House Journal, pp. 339-340.

NOTES TO DECISIONS

Quoted in State v. City of Anchorage, Sup. Ct. Op. No. 932 (File No. 1743), 513 P.2d 1104 (1973).

Cited in Buckalew v. Holloway, Sup. Ct. Op. No. 1988 (File No. 4058), 604 P.2d 246 (1979).

Collateral references. — Power of successor judge taking office during term time to vacate, etc., judgement entered by his predecessor, 11 ALR2d 1117.

Sec. 22.05.025. Court facilities (Term dates June 30, 1984). (a) The supreme court has authority over all matters relating to the planning, design, construction, maintenance, occupancy, and operation of all court facilities and shall cooperate and coordinate with the Department of Transportation and Public Facilities so that court facility construction projects are carried out in accordance with the statutes and regulations applicable to state public works projects.

(b) In this section, "court facility" means a state facility in which 75 per cent or more of the net usable space is occupied by the court system and other justice-related agencies. (§ 1 ch 160 SLA 1980)

Effective dates. — Section 3, ch. 160, SLA 1980, as amended by § 2, ch. 70, SLA 1982, provides: "This Act terminates June 30, 1994."

Sec. 22.05.030. Session of court. The supreme court shall always be open for the transaction of business in the manner determined by rule of the court. The supreme court shall hold sessions on dates and at places fixed by court rule. (§ 3 ch 50 SLA 1959; am § 2 ch 11 SLA 1960)

Sec. 22.05.040. Effect of adjournment. An adjournment from day to day, or from time to time, is a recess in the session, and does not prevent the court from sitting at any time. (§ 4 ch 50 SLA 1959)

Sec. 22.05.050. Process. Process of the supreme court shall be in the name of the State of Alaska, be signed by the clerk of the court or the deputy clerk, be dated when issued, sealed with the seal of the court, and made returnable according to rule prescribed by the court. (§ 5 ch 50 SLA 1959)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

19.187

§ 44.19.188

STATE GOVERNMENT

§ 44.21.020

Editor's note. — This section derives from AS 44.20.070 and was renumbered by the revisor under 01.05.031.

Sec. 44.19.188. Reports. The commission shall report annually to the state legislature and the governor concerning the work of the commission and shall recommend legislation by Congress and the state to carry out the purposes of AS 44.19.181 — 44.19.188. (§ 1 ch 85 SLA 1967)

Editor's note. — This section derives from AS 44.20.060 and was renumbered by the revisor under 01.05.031.

Chapter 21. Department of Administration.

Article

1. Department Functions (§§ 44.21.010 — 44.21.060)
2. Pioneers' Homes (§§ 44.21.100 — 44.21.130)
3. Automatic Data Processing (§§ 44.21.150 — 44.21.170)

Article 1. Department Functions.

Section

10. Commissioner of administration
20. Duties of department
25. Contracts to operate vending facilities in state buildings
30. Contracting with United States

Section

40. Records or accounts of claims and warrants
50. Penalty for allowance of false, unjust or illegal claims
60. [Repealed]

Sec. 44.21.010. Commissioner of administration. The principal executive officer of the Department of Administration is the commissioner of administration. (§ 8 ch 64 SLA 1959)

Am. Jur. 2d references. — 1 and 2 Am. Jur. 2d, Administrative Law, § 1 et seq.

Sec. 44.21.020. Duties of department. The Department of Administration shall

- (1) Repealed by § 4 ch 97 SLA 1976.
- (2) make surveys and studies to improve administrative procedures, methods, and organization;
- (3) keep general accounts;
- (4) approve vouchers and disburse funds for all purposes;
- (5) operate centralized purchasing and supply services, and necessary storerooms and warehouses;
- ~~(6) allot space in state buildings to the various departments according to need and available space;~~
- ~~(7) supervise telephone, mailing, messenger, duplicating, and similar services adaptable to centralized management;~~

§ 44.21.025

ALASKA STATUTES

§ 44.21.040

§ 44.21

(8) administer the public employees' retirement system and teachers' retirement system;

(1) th

(9) administer a statewide personnel program, including central personnel services such as recruitment, examination, position classification, and pay administration;

(2) tl

(10) administer the Alaska Pioneers' Homes;

(3) tl

(11) administer and supervise a statewide automatic data processing program;

(4) t

(12) Repealed by Executive Order No. 40 § 6 (1979).

(5) t

(§ 8 ch 64 SLA 1959; am Executive Order No. 30 (1968); am § 1 ch 170 SLA 1972; am § 4 ch 97 SLA 1976; am § 1 ch 118 SLA 1976 am Executive Order No. 40, § 6 (1979))

(6) t

(7) t

(b) t

bill s a

Effect of amendments. — The first 1976 amendment repealed paragraph (1), which read "prepare and execute the executive budget, including a system of periodic allotments for the regulation of expenditures."

acquired either partially or wholly with state money before or after the effective date of this Act. This Act also applies to automatic data processing facilities used by the state but financed with federal money, to the extent permissible under applicable federal policies."

The second 1976 amendment added paragraph (12).

Section 3, ch 118, SLA 1976, as amended

Section 6, Executive Order No. 40 (1979) repealed paragraph (12), which read: "administer and maintain the recording system established under the laws of this state."

by Section 7, Executive Order No. 47

Editor's note. — Section 3, ch. 170, SLA 1972 provides: "This Act applies to all automatic data processing facilities

(1980) provides: "The recording districts established by the supreme court in effect on January 1, 1977 shall remain in effect until regulations establishing, modifying, or discontinuing recording districts or precincts have been adopted by the Department of Natural Resources."

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Sec. 44.21.025. Contracts to operate vending facilities in state buildings. In contracting after July 1, 1976 for the operation of vending facilities in buildings owned or leased by the state or an agency of the state, the Department of Administration shall give preference to contract requests submitted by persons licensed by the division of vocational rehabilitation under AS 23.15.100(b)(5). (§ 4 ch 75 SLA 1976)

d.

b

Sec. 44.21.030. Contracting with United States. The Department of Administration may contract with the United States for the education, medical activities, agricultural assistance and social welfare, and relief of distress of Indians and Eskimos, and spend money appropriated by Congress for these activities in accordance with the provisions of the Act of Congress approved April 16, 1934. (§ 45-1-1 ACLA 1949)

Sec. 44.21.040. Records or accounts of claims and warrants. (a) The Department of Administration shall keep books of account in permanent form of the claims presented and of the warrants drawn. These records shall show

Rule 27. Presiding Judge.

(a) The chief justice shall designate one judge from each judicial district to be presiding judge of that district. A judge designated as presiding judge shall hold office as such for a term of one year and shall be eligible to succeed himself thereafter.

(b) In addition to regular judicial duties a presiding judge shall, within his or her judicial district:

(1) Supervise the assignment of cases pending to the judges;

(2) Supervise the administrative actions of judges and court personnel;

(3) Expedite and keep current the business of the courts;

(4) Review and recommend budgets; and

(5) Review the operations of all trial courts to assure adherence to statewide court objectives and policies.

(c) A presiding judge may:

(1) Assign judges and magistrates to locations within their district of residence as necessary to maintain balanced workloads or to expedite the business of those courts;

(2) Appoint a classified or partially exempt employee as acting magistrate to perform the duties of magistrate when the magistrate is unavailable;

(3) Perform any other duties and exercise any other powers as may be provided by law or by these rules.

**Rule 26. Power of Court to Provide Proper Facilities for
Transaction of Business in Court—Payment of
Expenses.**

If the state does not provide proper rooms in which to hold the court and for the accommodations of the officers of the court, together with attendants, furniture, fuel, lights, and stationery, suitable and sufficient for the transaction of business, the chief justice may direct the administrative director of courts to provide them. The expenses thereof, certified by the chief justice to be correct, shall be paid out of the state treasury.

Rule 26.5. Chief Judge of the Court of Appeals.

(a) The chief justice shall designate one judge of the court of appeals to be the chief judge of that court. A judge designated chief judge shall hold office as such for a term of two years, or until he or she ceases to be a judge of the court of appeals, whichever is shorter. A chief judge shall be eligible to serve successive terms in that office.

(b) The chief judge, in addition to his or her regular judicial duties, shall perform such other duties as the chief justice and the court of appeals may direct.

(c) If the chief judge is unable to perform his or her duties, the judge of the court who has served as such for the longest time, among those who are available, shall be acting chief judge unless the chief justice orders otherwise. (Supreme Court Order 446 effective September 1, 1980, nunc pro tunc)



Superior Court

State of Alaska
FOURTH JUDICIAL DISTRICT
ROOM 426, 604 BARNETTE STREET
FAIRBANKS, ALASKA
99701

CHAMBERS OF
GERALD J. VAN HOOMISSEN
PRESIDING JUDGE

October 10, 1983



Arthur H. Snowden, II
Administrative Director
Alaska Court System
303 K Street
Anchorage, AK 99501

Re: Eviction of Recorder's Office from
Alaska State Court Building, Fairbanks

Dear Art:

Pursuant to our conversation this last summer concerning the dire need for more space for the court system in our building and the necessity for moving the Recorder's Office from the building to accommodate our needs, I advised you that I would research the matter and try to get to you all the information we have with reference to the Recorder's Office. I delegated this responsibility to Wayne Wolfe, and I am enclosing herewith copies of his memorandum to me dated September 1, 1983 as well as the appropriate statutes.

