

ALASKA LEGISLATURE COMMITTEE FILED 1900 1900

4294 SRES SB 467 - SB 472

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RECORDS CERTIFICATION

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James O. Smith
Signature of Camera Operator

11/24/89
Date

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Alaska State Legislature

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BETTYE FAHRENKAMP, Vice Chairman
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FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 485-4907

Senate Committee on Resources

M E M O R A N D U M

May 1, 1986

TO: All Members
Senate Resources Committee

FROM: Staff, Senate Resource Committee

RE: SB 467 Relating to the operation of campgrounds

CSSB 467 (C&RA) would allow the commissioner of Natural Resources to request proposals for the management of a state campground and allow the concessionaire to charge a fee for services provided at the campground.

The Department of Natural Resources supports this legislation.

There is a \$35,000 fiscal note for a Natural Resources Technician.

Enclosures:

Fiscal note from DNR
Letter of support from DNR

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

April 2, 1986

APR 2 1986

The Honorable Edna DeVries
Chair, Community and Regional
Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

I have reviewed Senate Bill 467, a bill that would prohibit the Department of Natural Resources from establishing or operating a campground within a municipality. I wish to advise you of this department's opposition to the bill and express my concern about its possible effects on Alaska's residents, local governments and visitors.

As currently worded, this bill would require the department to close the following 42 state campgrounds:

<u>Location</u>	<u>No. of Campsites</u>
<u>Delta Junction (second class city)</u>	
1) Big Delta Campground	22 sites
<u>Fairbanks North Star Borough</u>	
1) Harding Lake State Recreation Area	89 sites
2) Chena River State Recreation Site	59 sites
3) Chena River State Recreation Area	56 sites
4) Upper Chatanika River State Recreation Area	25 sites
<u>Greater Anchorage Area Borough</u>	
1) Eklutna Lake Campground	35 sites
2) Eagle River Campground	36 sites
3) Bird Creek Campground	25 sites
<u>Haines Borough</u>	
1) Chilkoot Lake Campground	32 sites
2) Chilkat Campground	32 sites
3) Portage Cove State Recreation Site	9 sites
4) Mosquito Lake State Recreation Site	13 sites

*community
and.*

April 2, 1986

Kenai Peninsula Borough

1)	Bing's Landing State Recreation Site	43 sites
2)	Izaak Walton State Recreation Site	51 sites
3)	Morgan's Landing State Recreation Area	10 sites
4)	Bernice Lake State Recreation Site	11 sites
5)	Captain Cook State Recreation Area	80 sites
6)	Kasilof River State Recreation Site	16 sites
7)	Johnson Lake State Recreation Area	43 sites
8)	Clam Gulch State Recreation Area	83 parking spaces (approx.)
9)	Ninilchik State Recreation Area	30 parking spaces (approx.)
10)	Deep Creek State Recreation Area	260 parking spaces (approx.)
11)	Stariski State Recreation Site	13 sites
12)	Anchor River State Recreation Area	42 sites
13)	Scout Lake State Recreation Site	8 sites

Ketchikan Gateway Borough

1)	Settlers Cover Campground	10 sites
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Kodiak Island Borough

1)	Fort Abercrombie State State Historic Park	14 sites
2)	Buskin River State Recreation Site	18 sites

Matanuska-Susitna Borough

1)	Byers Lake Campground	66 sites
2)	Willow Creek State Recreation Site	7 sites
3)	Nancy Lake State Recreation Site	30 sites
4)	Nancy Lake State Recreation Area	113 sites
5)	Rocky Lake State Recreation Site	10 sites
6)	Big Lake South State Recreation Site	13 sites
7)	Big Lake East State Recreation Site	6 sites
8)	Finger Lake State Recreation Site	41 sites
9)	Moose Creek State Recreation Site	12 sites
10)	King Mountain State Recreation Site	22 sites
11)	Bonnie Lake State Recreation Site	13 sites
12)	Long Lake State Recreation Site	9 sites
13)	Matanuska Glacier State Recreation Site	12 sites
14)	Wolf Lake	4 sites

Closing this number of campgrounds would leave Alaska residents and visitors with very few places to camp. Private campgrounds could not meet the demand for camping space and municipalities would likely be unable to cope with large numbers of travelers in need of places to camp. Statutory changes may be needed before the department could lease existing state campgrounds to interested municipalities or private parties.

The Honorable Edna DeVries -3-

April 2, 1986

Because this bill could have such far reaching effects, it might be advisable to hold public hearings on SB 467 in communities where state campgrounds are located. While I believe that state operated campgrounds serve the public interest, it may be that others hold a different view. In any case, their comments concerning the closure of state-owned campgrounds should be heard. Please let me know if you would like additional information or assistance.

Sincerely,



Esther C. Wunnicke
Commissioner

cc: Committee Members
Neil Johannsen, Director, Division of
Parks and Outdoor Recreation

APR 2 1986

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 467
 Title : Operation of Campgrounds

 Sponsor : Senate C & R A Committee
 Requestor : Senate C & R A Committee
 Date of Request : 4/1/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Parks & Recreation Management

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING : (Thousands of Dollars)

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

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Carol Wilson *R.P.M.* Phone : 465-2400
 Division : Commissioner's Office Date : 4/1/86

Approved by Commissioner : Mrs. D. J. M. M. , Deputy Date : 4/1/86
 Agency : Natural Resources

Distribution (by Agency preparing fiscal note) :

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

Alaska State Legislature




SENATOR
DON BENNETT
P.O. BOX 2801
FAIRBANKS, ALASKA 99707

LEGISLATIVE ADDRESS
POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811

Senate

APR 03 1986

To: Senator Edna DeVries, Chairman
Community and Regional Affairs Committee

From: Senator Don Bennett 

Date: April 1, 1986

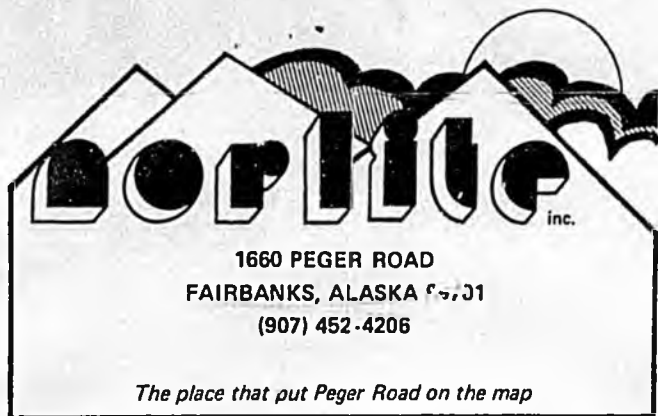
Re: Senate Bill 467 "An Act relating to the establishment or operation of campgrounds within certain municipalities."

Senate Bill 467 would prohibit the Department of Natural Resources from establishing or operating a campground within the boundaries of a municipality. I have been contacted by several constituents requesting legislation of this type. These constituents operate recreational vehicle parks in the Fairbanks North Star Borough, and they feel that they lose significant amounts of business each summer to state campgrounds.

The reason for this is obvious. Anytime a small private business tries to compete with a business or facility which is state owned and operated, it suffers. In this case, the state is using its land and financial resources to compete directly with small, family operated private businesses.

The state gets no financial benefit from this competition. In fact, substantial sums of money are spent by the state each year to maintain and operate campgrounds.

I believe that the state's interests, as well as those of private enterprise, would be better served if the state no longer operated its campgrounds which are located within the boundaries of municipalities. Instead, the operation of these campgrounds should be left to concessionaires. This way, the competition between privately owned and state owned camping facilities would be fair, and the state would be relieved of the financial burden of operating and maintaining them.



MAR 31 1986

March 26, 1986

Edna DeVries, Chairperson
Senate Committee on Community & Regional Affairs
Senate President's Office
P.O. Box V
Juneau, Alaska 99811

Dear Ms. DeVries:

I am writing in regard to Senate Bill No. 467 which is "An act relating to the establishment or operation of campgrounds within certain municipalities."

Let me go on record as being very urgently in favor of this bill, which would amend Section 1. AS 41.21.020 by adding a new subsection to read: (c) The department may not establish or operate a campground within the corporate boundaries of a municipality.

I urge you to support this bill. I strongly believe it is a good piece of legislation. Thank you very much.