We have been trying to get the Recorder's Office out of our building for a good number of years, with no success whatever. We are in dire need of the space now occupied by the Recorder's Office. That need becomes even more critical now, since we have two new offices that we are going to have to find space for immediately in our building. The new Custody Investigator will need an office for herself, a secretary's office, and an interview room. In addition to

MEMORANDUM

State of Alaska

TO: Jay Hogan, Associate Director
Office of Management and Budget
Division of Budget Review

DATE: January 30, 1984

FILE NO: 1512

TELEPHONE NO: 465-3568

FROM: Guy Bell, Senior Analyst
Office of Management and Budget
Division of Budget Review

SUBJECT: FY 84 Supplemental
Department of
Commerce and Economic
Development

I have reviewed the supplemental budget request of the Department of Commerce and Economic Development, Alaska Power Authority. I recommend that the request outlined below be approved.

* Section _____. The sum of \$415,000 is appropriated from the general fund to the Alaska Power Authority for the continuation of fisheries studies on the Newhalen River.

Recommendation: Approve; urgent; funds are required by March 15, to enable contractor to order equipment and supplies in sufficient time to begin field work the first week in May.

° The Alaska Power Authority has been appropriated in excess of \$2,000.0 to date for the preparation of a Bristol Bay Power Plan. The plan requirements include a four year continuous study to assess the impact of hydroelectric development on the Newhalen River sockeye salmon fishery. To date, two years of the study have been completed; however, no money remains for the third and fourth years of the required fisheries studies. If continuity of data collection is lost, a completely new cycle of studies will be required to satisfy environmental agency concerns. This request will fund the third year of this four year study.

° The timing of the approval of the Legislature and the receipt of the money is crucial. Significant lead time is required to reserve the rental sonar equipment (late February), and to order sampling traps and field supplies (early March) before field site setup the last week of April. If notice to proceed is not given to the prime contractor by March 15, the necessary equipment manufacturing required (incline plane traps necessary to fulfill new Department of Fish and Game requirements) cannot be completed by the field season. The contractor must begin on-site sampling the first week of May to collect data on the salmon migration.

As mentioned previously, if this spring season out-migration is not studied, a new four-year study cycle will be required to collect the necessary data.

- ° This project was requested by the Alaska Power Authority in its FY 84 capital budget, but it was not funded by the Legislature.
- ° It should be noted that sufficient funding for the fourth year of this project is included in the Governor's FY 85 capital budget.
- ° I recommend that the lapse date of this project be June 30, 1985, because the 1984 field season will extend into FY 85.

dmc

ALASKA POWER AUTHORITY

MEMORANDUM

TO: Office of Management and Budget DATE: 1-19-84

FROM: Larry Crawford *L. Crawford*
Alaska Power Authority RE: Supplemental Funding
Request for Fisheries
Studies on the
Newhalen River.

The following outlines the reason for the supplemental funding request and issues which may be considered by the Division of Budget Review, Office of Management and Budget:

REASONS FOR SUPPLEMENTAL REQUEST

1. No funding was received for FY 1984 for work on the Bristol Bay Regional Power Plan though funding was requested for fisheries work and Phase Two work on overall plan feasibility. Phase I was completed in 1982; balance of funding was used for fisheries studies in 1983. No money remains for fisheries studies in FY 1984.
2. The designated lead agency, the Alaska Department of Fish and Game, Habitat Division, requires extensive fisheries studies on a four-year continuous basis. The economic importance of the resource in Bristol Bay and the importance of the Newhalen River as a sockeye salmon migration stream requires strict scrutiny by federal and state environmental regulatory agencies. See attached letter for a summary of Fish and Game requirements.
3. This year will be the third of four required continuous fisheries study years. A break in continuity will require starting a new four-year study period (covering one entire salmon spawning and migration life cycle). Inability to conduct fisheries studies in Spring of 1984 would delay the construction of the potential run-of-river regional project by three years or more.

Other Critical Issues

1. The run-of-river concept, the cold climatic conditions, the importance of the stream to the salmon lifecycle and to the commercially notable salmon fisheries, and the innovative but successful (Prairie Island Nuclear Power Plant, Minnesota) fish protection system require a thoughtful approach to the Newhalen project. In addition, the scientific and biological orientation of these studies makes them less quantifiable and more variable

than those for engineering projects without significant biological resource. As a result, the Alaska Department of Fish and Game is developing unique guidelines for an unusual project with a specific environmental resource.

2. The timing of the approval of the Legislature and the receipt of the money is crucial. Significant lead time is required to reserve the rental sonar equipment (late February), and to order sampling traps and field supplies (early March) before site setup the last week of April. If notice to proceed is not given to the prime contractor by March 15, the necessary equipment manufacturing required (incline plane traps necessary to fulfill new Department of Fish and Game requirements) cannot be completed by the field season. The contractor must begin on-site sampling the first week of May to collect data on the salmon migration. As mentioned previously, if this spring season out migration is not studied, a new four-year study cycle will be required to collect the necessary data.

The biological patterns of the resource being studied and the nature of the required studies necessitate expedited and immediate consideration by the State Legislature. This request should be considered urgent and considered as soon as possible.

PKD/1t

FY 84 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 82 ACTUAL	FY 82 FINAL AUTH	FY 83 ACTUAL	FY 84 GOV. AMEND. BUDGET	FY 84 INITIAL ADJ.:	FY 84 CURRENT AMT. <small>See Foot- note (1)</small>	FY 84 EXPENDITURES & ENCUMBRANCES 7/1 to 12/31/84	FY 84 OTHER OBLIGATIONS 7/1 to 12/18/84	FY 84 PROJECTED EXPEN- DITURES 1/19/85 to 6/30/85	FY 84 (DEFICIT) OR EXCESS	FY 85 GOVERNOR'S RECOMMENDED
261/174		2,000,000									
PERSONAL SERVICES		30,000				6285.10	4,662.62		22,296.28	(20,673.17)	
TRAVEL		10,000				2159.02	-0-		7,159.02	-0-	
CONTRACTUAL SERVICES		1,960,000				86,258.15	272,222.16	3,062.00	405,000.00	(394,026.21)	
COMMODITIES									300.00	(300.00)	
EQUIPMENT											
LANDS, BLDG.											
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL		2,000,000	-0-		-0-	99,702.27	276,884.98	3,062.00	436,755.29	(415,000.00)	
FEDERAL RECEIPTS											
REQUIRED OF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											

AGENCY: ALASKA POWER AUTHORITY

ERU: _____

COMPONENT: _____

Revised January 18, 1985

MEMOS/1433

(1) This column contains the opening balance as of 7/1/83 for those continuing funds authorized in FY 82.

Oristal Bay Regional Power Plan

DEPARTMENT OF FISH AND GAME

P.O. Box 3-2000
Juneau, AK 99802
465-4105

December 21, 1983

* Ms. Merlyn L. Paine
Project Manager
Alaska Power Authority
334 West 5th Avenue
Anchorage, Alaska 99501

Dear Ms. Paine:

Re: Your letter of December 9, 1983

Thank you for your letter of December 9, 1983, in which you request the assistance of the Department of Fish and Game to further define the scope of certain investigations needed for the Newhalen River. These studies are needed to meaningfully address the biological feasibility and desirability of constructing a 16 MW run-of-river hydroelectric project on the Newhalen River.

As you are aware from previous correspondence on this subject, the Department's ultimate recommendation on the feasibility of the Newhalen project is contingent upon two factors:

1. that we clearly understand what effect the hydroelectric project will have on the fisheries resources and hydrology of the Newhalen River before any commitment is made to construct the project; and
2. that we are convinced beyond a reasonable doubt that the design construction and operation of the project will result in no net loss to the fishery production of the Newhalen River/Lake Clark complex.

With this in mind, the Department has recommended to APA that a minimum of a four-year program of fish studies be conducted on the Newhalen River prior to determining the feasibility of the project. Incumbent upon the success of the fish investigation program is the need for continuity of the studies from year to year and the proper phasing of each component of the study to address relevant biological events. The central focus of the fish investigations program is the life cycle of sockeye salmon and the specific interaction between the major life cycle events of salmon and the diversion of water from the Newhalen River. Each of these components must be well understood numerically, spatially and temporally before informed decisions can be made regarding the proper design of the intake facility, fish bypass system, and quantity of water that can be safely diverted from the Newhalen River. It is essential to conform the investigations to the two to four year fresh-water life cycle of the sockeye salmon so that in the end you

December 21, 1983

have continuity in studies and, therefore, the ability to describe effects the project will have on variable levels of adult escapement, year-class strengths, flow conditions, temperatures, seasons and other relevant environmental factors.