Sincerely,

Sara P. Sears

Bradley
4/7/86

Original sponsor: Community and Regional
Affairs Committee

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 467 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 - A BILL

6 For an Act entitled: "An Act relating to the operation of campgrounds."

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

8 * Section 1. AS 41.21 is amended by adding a new section to article 1
9 to read:

10 Sec. 41.21.050. STATE CAMPGROUNDS. The commissioner may request
11 proposals for the management of a state campground. If the commis-
12 sioner accepts a proposal for the management of a state campground,
13 the concessionaire may collect fees for services provided at the
14 campground.
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STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

APR 17 1986

April 17, 1986

The Honorable Edna DeVries, Chair
Community and Regional Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

The Department of Natural Resources appreciates the efforts of your committee to modify SB 467, a bill that relates to the operation of state campgrounds, and we support the general intent of the proposed Community and Regional Affairs Committee substitute for this bill.

Since the end of the legislative session is rapidly approaching, we suggest that the language in CSSB 467 (C&RA) be added to HB 267 (fees for state park campsites) to help ensure that a campground bill is enacted this year. The campsite fee bill has been passed from the House and is currently awaiting a hearing by the Senate Finance Committee.

The enactment of these bills, either individually or combined, would help the department continue a high level of service to campground visitors and allow the state to recover a portion of campground operating costs. In addition, the department would be given the flexibility to reduce or eliminate state competition with private campground operations.

Please let me know if you would like additional information about this matter.

Sincerely,

Bob Arnold, Deputy

Esther C. Wunnicke
Commissioner

cc: Community and Regional Affairs Committee

8/1/68, Reg. 27; am 1/13/73, Reg. 44; am 5/11/85, Reg. 94)

Authority: AS 41.21.020
AS 41.21.040
AS 41.21.950

Editor's Note: The substance of 11 AAC 12.335, regarding park closures and public use management, was formerly contained in 11 AAC 12.010. The history of former 11 AAC 12.010 is reflected in the history note for 11 AAC 12.335.

11 AAC 12.336. PETITIONS FOR CLOSURES AND USE MANAGEMENT. (a) A person may petition the director to take an action effecting a park closure or public use limit under 11 AAC 12.335(a), (b), or (c).

(b) A petition must be in writing and must clearly state the substance of and reasons for the request.

(c) The director shall, within 30 days, respond in writing to a petition made under this section. (Eff. 5/11/85, Reg. 94)

Authority: AS 41.21.020
AS 41.21.040

11 AAC 12.337. PUBLIC NOTICE OF CLOSURES AND USE MANAGEMENT. (a) Whenever the authority of 11 AAC 12.335 is invoked, the public must be notified by one or more of the following methods:

(1) signs posted at conspicuous locations, such as normal points of entry of the affected park;

(2) maps available in the office of the director and other places convenient to the public;

(3) publication in a newspaper of general circulation in the affected area; or

(4) other appropriate methods, such as the removal of closure signs, use of electronic media, park brochures, maps, and handouts.

(b) In addition to the above-described notification procedures, the director shall compile in writing all the designations, closures, permit requirements and other restrictions imposed under discretionary authority. This compilation must be updated annually and made available to the

public upon request. (Eff. 5/11/85, Reg. 94)

Authority: AS 41.21.020
AS 41.21.040

11 AAC 12.338. ALASKA CHILKAT BALD EAGLE PRESERVE. Nothing in 11 AAC 12 is intended to restrict traditional uses of the Alaska Chilkat Bald Eagle Preserve. (Eff. 5/11/85, Reg. 94)

Authority: AS 41.21.020
AS 41.21.040
AS 41.21.618

11 AAC 12.340. DEFINITIONS. In this chapter

(1) "assembly" means the gathering or meeting of a group of people for a common purpose;

(2) repealed 5/11/85;

(3) "campground" means an area developed and maintained by the division which contains one or more campsites as defined in (4) of this section;

(4) "campsite" means any space designated for camping within a campground;

(5) "director" means the director of the division of parks and outdoor recreation, Department of Natural Resources, or the director's authorized agent;

(6) "division" means the division of parks and outdoor recreation, Department of Natural Resources;

(7) "park officer" means an employee of the state or a political subdivision, whose duties include responsibility for management, protection, and maintenance of a state park or state park facilities and enforcement of state laws and regulations;

(8) "road," "trail" means each road or trail established and designated by the director;

(9) "snow vehicle" means a motor vehicle of 500 pounds or less gross vehicle weight, primarily designed to travel over ice or snow and supported, in part, by skis, belts, cleats, or low pressure tires;