In this vein, the Department believes that the Spring of 1984 investigations on the numerical, spatial and temporal components of juvenile sockeye salmon outmigration at the Newhalen project diversion site are essential to the continuity, and hence credibility, of the fish investigation program. Missing this key life cycle event would negate the utility of a significant proportion of the previous two years data and, in our opinion, lead ultimately to a delay in a determination of project feasibility.

The Department recommends that if the APA wishes to proceed with the feasibility studies on the Newhalen project, a full and rigorous program of fish investigations must be supported. The program should incorporate the eight components found in your Priority List of October 3, 1983, with emphasis on juvenile salmon investigations at RM7 and sonar enumeration of smolt outmigration for the remainder of FY 84. The following table lists the studies that the Department recommends occur during 1984. An asterisk denotes studies considered absolutely essential to continuing the fish investigation program.

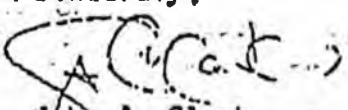
	<u>Title</u>	<u>Duration</u>
*	1. Spatial and temporal distribution of juvenile sockeye salmon at RM7	April - July
*	2. Sonar enumeration of outmigrating juvenile sockeye salmon (can be located at any appropriate site between RM7 and Sixmile Lake)	May - June
	3. Adult sockeye salmon enumeration (can be located at RM22 or other appropriate site)	July - August
	4. Autumn juvenile sockeye salmon outmigration (can be primarily located at RM13 with supplemental investigation at RM7)	October
*	5. Temperature/flow measurements (data should be collected concurrently with all fish sampling programs)	May - October
	6. Winter fish distribution (should be programmed for winter '84-85 at RM7)	February, 1985

It is vital that adequate fish studies be conducted in conjunction with this project. To proceed ahead without a careful understanding of potential consequences could place in jeopardy a major component of the largest sockeye salmon fishery in the world; a commercial fishery that contributes

up to \$250 million to the State and regional economies. Regional fish production, to which the Newhalen contributes, also provides the basis for a large portion of the \$25-40 million regional recreational industry, as well as an important traditional subsistence fishery. The Department has suggested that other viable alternatives to Newhalen exist for supplying electrical power to the Bristol Bay Region. We have also communicated our interpretations of public comment from the Bristol Bay Region as consistently advocating electrical power alternatives that do not put the salmon resources at risk. We urge APA to carefully consider the economic and environmental protection aspects of the Newhalen project and to critically evaluate all power alternatives available to the Bristol Bay Region.

Thank you for this and other opportunities to comment on your project.

Sincerely,


John A. Clark
Director
Habitat Division

cc: Al Kingsbury, Comm. Fish., Anchorage
Chuck Meacham, Comm. Fish., Anchorage
Dick Russell, Comm. Fish., King Salmon
Mike Nelson, Comm. Fish., Dillingham
Patricia DeJong, APA
Bob Bowker, USFWS, WAES, Anchorage

Presented to the Alaska Power Authority Board of Directors, by the staff of the Alaska Power Authority, at the December 21, 1983 Meeting.

2. BRISTOL BAY REGIONAL POWER PLAN - SPRING FISHERIES STUDIES, 1984 SUPPLEMENTAL FUNDING REQUEST, FY 1984

A. - Action Item

Approval of a supplemental funding request for spring fisheries studies on Newhalen River, for the third year of four continuing years of data collection required by the Alaska Department of Fish and Game (ADF&G).

B. Background

The interim feasibility report of electric power alternatives for the Bristol Bay Region indicates a regional scale run-of-river hydroelectric project on the Newhalen River to be the best economic option.

The river is a major sockeye salmon spawning and migration stream and is one of the twelve top salmon producing streams in the world. ADF&G's Habitat section states that "Bristol Bay is the most important salmon fishery in the world and yields 50 percent of all the sockeye salmon produced in the United States." The economy of the Bristol Bay region is dependent on the fisheries, producing an annual income of more than \$250 million (wholesale), \$13 million from the sport fisheries and \$20 million from water based recreation annually; more than 10,500 people are employed in commercial and recreational fisheries in the area. Because of the importance of this river to Bristol Bay fisheries and the region's economic dependence on its fisheries, environmental agencies have specified strict guidelines for study of salmon in this river and for assessment of fish protection systems expected to be included in the design of this project. Guidelines established by the environmental agencies require four years of continuous sampling data. Two years of this sampling, according to the ADF&G's criteria, have been performed to date. Sampling in the 1984 calendar year will complete the third year of sampling with spring studies crucial to this analysis. If continuity of data collection is lost, a complete new cycle of studies will be required to satisfy environmental agency concerns.

Although the Power Authority had anticipated the need for funding to continue this fish sampling in its FY-84 budget request, no project requests other than those for the Sustina and Intertie projects were funded by the Legislature. To make an informed decision whether to proceed with future phases of feasibility analysis of a run-of-river hydroelectric project on the Newhalen River,

the additional fish sampling data is necessary. A supplement to the FY-84 budget is the most cost effective and timely means to accomplish this objective.

C. Issues

1. The Kewhalen River hydroelectric project, if feasible, is an opportunity to provide electric power at beneficial cost to residents of 18 rural communities (approximately 5,000 people).

2. The project is especially environmentally sensitive and fisheries concerns must be addressed prior to further feasibility study.

D. Costs

The estimated cost to conduct the spring fisheries studies is \$415,000.

E. Options

1. Approve supplemental request.

2. Do not approve supplemental funding request.

F. Recommend Action

Option 1.

300 15

MEMORANDUM

State of Alaska

TO: Jay Hogan, Associate Director
Division of Budget Review
Office of the Governor

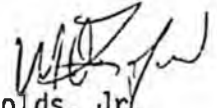
DATE: February 1, 1983

FILE NO:

TELEPHONE NO:

465-2800

FROM:


Harold Reynolds, Jr.
Commissioner
Department of Education

SUBJECT:

Request for Supplemental
Appropriation to Satisfy
Stipulated Settlement
With St. Mary's School
District

The Department of Education requests an FY 84 general fund supplemental appropriation of \$32,000 to be used to satisfy a stipulated settlement in that amount negotiated by the Office of the Attorney General on behalf of the State of Alaska and the law firm of Bankston and McCollum on behalf of the St. Mary's School District. This settlement will satisfy in full a civil suit filed by St. Mary's School District contesting a Department of Education recovery of a 1976/1977 foundation program overpayment disclosed in an audit performed by the Division of Legislative Audit in 1978.

BANKSTON & McCOLLUM

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

550 WEST SEVENTH AVENUE, SUITE 1800

ANCHORAGE, ALASKA 99501

(907) 276-1711

WILLIAM M. BANKSTON

JAMES H. McCOLLUM

W. RICHARD FOSSEY

J. B. McCOMBS

H. CRAIG SCHMIDT

DAVID T. ALTENBERN

CHRIS D. GRONNING

December 20, 1983

RECEIVED
Department of Law
Juneau, Alaska

DEC 22 1983

Am 7:8:9:10:11:12:13:14:15:16

DIRECTORS
OFFICE

JAN 5 1984

Bruce Botelho, Esq.
Assistant Attorney General
Pouch K
Juneau, Alaska 99811

Management, Law Finance

Re: St. Mary's School District v.
Department of Education
Our File Number S-1819-02

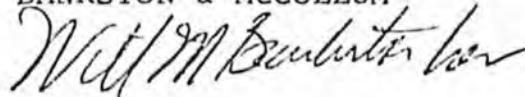
Dear Bruce:

Enclosed is a settlement to file with the court to let the court know that we are staying further action on this pending transmission of the funds in the St. Mary's case. I added a clause that the settlement would be void if we did not receive the funds from sixty days of December 19, 1983. If you do not think that is a reasonable time limit to receive the funds, let me know and we can change that. My only interest is in just getting locked into a definite date if at all possible for tendering of the funds. If this is not a reasonable time limit, please let me know.

If you have any questions, please contact me.

Sincerely yours,

BANKSTON & McCOLLUM



W. Richard Fossey

WRF:lra

Enclosure

cc: St. Mary's School District

THE SCHOOL DISTRICT OF ST. MARY'S SCHOOL DISTRICT,)
)
 Plaintiff,)
)
 v.)
)
 DEPARTMENT OF EDUCATION OF)
 THE STATE OF ALASKA,)
)
 Defendant.)

Case No. 3AN-82-9518 Civil

STIPULATED SETTLEMENT

COME NOW plaintiff and defendant, by and through counsel, an enter into the following stipulated settlement.

1. Defendant shall pay plaintiff \$2,000.

2. This cause of action shall be dismissed with prejudice, each side to bear their own costs and attorney fees at such time as \$32,000 is tendered to the plaintiff.

3. Defendant pledges to take all necessary administrative action to obtain the funds for tender to plaintiff as quickly as possible.