KEYWORD

DNR WOULD HOLD PUBLIC HEARING TO DETERMINE FOR STRUCTURE.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date: 4/17/86

REQUEST

Bill/Resolution No. : CSSB 467 (C&RA)
 Title : Operation of Campgrounds

 Sponsor : Senate C&RA Committee
 Requestor : Senate C&RA Committee
 Date of Request : 4/17/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Parks and Recreation Management

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		33.6	33.6	22.4	22.4	22.4
TRAVEL		2.0	2.0	-0-	-0-	-0-
CONTRACTUAL		-0-	-0-	-0-	-0-	-0-
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	35.6	35.6	22.4	22.4	22.4

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING : (Thousands of Dollars)

GENERAL FUND		35.6	35.6	22.4	22.4	22.4
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	35.6	35.6	22.4	22.4	22.4

POSITIONS :

FULL-TIME	-0-	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

The department would need a Natural Resources Technician to help prepare and administer requests for proposals, contracts, and processing of revenues related to private operation of selected state campgrounds. The position would be full time for the first two years, and become seasonal thereafter. The department will realize an overall savings in contractual and commodities expenditures.

Prepared by: Bob Aurant Phone: 465-2424
 Division: Division of Management Date: 4/17/86

Approved by Commissioner: Mms D Amiel, Jr. Date: 4/17/86
 Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

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

Continuation of Analysis CSSB 467 (C&RA)

Position Information:

	Annual Gross	Annual Benefits	Annual Total
NRT II (Perm. Full-time)	24.8	8.8	33.6
NRT II (Seaso 1)	16.5	5.9	22.4

Additional Information:

Concessionaires would be required to reinvest a percentage of profit into the campground. This program will succeed only with close supervision by staff of tightly written contracts for campground operation. Supervision can be relaxed as concessionaires become established and routinely adhere to contract performance standards and stipulations. The savings realized by this program will grow each year, as additional campgrounds are contracted to the private sector for management. The department could forego the modest revenues available from the concessionaire during the first few years of operations if the money were used to enhance visitor services and the capital value of the campground.

Operational Savings Under This Program:

	FY 87	FY 88	FY 89	FY 90	FY 91
Contractual	30.0	35.0	40.0	45.0	50.0
Commodities	10.0	15.0	15.0	20.0	20.0
Total	<u>40.0</u>	<u>50.0</u>	<u>55.0</u>	<u>65.0</u>	<u>70.0</u>

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

April 17, 1986

MAY 1

536

The Honorable Edna DeVries, Chair
Community and Regional Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

The Department of Natural Resources appreciates the efforts of your committee to modify SB 467, a bill that relates to the operation of state campgrounds, and we support the general intent of the proposed Community and Regional Affairs Committee substitute for this bill.

Since the end of the legislative session is rapidly approaching, we suggest that the language in CSSB 467 (C&RA) be added to HB 267 (fees for state park campsites) to help ensure that a campground bill is enacted this year. The campsite fee bill has been passed from the House and is currently awaiting a hearing by the Senate Finance Committee.

The enactment of these bills, either individually or combined, would help the department continue a high level of service to campground visitors and allow the state to recover a portion of campground operating costs. In addition, the department would be given the flexibility to reduce or eliminate state competition with private campground operations.

Please let me know if you would like additional information about this matter.

Sincerely,

Esther C. Wunnicke, Deputy

Esther C. Wunnicke
Commissioner

cc: Community and Regional Affairs Committee

PUBLIC OPINION MESSAGE

TO: SENATOR EDNA B. DE VRIES
FROM: ELSIE OBRYAN, CITY CLERK
P. O. BOX 27
HOUSTON AK
892-6869

99694

BILL NO: SB 467

SUBJECT: OPERATION OF CAMPGROUNDS BY MUNICIPALITIES

MESSAGE:

IT APPEARS THAT THE PROPOSED AMENDMENT MEETS THE REQUESTED
CHANGES FOR SB467.

DATE: 04/14/86 TIME: 15:23:19 SENT BY: MATSU LIO

COPIES TO: SENATE COMMUNITY & REGIONAL AFFAIRS



RECORDS CERTIFICATION

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James O. Smith
Signature of Camera Operator

11/24/89
Date

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Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
BETTYE FAHRENKAMP, Vice Chairman
JACK COGHILL
DICK ELIASON
VIC FISCHER
RICK HALFORD
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4907

Senate Committee on Resources

M E M O R A N D U M

April 1, 1986

TO: All Members
Senate/Resources Committee

FROM: Staff, *JH* Senate Resources Committee

RE: SB 468 "An Act creating the Railbelt energy fund;
and providing for an effective date"

SB 468 would establish the Railbelt energy fund within the general fund. The fund would provide greater control over APA expenditures by requiring that those expenditures be subject to the budget process. While the funds may be used for Railbelt energy needs, SB 468 does not require that any specific amount be used. Interest received from money in the fund may or may not be appropriated to the fund annually.

SB 468 is related to SB 338, which reappropriates funds specifically dedicated to the Susitna hydroelectric project, reappropriating them to meeting Railbelt energy needs.

A discussion of the question of dedicated funds is attached.

HB 699 in the House Finance Committee is similar.

Enclosure

Memo from Teresa Cramer, Legal Services

*Great for appropriation
no problem
Special int*

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 26, 1986

SUBJECT: Railbelt energy fund
(Work Order 14-2007)

TO: Senator Arliss Sturgulewski
Chair, Resources Committee

FROM: Teresa B. Cramer *ABC*
Legislative Counsel

Enclosed is the draft bill you requested creating the Railbelt energy fund and permitting the legislature to appropriate money from the fund to "assist in meeting Railbelt energy needs."

There is a question concerning how the constitutional prohibition against dedication of funds applies to the fund. Article IX, Section 7 of the Alaska Constitution states

DEDICATED FUNDS. The proceeds of any state tax or license shall not be dedicated to any special purpose, except as provided in section 15 of this article or when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of this section by the people of Alaska. (Section 15 establishes the permanent fund.)

If a strict interpretation of the prohibition in this section is taken, the legislature may not limit the future use of money by an appropriation to a special fund. A more relaxed reading of the section would find that the appropriation by the legislature serves to meet the constitutional objective and the amount appropriated loses its status as "proceeds of any state tax or license." It would retain any limit as to use imposed by the appropriation. Of course, a future legislature could repeal the restrictive purpose and appropriate the money for any purpose it wished, since one legislature may not bind another.

In State v. Alex, 646 P.2d 203, at 210, (Alaska 1982), the Alaska Supreme Court discusses the purpose of the amendment that changed the wording of the constitutional section from prohibiting the dedication of "all revenues" to the present language prohibiting the dedication of "proceeds of any state tax or license." The court noted

The committee's spokesman stated that the purpose of the proposed amendment was to allow for the setting up of certain special funds, such as sinking funds for the repayment of bonds, but to prohibit the earmarking of any special tax to that sinking fund. Thus, the change did not seek to exempt some sources of revenue from the prohibition, but was intended instead to allow necessary dedication of funds once they were received and placed in the general fund. Review of the convention discussion shows that the amendment was not intended to limit the prohibition of earmarking. (Citations omitted)

The examples that support that dedication after receipt include retirement contributions and the proceeds of bond sales. It is not clear whether an appropriation for the Railbelt energy fund would receive similar treatment by the court.

In an opinion issued November 30, 1982, the attorney general discussed the constitutionality of "Dedication of Money to Specific Purposes on a Continuing Basis When Appropriated." The opinion states, at 12 -13,

A question of the proper application of the dedicated funds prohibition arises when money is appropriated to a revolving loan fund or other special reserve fund or account. . . . Special reserve funds involve essentially the setting aside of money for certain specified future needs or conditions which may or may not occur. When this is done, it might be argued that the legislature has made an impermissible dedication with respect to the future use of the money placed in those funds and accounts.

We believe the better view is that the dedication prohibition does not apply to money once appropriated by the legislature, regardless of whether the appropriation contemplates that the money will be expended. Usually appropriations authorize money to be spent. In

Senator Arliss Sturgulewski
Page 3
March 26, 1986

other cases, however, the legislature may prefer to establish by general law a continuing loan program and finance it through a one-time appropriation or to reserve money in a special fund or account for future use for limited purposes. A strong argument can be made that money once appropriated, regardless of the mechanism utilized, loses its character as revenue for the purpose of the dedicated funds prohibition because the purpose of the prohibition, i.e., that the legislature retain control over state revenues, has been satisfied. (Citations omitted, emphasis in original.)