4. All further proceedings in this cause of action are stayed.

5. This settlement is void if the funds are not tendered to St. Mary's School District within sixty (60) days of December 19, 1983.

BANKSTON & McCOLLUM
Attorneys for Plaintiff

Dated: _____

By _____
W. Richard Fossey

OFFICE OF THE ATTORNEY GENERAL
Attorney for Defendant

Dated: _____

By _____
Bruce Botelho

IT IS SO ORDERED

Dated: _____

Judge of the Superior Court

BANKSTON & McCOLLUM
 A PROFESSIONAL CORPORATION
 ATTORNEYS AT LAW
 550 WEST SEVENTH AVENUE, SUITE 1800
 ANCHORAGE, ALASKA 99501
 (907) 276-1711

S

B

424

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

078

Revision Date: _____

REQUEST

Bill/Resolution No.: SB424
Title: An act relating to recovery of Medical Assistance expenses
Sponsor: _____
Requestor: _____
Date of Request: _____

FISCAL DETAIL

Agency Affected: Division of Public Assistance
Program Category Affected: Medical Assistance
BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	250	275	310	350	400	475

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

No additional cost is forseen by the Department of Health & Social Services as a result of this legislation.

ANALYSIS: Attach a separate page for analysis

Prepared By: Rod Betit
Division: Public Assistance

Phone: 465-3355
Date: 1/19/84

Approved by Commissioner: Robert Landon Smith
Agency: Dept. of Health & Social Services

Date: 1/31/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

Analysis - An act relating to recovery of medical assistance expenses.

Current effort to identify and recover medical assistance from third party liability (TPL) requires the labor of two TPL staff positions. Recovery has increased from \$80,000 in FY79 to approximately \$300,000 in FY83. It has been the experience of present staff, though, that excessive time is spent confronting legal challenge to the State's subrogation rights. The existence of an explicit subrogation statute would remove this challenge and provide current staff additional time to identify and recover TPL currently not being identified that is estimated to be in excess of \$200,000 each year.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 8, 1984

The Honorable Jalmar Kerttula
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Kerttula:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to subrogation. The bill establishes, for the Department of Health and Social Services, a statutory right to subrogation in cases in which the department provides medical assistance for which a third party is liable.

Current Alaska statutes are silent on the department's right to recover medical assistance expenses when it is determined that a third party is liable for those expenses. Almost every claim by the department for reimbursement has been challenged, and absent a statutory basis for such claims, time-consuming and expensive legal proceedings have been required to obtain reimbursement. Consequently, the department has had to expend excessive amounts of money or forego reimbursement in many cases. The department estimates that at least several thousand dollars every year would be saved if this bill were enacted.

Additionally, the bill provides that the department will reimburse a recipient of medical assistance, in accordance with the rules of court, for the attorney fees incurred in establishing third-party liability for the medical assistance provided.

In the interest of fairness and efficiency, I urge your prompt and favorable consideration of this bill.

Sincerely,


Bill Sheffield
Governor

S

B

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26



Official Business

Alaska State Legislature

Senate

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: Senator Josephson, Chairman
Senate HESS Committee

FROM: Senator Ferguson *JRF*

SUBJ: Senate Bill 426

DATE: March 23, 1984

RECEIVED

MAR 23 1984

Josephson,

AS 14.43.055, establishing scholarships for Alaska Natives to attend the University of Alaska has been in the Statutes for the past 29 years. Under the present statute the University has a great deal of lee-way in deciding the amount of assistance which will be given to students -- they have been awarding a \$500 stipend to 15 Native students each year.

Senate Bill 426 would expand the present program to include 50 scholarships, potentially one for each school district outside of Anchorage, Fairbanks and Juneau. I would foresee little actual cost under this revised program because we would just be adding more students to present University programs. The only actual costs would be airfares, and incidental costs.

I believe the revision to AS 14.43.055 which is included in Senate Bill 426 is realistic in the assistance which should be given to each students, and is realistic in the number of students we are providing assistance. The present statute is little more than "face saving" in encouraging the education of Alaska Natives in the University of Alaska system.

In addition, Senate Bill 426 gives the option of choosing the scholarship recipients to local school boards, with the proviso that the recipient be qualified to attend the University of Alaska.

§ 14.43.050

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§ 14.43.055

EDUCATION

§ 14.43.075

Natives who wish to pursue a higher education beyond the attainments possible in the free public schools system. (§ 1 ch 140 SLA 1955; AS 14.40.510)

Sec. 14.43.055. Scholarships. The Board of Regents of the University of Alaska shall offer not more than 15 new scholarships for each academic year to Alaska Natives desiring to attend the University of Alaska. The board shall give preference to Natives residing in the rural areas of the state who desire to receive training in the field of education. If there are more than 15 applications the board shall award 15 scholarships to those applicants who have the highest scholastic record or who the board determines are the most qualified among the applicants and who are financially unable to obtain a higher education without assistance. The University of Alaska shall provide such minimum financial assistance to these students as is necessary in each individual case, but not exceeding fees, board and room. (§ 3 ch 140 SLA 1955; am § 1 ch 6 SLA 1960; AS 14.40.520)

Sec. 14.43.060. Continuation of scholarships. The award of free room and board shall be made from any funds available to the University of Alaska. Each Native who receives a scholarship under AS 14.43.050 — 14.43.075 is entitled to retain the scholarship and to receive free room and board during attendance at the University of Alaska as long as the student maintains a grade average equivalent to a "C" or better. However, no Native is entitled to the scholarship for more than four years, or for more than the number of years necessary to receive a bachelor's degree. (§ 4 ch 140 SLA 1955; AS 14.40.530)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Sec. 14.42.065. Scholarships in addition to other scholarships. The scholarships are supplemental and in addition to any other scholarship to which an applicant is entitled or may receive. (§ 5 ch 140 SLA 1955; AS 14.40.540)

Sec. 14.43.075. Definition of Native. For the purposes of AS 14.43.050 — 14.43.075, "Native" means any person between the ages of 17 and 25 who is a descendant of a member of the aboriginal races inhabiting the state when annexed to the United States, or who is a descendant of an Indian or Eskimo who, since the year 1867 and prior to June 30, 1952, migrated into the state from Canada, and who is a descendant having at least one-quarter blood derived from these ancestors. (§ 2 ch 140 SLA 1955; AS 14.40.550)

Revisor's notes. — AS 14.43.050 — 14.43.075 were substituted for a reference to AS 14.40.510 — 14.40.550 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.



STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA WOMEN'S COMMISSION
3601 C STREET - SUITE 742
ANCHORAGE, ALASKA 99503

April 10, 1984

RECEIVED

APR 12 1984

Senator Joe Josephson, Vice Chairman
Senate Judiciary Committee
State Capitol
Pouch V
Juneau, Alaska 99811

Josephson,

Dear Senator Josephson:

The Alaska Women's Commission strongly supports SB 426, "An Act relating to the University of Alaska scholarships for rural student." The Commission believes it is vitally important for teachers in rural schools to be Alaska Natives. We also think the bill will assist in increasing Native hire in rural Alaska.

If we can provide you with any additional information, please don't hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Marshall".

Kathy Marshall
Executive Director

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 426
 Title: UA Scholarships to Natives
 Sponsor: Ferguson and Sackett
 Requestor: Senator Josephson
 Date of Request: 03-28-84

FISCAL DETAIL

Agency Affected: University of Alaska
 Program Category Affected: Adult and Postsecondary Education
 BRU, Program or Subprogram(s) Affected: All

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS	0	245.1	514.8	810.8	1,135.2	1,191.9
800 MISCELLANEOUS						
TOTAL OPERATING	0	245.1	514.8	810.8	1,135.2	1,191.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	245.1	514.8	810.8	1,135.2	1,191.9
FEDERAL FUNDS						
OTHER						
TOTAL	0	245.1	514.8	810.8	1,135.2	1,191.9

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: None

ANALYSIS: Attach a separate page for analysis

Prepared By: Frank Spargo Phone: 474-7593
 Division: Statewide Budget Office Date: 3-28-84

Approved by Commissioner: Sherman Carter, Exec. VP Date: 3-28-84
 Agency: University of Alaska

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83



University of Alaska
Statewide System of Higher Education
Fairbanks, Alaska 99701

March 28, 1984

Senator Josephson
Pouch V
Juneau, AK 99811

SUBJECT: Fiscal Note for Senate Bill 426

Dear Senator Josephson:

Attached please find the fiscal note from the University of Alaska for Senate Bill 426 entitled "An Act Relating to University of Alaska Scholarships for Natives".

Assumptions

1. It is assumed that costs will increase at a rate of five percent a year over the next four to five years. This recognizes that in some years, tuition may or may not increase and all the cost increases may vary by different rates.
2. It is assumed that current personnel in the University of Alaska system can manage the additional scholarship load adequately. It may be that at some units the increased scholarship activity may require additional scholarship and financial aid personnel in future years. However, for the immediate future (FY85 and FY86) it is not expected that there would be any major impact on personnel.

Program Summary

It is expected that all the funds for implementation of this bill will be given to the university in the form of general funds and will be placed in the grants and claims object code. It is not expected that any other costs would be funded. There are no new positions associated with this request for at least FY85 and FY86 and the impact in years beyond that will not be known until the first two years of operation have been concluded.

University of Alaska

Senator Josephson
March 28, 1984
Page 2

Computations

The cost estimates were developed as follows for two semesters (or one nine month academic year) for each student.

Tuition	\$ 720
Housing (double occupancy dorm)	560
Health insurance and fees	140
Meal ticket	1,500
\$100 per month incidental expenses	900
Two round trip tickets	1,000
Application fees	10
Campus activity fee	48
Course fees	25
	<hr/>
	\$ 4,903

Please note that the university assumes that books will be purchased from the incidental expense money and it should also be noted that books currently cost approximately \$400 per year per student.

Given that 50 students will be awarded the scholarship, it is expected that the full cost the first year would be $\$4,903 \times 50 = \$245,150$ for FY85.

In following years, FY86 and beyond, each year's cost will be inflated by five percent plus during each of the first four years an additional 50 students will be added up to the maximum of 200 students.

Economic impact:

The university foresees no direct economic impact on the state's economy.

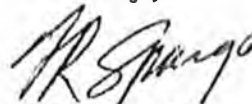
Impact on local government:

The university sees no fiscal impact on local governments.

Attachments:

Please find attached a copy of the letter from Dr. George West, the Vice President for Academic Affairs at the University of Alaska, describing some additional concerns the university has about the present bill.

Sincerely,



Frank Spargo
Director of Budget Development



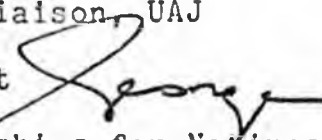
George C. West
Vice President for
Academic Affairs & Institutional Planning
(907) 474-7582

University of Alaska

102 Bunnell Building
303 Tanana Drive
Fairbanks, Alaska 99701

March 1, 1984

TO: Russ Jones
Legislative Liaison, UAJ

FROM: George C. West 

SUBJECT: SB426 Scholarships for Natives

The University agrees with the intent of the bill, but wishes to make the following comment and suggests several changes for clarification of the bill's intent.

1. If the University is to fund the scholarships and to accept the students, then the University should make the award. Therefore, each school district should recommend a candidate to the University, not make the award itself.
2. The criteria for the selected student should be better defined. Rather than simply being qualified for admittance, the school districts should find those Native students who have the greatest potential for success, or highest academic achievement in high school, or greatest need, or a combination of the above. We can set up guidelines if you wish.
3. The question arose as to why three cities were excluded from the scholarship opportunity as it is our understanding that a substantial Native population exists in both Anchorage and Fairbanks; Natives from these areas certainly could benefit from a scholarship award.
4. The timing of awards is critical as, for example, dormitories at UAF have waiting lists now for fall '84. Also, if a school district does not recommend a scholarship, the University will have to do so within some reasonable lead time.
5. If the University is expected to fund the 50 scholarships within its own resources, we request a fiscal note be prepared for the bill to cover the expenses in FY85 and continuing into the following years. Costs would average \$4,500 per student per year or in the first year, $\$4,500 \times 50 = \$225,000$, and by the fourth year, $\$4,500 \times 50 \times 4 = \$900,000$, a substantial burden for the University. Cost will increase with rising tuition, dormitory, meal, and air travel costs. No allowance is made here for special course material fees.

University of Alaska

Russ Jones
Page 2
March 1, 1984

Cost estimates include the following for two semesters or one nine-month academic year.

	<i>Books</i>	<i>400 (50/course)</i>
Tuition		720
Housing (double occupancy dorm)		560
Health Insurance & Fees		140
Meal Ticket		1,500
100/Month Incidental		900
Two Round Trip Tickets		-600 / 1000
Application Fees		10
Campus Activity Fee		48
Course Fees		<u>2</u> ²⁵
		<u>4478</u>

6. Would it not be preferable to simply award a student \$4,500 per year with guarantee of placement in housing at a campus and let the student pay for all expenses from that amount. This would be like the Alaska State Student Loan Program except for the requirement for repayment.

Russ, would you please pass this information to the appropriate people. In the meantime, we will continue to work out ways to handle the provisions of the bill if it is enacted.

GCW/pe

cc: President Barton
Vice President Carter
Chancellors
Academic Vice Chancellors

TO: SENATE HESS COMMITTEE

FROM: LEE STOOPS, REPRESENTING THE LOWER KUSKOKWIM AND KUSPUK
SCHOOL DISTRICTS

RE: CSSB426

On behalf of the Lower Kuskokwim and Kuspuk School Districts, I am requesting your favorable consideration of CSSB426. The legislation reflects a strong commitment from the legislature for the encouragement of development of more Native and rural-oriented school teachers.

An important element of this scholarship program is the selection of recipients by rural school boards. Those boards should be in a position to recognize students who are most likely to succeed in their education and ultimate careers. It is also believed that local support and recognition will result in a higher graduation rate than has been realized by past recipients of Alaska Native scholarships.

I would like to emphasize also that while there is certainly some financial support required from the State to support this program, those funds all remain within this state, and in support of our own University.

Hearings conducted by a House committee concerning a loan program for prospective teachers indicated strong support throughout the state for the development of more local teachers. In passing this bill, you will be providing more students with this unique opportunity and providing school districts with a mechanism to play a role in the development of future teachers.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

RECEIVED

MAR 30 1984

Josephson,

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

MEMORANDUM

March 30, 1984

SUBJECT: Constitutionality of SB 426

TO: Senator Joe Josephson
Chairman Senate HESS

FROM: *LHA* Linn H. Asper
Legislative Counsel

You have asked for an opinion on constitutional problems that may be posed by SB 426, relating to University of Alaska Scholarships for Natives. Although this program has existed without challenge for almost 30 years, it does raise a substantial constitutional problem under the equal protection clause of the state and federal constitutions. If passed in its present form, SB 426 would expand the scholarship program and place even more restrictions on those eligible for the scholarships in an effort to direct the scholarships to rural Native students.

Any legislation that creates classifications based on race or ethnic background is subject to close judicial scrutiny if challenged in the courts. In amending the Native scholarship program by increasing the number and value of the scholarships, retaining the racial limitation, and narrowing the class of Native students who would be eligible for the scholarships, SB 426 invites a constitutional challenge which it could not withstand. The United States Supreme Court has held that law that makes a classification based on race or ethnic background is "suspect" and will be closely examined by the court to determine whether it is supported by a compelling state interest and whether the racial or ethnic classification is necessary to promote that state interest. The states' compelling interest in awarding Native scholarships is presumably to provide access to the benefits of higher education for a group of people who have historically been denied such access due to economic and social factors. As important as higher education may be to Native people, it is doubtful that a scholarship program that applies only to a restricted class of Natives will be

Senator Joe Josephson
Page 2
March 30, 1984

upheld as an acceptable means to the end of equalizing educational levels and opportunities among the residents of the state. This is so because a less discriminatory program can be formulated that will accomplish the same purpose. For example, the Native scholarship program can be reestablished as a rural scholarship program, limited to persons living in rural areas of the state, regardless of race. This immediately removes the legislation from strict scrutiny based on suspect racial classifications. In such a program "rural" would have to be redefined to be an identifiable area with a certain level of population. The current language includes many urban areas and does not provide a rational method of defining "rural". The inhabitants of the rural areas of the state may well be mostly Natives, the group which the legislature seeks to assist, but since the program would be open to non-natives residing in the rural areas it would avoid many of the constitutional equal protection problems.

As currently drafted SB 426 allows rural school boards to award scholarships rather than the Board of Regents of the University of Alaska. Although I have not extensively researched the question, it appears that this procedure may be a constitutionally impermissible delegation of the powers of the governing body of the University granted by Article VII, Section 3 of the Constitution of State of Alaska. A better approach would be to allow the rural school boards to nominate students to receive scholarships, but to leave the award of the scholarships to the board of regents, as in the existing statute (AS 14.43.055).

LHA:ojb
J5/030

Vic, Paul, Joe

March 28

SB 533

no one to testify

SB 426 - scholarships for Natives

Russ Jones - U of A

U. agrees w/ intent; an advantage to rural students
fiscal problems - extrapolation based on
little or no drop out.

Paul - support scholarships for all districts

Lee Stoops - L. Kusokwim/Kusopuk Sch. Dist + CC

need in statute is still current 20 yrs. later.

To merge w/ existing program - Sch. Districts
unaware it exists.

Fergie would like preference to those students
in field of education.

No problem with Anch/FBS/Juno included.

Attrition rate of students high; transition to
College. + repayment difficult.

current → up to 15 students, chosen by Reps. U of A
writes off fm/Board/Action → about \$3,500/yr.

Russ - for 15 students, U is eating expenses.

Ray Roushury - Post Sec Ed.

flat \$4,500 would not meet expenses in Anch/Juno

living expenses higher. UAA avg \$4,333 for living

Russ - in places w/o housing; the intent to give amt. needed for increased costs.