If the present legislation is challenged in court, and the court holds that the Railbelt energy fund constitutes an improper dedication of funds, it is likely that the result will be that the Railbelt fund will be treated as an account in the general fund, for the legislature to appropriate from as it sees fit.

If I may be of further assistance, please advise.

TC:mkr
m4:048

Enclosure

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST
 Bill/Resolution No: SB 468
 Title: Creating Railbelt Energy Fund

FISCAL DETAIL
 Agency Affected: Department of Revenue
 BRU: Treasury Management

Sponsor: Senate Resources
 Requestor: Senate Resources
 Date of Request: April 1, 1986

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker *MB*
 Division: Treasury

Phone: 465-2350
 Date: April 1, 1986

Approved by Commissioner: *Henry A. Stordahl*
 Agency: Department of Revenue

Date: 4/1/86

Distribution (by Agency preparing fiscal note):

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

Introduced: 3/26/86
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

SENATE BILL NO. 468

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act creating the Railbelt energy fund; and pro-
7 viding for an effective date."

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

9 * Section 1. AS 44.25 is amended by adding a new section to read:

10 Sec. 44.25.050. RAILBELT ENERGY FUND. There is established in
11 the general fund the Railbelt energy fund. The fund consists of money
12 appropriated to it by the legislature. The Department of Revenue
13 shall manage the fund. Interest received on money in the fund shall
14 be accounted for separately and may be appropriated into the fund
15 annually. The legislature may appropriate money from the fund to
16 assist in meeting Railbelt energy needs.

17 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

*Dept of Rev.
Fiscal note
-0-*

AMENDMENT # 1

OFFERED IN THE SENATE;

BY:

COGHILL / FAIKS

TO:

CS

SENATE BILL No.

468 (FINANCE)

HOUSE BILL No.

PAGE:

1

LINE:

25

Delete Southcentral

insert "THE RAILBELT AREA OF"

Offered: 4/25/86
Referred: Rules

Original sponsor: Resources Committee

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 468 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Railbelt energy council; and
7 providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) state energy policy should change from a policy of assuming
11 responsibility for providing low cost power to a policy of assisting the
12 private sector to provide adequate power at reasonable cost;

13 (2) state funds available for energy development should be used
14 as leverage to assist in financing projects that utilities cannot finance
15 themselves;

16 (3) utilities should be encouraged to assume the responsibility
17 of generating regional power rather than relying on the state;

18 (4) energy planning and financing must be efficient and cost-
19 effective;

20 (5) the Railbelt energy fund should be used as leverage to
21 develop power sources that will meet investment criteria.

22 * Sec. 2. COUNCIL CREATED. (a) The Railbelt energy council is estab-
23 lished to

24 (1) recommend how Railbelt energy funds can best be directed to
25 meet the future energy needs of ^{the Railbelt area} ~~southern~~ Alaska;

26 (2) recommend the best unified options for planning, financing,
27 constructing, and managing power facilities;

28 (3) cooperate with the Alaska Power Authority to examine the
29 feasibility and desirability of smaller Susitna hydroelectric projects;

1 (4) determine whether a regional utility organization can oper-
2 ate to the best interests of utility consumers;

3 (5) examine alternatives and recommend the best method for
4 meeting projected Railbelt electrical energy demand;

5 (6) recommend whether the 1987 legislature should approve sub-
6 mission of an application for a Federal Energy Regulatory Commission li-
7 cense for a project in the Susitna River basin;

8 (7) recommend how to restructure the board of directors of the
9 Alaska Power Authority to improve its effectiveness and efficiency;

10 (8) recommend the optimum time for installing the third 45
11 megawatt unit at the Bradley Lake project;

12 (9) recommend whether it is preferable to install a new power
13 intertie between Anchorage and Kenai or to upgrade the existing line; and

14 (10) recommend how best to improve and utilize Alaska's long term
15 energy plan under AS 44.83.224.

16 (b) Membership on the council consists of two members appointed by
17 the governor, one of whom must represent an energy supplier; two senators
18 appointed by the president of the senate; two members of the house of
19 representative appointed by the speaker of the house; and one representa-
20 tive from each of the seven Railbelt utilities.

21 (c) By February 15, 1987, the council shall report its recommenda-
22 tions to the legislature.