Joe - Constitutionality, intent language for a program based on race?
finding statement included
obj. to including Arch/FBIS/Juno Friday -> CS.

P. Fisher moves SB 533 / int. Recs.

SB 514-515

Dick Regan - Research Dir.; Code Revision Comm.

two bills related to probate, developed through assistance of probate Committee. State Bar Assoc.

SB 514

Purpose - remove language on dower. Dower not existed since 1963 -> are absolute. Common law right of woman to 1/3 of property of husband in marriage.

(3)

Substantive part of bill - RS 34,15,010
deleting subsection. problems are that
they are inconsistent and cloud real
property status at death when no marital
status is not shown or both names are
not on deed. Title companies require both
signatures on deed if property could be used
as a family home.

Do not apply to homestead by entirety.

Joe - strike reference to title 34
Does not rec. to Judiciary.

JB 515

Let law by statute that otherwise has to be
established, by case law.

Introduced: 2/9/84
Referred: Health, Education and
Social Services and
Finance

1 IN THE SENATE

BY FERGUSON AND SACKETT

2

SENATE BILL NO. 426

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to University of Alaska scholarships
for Natives."

7

8

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

* Section 1. AS 14.43.055 is repealed and reenacted to read:

10

Sec. 14.43.055. SCHOLARSHIPS. The Board of Regents of the

11

University of Alaska shall offer not more than 50 new scholarships for
each academic year to ^{RURAL ALASKAN} ~~Alaska Natives~~ desiring to attend the University

12

13

of Alaska. Each school board of a borough or city school district or

14

a regional educational attendance area, ~~other than the school boards~~

15

~~for Anchorage, Fairbanks, and Juneau,~~ may award a scholarship under

16

this section to one Native student from the district or regional

17

educational attendance area. A student who is awarded a scholarship

18

under this section must be qualified to be admitted to the University

19

of Alaska. If a school board that is entitled to award a scholarship

20

does not do so, the Board of Regents shall make the scholarship avail-

21

able to a student from another district or regional educational atten-

22

dance area, on a geographically equitable basis. The University of

23

Alaska shall provide financial assistance to a student awarded a

24

scholarship under this section ^{in the amount of \$4500 per year} for the full cost of tuition, fees,

25

room and board, incidental expenses of \$100 a month, and round-trip

26

air fare between the university campus and the student's home two

27

times during the academic year.

28

* Sec. 2. AS 14.43.060 is amended to read:

29

Sec. 14.43.060. CONTINUATION OF SCHOLARSHIPS. The scholarship

*Pay in
Fairbanks
\$4500
+ transport*

1 award [OF FREE ROOM AND BOARD] shall be made from any funds available
2 to the University of Alaska. Each Native who receives a scholarship
3 under AS 14.43.050 - 14.43.075 is entitled to retain the scholarship
4 and to receive scholarship benefits [FREE ROOM AND BOARD] during
5 attendance at the University of Alaska as long as the student main-
6 tains a grade average equivalent to a "C" or better. However, a [NO]
7 Native is not entitled to the scholarship for more than four years, or
8 for more than the number of years necessary to receive a bachelor's
9 degree.

Sec. 14.43.020. Applications for and issuance and report of certificates. A certificate shall be applied for and issued to a graduate before August 2 of each year and shall be reported immediately to the registrar of the University of Alaska by the superintendent or principal issuing it. (§ 37-10-43 ACLA 1949; AS 14.40.480)

Sec. 14.43.025. Forfeiture of scholarship benefits. Failure to do passing work in more than one subject during a semester, or withdrawal or expulsion from the University of Alaska, constitutes a forfeiture during the following semester or semesters of the benefits of AS 14.43.010 and 14.43.015. (§ 37-10-44 ACLA 1949; AS 14.40.490)

Revisor's notes. — AS 14.43.010 and 14.43.015 were substituted for references to AS 14.40.460 and 14.40.470 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

Sec. 14.43.030. Payment of scholarships. Payment of the scholarships shall be made monthly to the University of Alaska upon vouchers drawn upon the Department of Administration and duly certified by the treasurer and the president of the Board of Regents. No payments may be made in excess of amounts specifically appropriated for this purpose. (§ 37-10-45 ACLA 1949; am § 23 ch 127 SLA 1974; AS 14.40.500)

Legislative history reports. — For report on ch. 127, SLA 1974 (SCSHB 817 am S), see 1974 House Journal p. 657.

Article 2. University of Alaska Scholarships for Natives.

Section	Section
50. Purpose of scholarships	65. Scholarships in addition to other scholarships
55. Scholarships.	75. Definition of Native
60. Continuation of scholarships.	

Revisor's notes. — This article derived from AS 14.40.510 — 14.40.550 and was renumbered by the revisor of statutes under AS 01.05.031.

Collateral references. — 15A Am.Jur.2d Colleges and Universities, §§ 19, 30. 14 C.J.S. Colleges and Universities, §§ 27, 28.

Sec. 14.43.050. Purpose of scholarships. Because of the language difficulty and economic conditions of the Native peoples of the state, and the necessity for integrating the Native cultures with the state economy, it is the purpose of the legislature to provide assistance to

Natives who wish to pursue a higher education beyond the attainments possible in the free public schools system. (§ 1 ch 140 SLA 1955; AS 14.40.510)

Sec. 14.43.055. Scholarships. The Board of Regents of the University of Alaska shall offer not more than 15 new scholarships for each academic year to Alaska Natives desiring to attend the University of Alaska. The board shall give preference to Natives residing in the rural areas of the state who desire to receive training in the field of education. If there are more than 15 applications the board shall award 15 scholarships to those applicants who have the highest scholastic record or who the board determines are the most qualified among the applicants and who are financially unable to obtain a higher education without assistance. The University of Alaska shall provide such minimum financial assistance to these students as is necessary in each individual case, but not exceeding fees, board and room. (§ 3 ch 140 SLA 1955; am § 1 ch 6 SLA 1960; AS 14.40.520)

Sec. 14.43.060. Continuation of scholarships. The award of free room and board shall be made from any funds available to the University of Alaska. Each Native who receives a scholarship under AS 14.43.050 — 14.43.075 is entitled to retain the scholarship and to receive free room and board during attendance at the University of Alaska as long as the student maintains a grade average equivalent to a "C" or better. However, no Native is entitled to the scholarship for more than four years, or for more than the number of years necessary to receive a bachelor's degree. (§ 4 ch 140 SLA 1955; AS 14.40.530)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Sec. 14.43.065. Scholarships in addition to other scholarships. The scholarships are supplemental and in addition to any other scholarship to which an applicant is entitled or may receive. (§ 5 ch 140 SLA 1955; AS 14.40.540)

Sec. 14.43.075. Definition of Native. For the purposes of AS 14.43.050 — 14.43.075, "Native" means any person between the ages of 17 and 25 who is a descendant of a member of the aboriginal races inhabiting the state when annexed to the United States, or who is a descendant of an Indian or Eskimo who, since the year 1867 and prior to June 30, 1952, migrated into the state from Canada, and who is a descendant having at least one-quarter blood derived from these ancestors. (§ 2 ch 140 SLA 1955; AS 14.40.550)

Revisor's notes. — AS 14.43.050 — 14.43.075 were substituted for a reference to AS 14.40.510 — 14.40.550 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

S

B

431



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 9, 1984

The Honorable Jalmar Kerttula
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Kerttula:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the purchase of residential services for children in the custody of the Department of Health and Social Services (DHSS) under AS 47.10. This bill establishes a new method by which DHSS will purchase residential child care services. The bill repeals the "full costs of care" provisions of AS 47.40 and creates a grant mechanism.

In ch. 138, SLA 1982, the legislature suspended the existing statutory system for payment of residential child care services, and set out a system of payment for services during the period of suspension which ends July 1, 1984. Sections 1 and 3 of the bill establish a grant system to replace the existing statutory provisions found inadequate by the legislature, and secs. 2 and 5 of the bill repeal those existing provisions.

The new system requires DHSS to adopt regulations to carry out the new statutory provisions. Section 9 of the bill provides for an immediate effective date for AS 47.40.-005(b), to allow the department to proceed immediately with the regulation-adopting process. Section 10 of the bill provides the new statutory grant provisions will not take effect until the regulations are in effect. Likewise, to continue the status quo, the period of suspension and the system of payment established in ch. 138, SLA 1983 should be extended to the effective date of those regulations. Sections 6 -- 8 of the bill accomplish that extension, and sec. 9 of the bill gives the extension an immediate effective date.

- 2 -

On the effective date of the DHSS regulations the existing statutory payment system is repealed (secs. 2 and 5 of the bill), the new statutory grant system takes effect (secs. 1 and 3 of the bill), and the suspension and payment system provisions of ch. 138, SLA 1982 automatically expire.

Section 4 of the bill allows DHSS to stagger the period of grants awarded during FY 85, so that not all of the initial grants will expire at the same time.

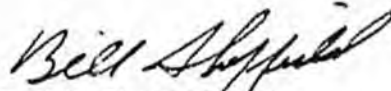
A description of the new grant system in sec. 3 of the bill follows.

Under new AS 47.40, purchase of residential services through grants would be awarded by DHSS for a specified number of beds in specific geographical areas. Under new AS 47.40.035 the grants, when possible, will be for three-year periods with adjustments annually to include a cost-of-living allowance. Grant money would be available for payment of services to be specified in regulations. (New AS 47.40.005(b)) However, the grant money could not be used for capital expenditures, substandard services, services which exceed departmental requirements, costs of academic education which are already provided by the public education system, costs incurred in raising funds including lobbying, costs of religious training, and costs which are paid for by other governmental sources. (New AS 47.40.035(c))

Under new AS 47.40.015, the grant recipients will continue to be required to be licensed and supervised by the state as also required under current AS 47.35.010 -- 47.35.080. The recipients must also meet accepted standards of fiscal accountability for public funds and when requested supply the department or division of legislative audit with information regarding the use of the grant money. (New AS 47.40.025)

Drafts of this bill have been discussed extensively with representatives of private residential child care facilities. The attached bill has been approved by the committee formed under sec. 1, ch. 138, SLA 1982. I urge your prompt consideration and early passage of this bill.

Sincerely,

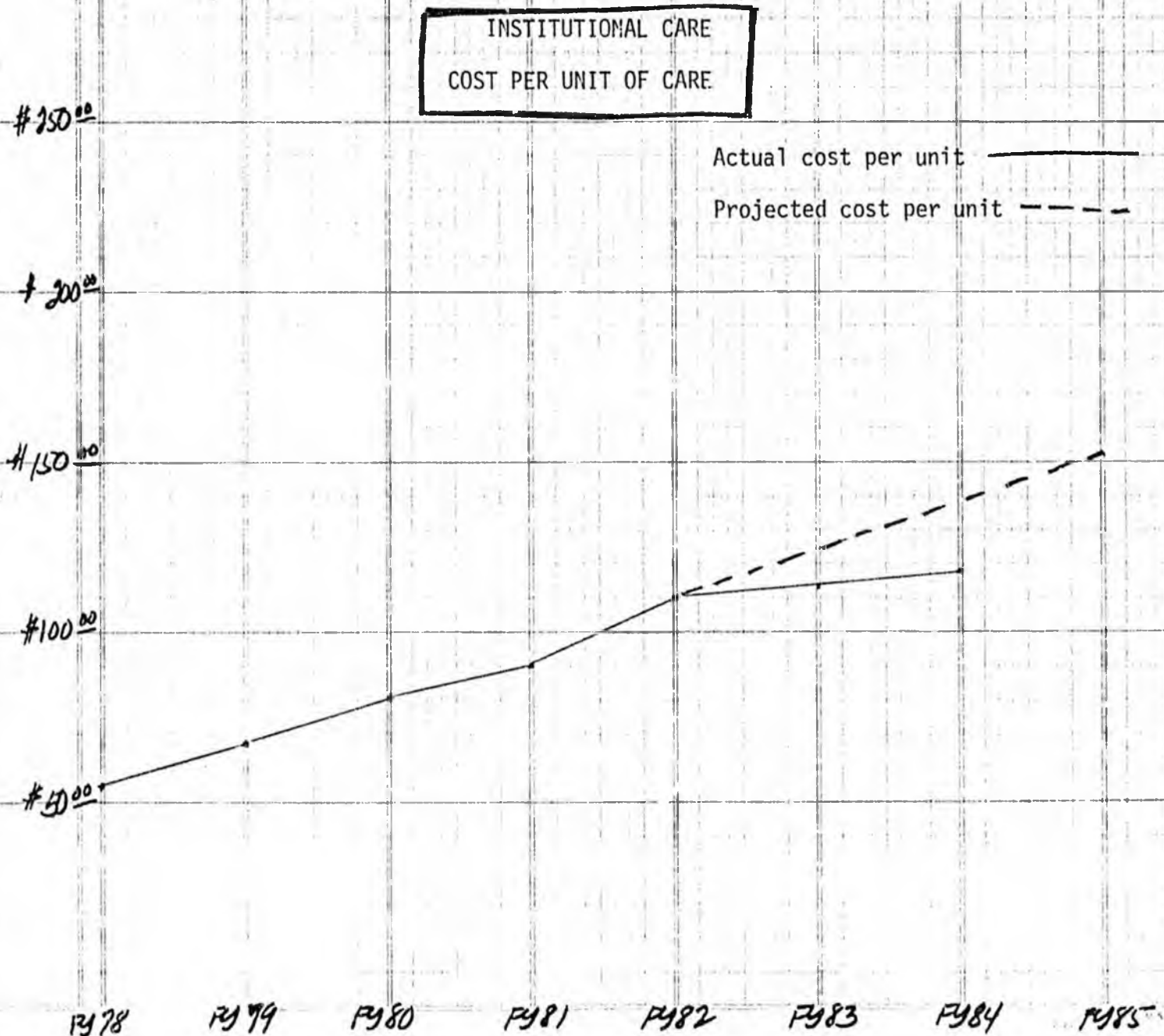


Bill Sheffield
Governor

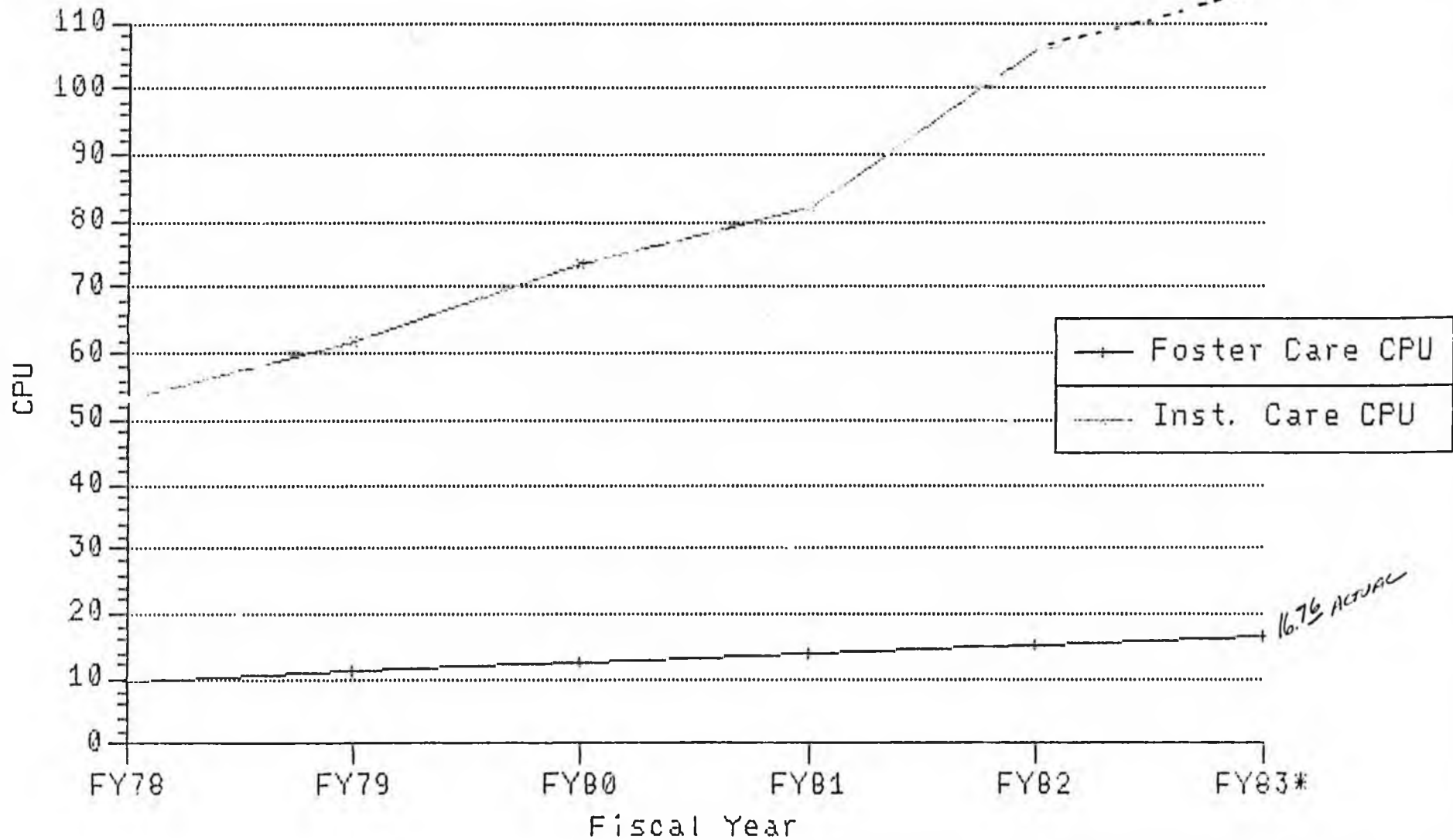
COST INCREASES UNDER FULL COST OF CARE

Between FY 78 and FY 82, institutional care rates increased by 50%, from \$55.00 CPU to \$110.00 CPU. If the same ratio is applied to FYs 83, 84, and 85, rates would increase to \$151.00 for FY 85. At today's occupancy rates, 227, cost for institutional care only would be \$12,511,105.00. (Other costs include medical, travel, clothes, etc. for children in institutional care.) The other costs have been averaging approximately 5%, which would increase the total expenditures to \$13,136,660.00. The FY 85 institutional care budget is \$10,828,000. The result of a return to full cost of care would be a deficit of \$2,308,660.00 at present placement patterns. Removing the 5% other costs from this deficit, \$115,433; the resulting amount is a decrease of nearly 40 FTE's:

$$227 - 40 = 187 \text{ FTE's} \times 365 \text{ days} \times \$151.00 = \$10,306,505 \text{ x } 5\% \text{ other costs} = \$10,821,830.00$$

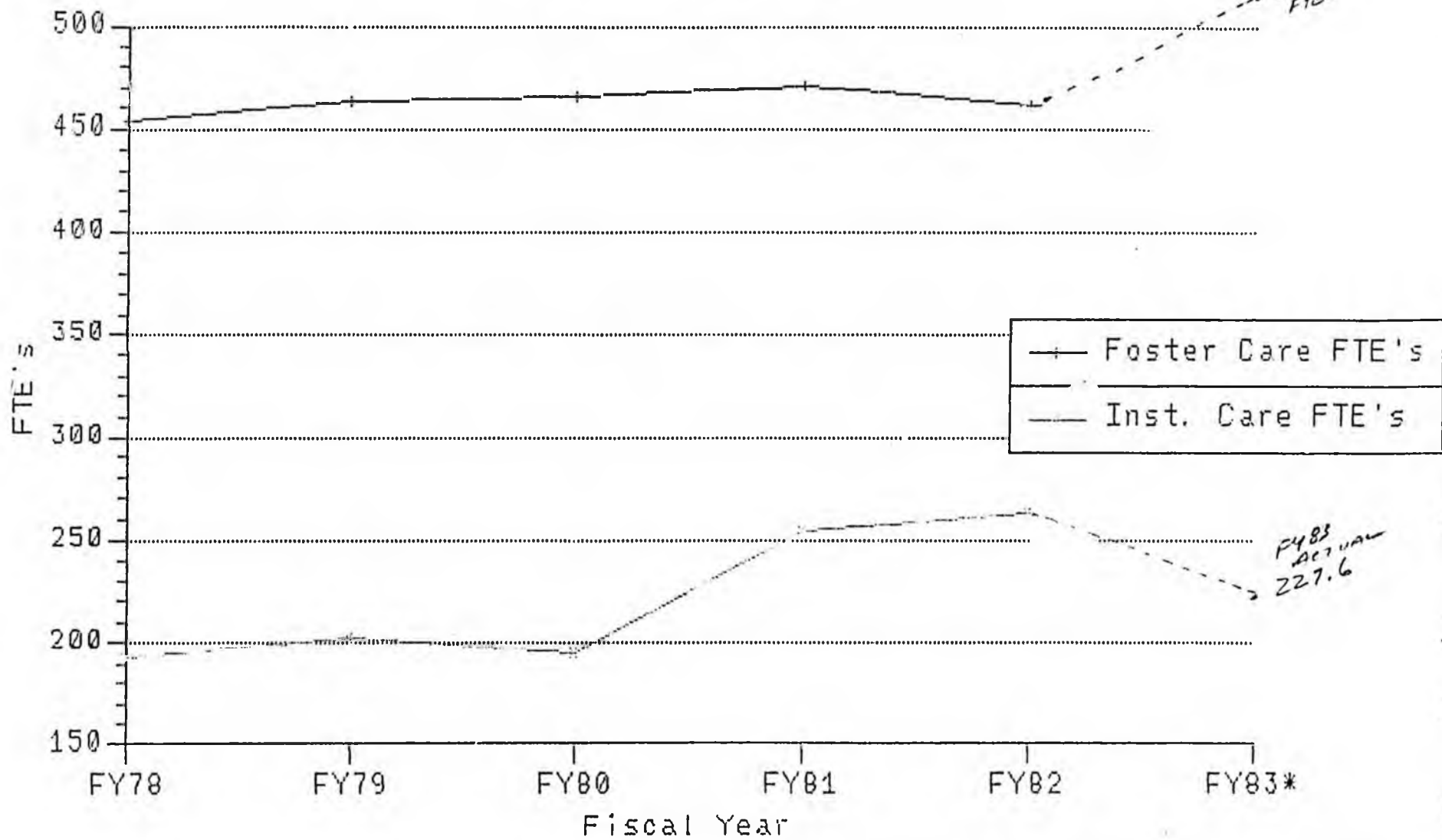


Institutional Care CPU
vs.
Foster Care CPU



*FY83 represents authorized level.
OIS Research 12/82

Institutional Care FTE's
vs.
Foster Care FTE's



*FY83 represents authorized level.
OIS Research 12/82

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

POUCH H 01
 JUNEAU, ALASKA 99811
 PHONE: 465-3030

February 21, 1984
 Document N.: 84-89

The Honorable Paul Fischer
 Senator
 Alaska State Legislature
 Pouch V
 Juneau, AK 99811

Dear Senator Fischer:

This is in response to your request for information regarding additional FICA costs incurred by residential care facilities for children for Fiscal Year 1984.

The following information has been made available by the Alaska Association of Homes for Children (AAHC). These amounts include additions for some employees who were not covered previously under FICA; and for others it reflects an increase of .3 percent (from 6.7 to 7.0%).

Alaska Children's Services	\$24,100	(12,500 is for new coverage)
Alaska Family Baptist Center	400	(.3% increase)
Bethel Group Home	6,000	(new coverage)
Booth Memorial Home	20,000	(new coverage)
Presbyterian Hospitality House	1,440	(.3% increase)
Ketchikan Teen Homes	6,000	(partially for new coverage)
Kenai Care Facility	14,000	(new coverage)
Juneau Receiving Home	660	(.3% increase)
Kodiak Baptist Mission	10,500	(new coverage)
Nome Receiving Home	255	(.3% increase)
Maniilaq Group Home	720	(.3% increase)
Sitka Receiving Home	2,848	(new coverage)
North Star Children's Home	135	(.3% increase)
Crossroads	200	(.3% increase)
TOTAL	\$87,258	

February 21, 1984

The AAHC was not able to obtain specific information from the Bethel Receiving Home. However, we assume that it incurred costs also. The Association was not able to contact the North Slope Receiving Home either; but as borough employees we assume those employees are covered.

We hope that this information will assist you but not be interpreted as a Department's endorsement. Please feel free to contact me if you have any further questions.

Sincerely,


Robert London Smith, Ph.D.
Commissioner

Nome Receiving Home

P. O. Box 1033

Nome, Alaska 99762

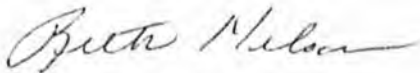
(907) 443-2154

Honorable Joe Josephson
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Ak 99811

Dear Representative Josephson:

This is to request that every effort be made to pass CSSB431. As the director of the Nome Receiving Home, I am concerned about the financing of my own and similar homes for children. It is most difficult to manage a home when financing is unsteady; that is, when last month's "head count" determines this month's income. Staff, rent and utilities and to a certain extent food cost remain consistent while income has been capricious.

Thank you for your concern.



Ruth Nelson, Director

April 12, 1984

RECEIVED

APR 16 1984

Josephson,

Kodiak Baptist Mission

P. O. Box 785, Kodiak, Alaska 99615



February 17, 1984

Senator Joe Josephson
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Senator Josephson:

The members of the Kodiak Baptist Mission Board of Directors wish to express to you their support of SB 431, an act relating to the purchase of residential child care services.

The board supports the entirety of the bill.

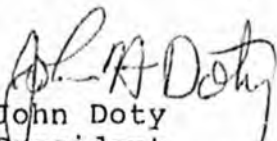
The bill is a major change from the current method of purchasing residential child care services giving the Division of Family and Youth Services much better control of planning and expenditure of these funds.

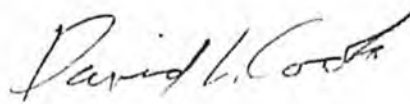
The bill will also aid residential child care facilities in their long range planning. The facilities will have more information from the DFYS on what services are desired, and knowledge of what the facilities income will be from the Division for the next three years.

Because SB 431 benefits both DFYS and the provider agencies and the amount of time it takes to promulgate new regulations required by the bill, we urge you to pass the bill out of the HESS committee as quickly as possible.

Your support of this bill would be appreciated.

Cordially,


John Doty
President


David L. Cook
Executive Director