23 * Sec. 3. This Act is repealed June 30, 1987.

24 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
25 10.070(c).

Vu o/c
Akin o/c

1 IN THE HOUSE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Railbelt energy fund; and pro-
7 viding for an effective date."

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15 annually. The legislature may appropriate money from the fund to
16 assist in meeting Railbelt energy needs.

17 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 26, 1986

SUBJECT: Railbelt energy fund
(Work Order 14-2007)

TO: Senator Arliss Sturgulewski
Chair, Resources Committee

FROM: Teresa B. Cramer *JBC*
Legislative Counsel

Enclosed is the draft bill you requested creating the Railbelt energy fund and permitting the legislature to appropriate money from the fund to "assist in meeting Railbelt energy needs."

There is a question concerning how the constitutional prohibition against dedication of funds applies to the fund. Article IX, Section 7 of the Alaska Constitution states

DEDICATED FUNDS. The proceeds of any state tax or license shall not be dedicated to any special purpose, except as provided in section 15 of this article or when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of this section by the people of Alaska. (Section 15 establishes the permanent fund.)

If a strict interpretation of the prohibition in this section is taken, the legislature may not limit the future use of money by an appropriation to a special fund. A more relaxed reading of the section would find that the appropriation by the legislature serves to meet the constitutional objective and the amount appropriated loses its status as "proceeds of any state tax or license." It would retain any limit as to use imposed by the appropriation. Of course, a future legislature could repeal the restrictive purpose and appropriate the money for any purpose it wished, since one legislature may not bind another.

In State v. Alex, 646 P.2d 203, at 210, (Alaska 1982), the Alaska Supreme Court discusses the purpose of the amendment that changed the wording of the constitutional section from prohibiting the dedication of "all revenues" to the present language prohibiting the dedication of "proceeds of any state tax or license." The court noted

The committee's spokesman stated that the purpose of the proposed amendment was to allow for the setting up of certain special funds, such as sinking funds for the repayment of bonds, but to prohibit the earmarking of any special tax to that sinking fund. Thus, the change did not seek to exempt some sources of revenue from the prohibition, but was intended instead to allow necessary dedication of funds once they were received and placed in the general fund. Review of the conventional discussion shows that the amendment was not intended to limit the prohibition of earmarking. (Citations omitted)

The examples that support that dedication after receipt include retirement contributions and the proceeds of bond sales. It is not clear whether an appropriation for the Railbelt energy fund would receive similar treatment by the court.

In an opinion issued November 30, 1982, the attorney general discussed the constitutionality of "Dedication of Money to Specific Purposes on a Continuing Basis When Appropriated." The opinion states, at 12 -13,

A question of the proper application of the dedicated funds prohibition arises when money is appropriated to a revolving loan fund or other special reserve fund or account. . . . Special reserve funds involve essentially the setting aside of money for certain specified future needs or conditions which may or may not occur. When this is done, it might be argued that the legislature has made an impermissible dedication with respect to the future use of the money placed in those funds and accounts.

We believe the better view is that the dedication prohibition does not apply to money once appropriated by the legislature, regardless of whether the appropriation contemplates that the money will be expended. Usually appropriations authorize money to be spent. In

Senator Arliss Sturgulewski
Page 3
March 26, 1986

other cases, however, the legislature may prefer to establish by general law a continuing loan program and finance it through a one-time appropriation or to reserve money in a special fund or account for future use for limited purposes. A strong argument can be made that money once appropriated, regardless of the mechanism utilized, loses its character as revenue for the purpose of the dedicated funds prohibition because the purpose of the prohibition, i.e., that the legislature retain control over state revenues, has been satisfied. (Citations omitted, emphasis in original.)

If the present legislation is challenged in court, and the court holds that the Railbelt energy fund constitutes an improper dedication of funds, it is likely that the result will be that the Railbelt fund will be treated as an account in the general fund, for the legislature to appropriate from as it sees fit.

If I may be of further assistance, please advise.

TC:mkr
m4:048

Enclosure

Introduced: 3/26, 86
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

SENATE BILL NO. 468

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act creating the Railbelt energy fund; and pro-

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viding for an effective date."

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assist in meeting Railbelt energy needs.

17

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

18

10.070(c).

Introduced: 3/26/86
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

SENATE BILL NO. 468

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

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A BILL

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10.070(c).



RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

11/24/89
Date

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Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
BETTYE FAHRENKAMP, Vice Chairman
JACK COGHILL
DICK ELIASON
VIC FISCHER
RICK HALFORD
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 485-4907

Senate Committee on Resources

M E M O R A N D U M

April 14, 1986

TO: All Members
Senate Resources Committee

FROM: Staff, ⁷Senate Resources Committee

RE: SB 472 "An Act relating to the interim management
of the mental health trust; and providing
for an effective date"

SB 472 would establish an interim mental health trust commission in the Department of Natural Resources. The Commission is composed of five members including the commissioners of Natural Resources and Health and Social Services, and three public members appointed by the governor.

The Commission may employ an executive director and staff and may contract with other parties for certain work items.

The Commissioner of Natural Resources has several specific responsibilities related to the Commission:

1. Inventory and catalog all mental health lands
2. Retain an appraiser to appraise all lands that once were mental health lands
3. Manage mental health lands
4. Deposit all proceeds in special trust account in general fund

The Commissioner of Health and Social Services has the following responsibilities:

1. Audit state's mental health program
2. Establish procedures for audit
3. Comply with state's comprehensive mental health plan in establishing procedures

The Commission shall submit a report with recommendations to the first session of the Fifteenth State Legislature.

The Commission terminates July 1, 1987.

There is a \$464,100 fiscal note from DNR and a \$81,000 fiscal note from HESS.

There is a similar bill (HB 128) in the House.

Enclosures:

DNR fiscal note with explanation
HESS fiscal note
HESS position paper

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 472
Title : Management of Mental Health Trust

Sponsor : Senate HESS
Requestor : Senate Finance
Date of Request : 4/10/86

FISCAL DETAIL

Agency Affected : Natural Resources
BRU : Land and Water Management

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		271.6				
TRAVEL		33.0				
CONTRACTUAL		146.9				
SUPPLIES		9.6				
EQUIPMENT		3.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		464.1				

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		464.1				
FEDERAL FUNDS						
OTHER						
TOTAL		464.1				

POSITIONS :

FULL-TIME		7				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner Phone : 465-2400
Division : Commissioner's Office Date : 4/10/86

Approved by Commissioner : Mark D Arnold, Deputy Date : 4/10/86
Agency : Department of Natural Resources

Distribution (by Agency preparing fiscal note) :

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

Department of Natural Resources
4-10-86
Senate Bill 472
Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985. Estimated costs: \$40,800.

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year (37.8 personal services; 1.0 travel; 1.5 contractual; 0.5 commodities).

2. Identify and appraise all less than fair market value conveyances and encumbrances. Estimated costs: \$117,800.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised. If section 3(b) of the bill intends that all mental health land be appraised, then the cost, by the Opinion of Value panel method, will require an additional \$22,000.

The reports and maps must take approximately 1,100 parcels into consideration. We expect this project to take a single Natural Resource Officer I three months to complete. Additionally, the project will need funding for supplies and contractual clerical services (9.5 personal services; .5 contractual; .2 commodities).

The appraisals are expected to cost \$107,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$28,000. These appraisals will be determined by an Opinion of Value panel

method. This method employs three senior designated appraisers, each representing one geographic region (northern, southcentral, and southeastern). The panel of appraisers prepares value statements for each parcel of mental health land based on their regional expertise. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental. The approximate cost of these lease reappraisals is \$79,600.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
Estimated costs: \$142,700.

Statewide trust management oversight can be provided by a Natural Resource Manager II with support from a Natural Resource Officer I. That manager would be expected to review a large number of transactions, with research assistance from a subordinate, to ensure that the trust is not breached. It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel.

Accounting functions can be broken into two parts: ongoing accounting services, and an independent audit. An accounting Technician I will be needed to receive and separately process that portion of the approximately \$1.5 billion taken in by DNR annually that should be assigned to the mental health accounts.

Line items in this total are: 124.0 personal services; 6.0 travel; 11.3 contractual; and, 1.4 commodities.

4. Provide administrative support to the commission.
Estimated costs: \$53,600.

The department would need to provide administrative support to the commission which includes arranging meetings, preparing briefing packets, documenting meeting results, and clerical support. The Natural Resource Officer I listed in item 3 above could assist with the details of action review and a Clerk Typist III would be needed to assist with typing and organization of meetings. Contractual monies would cover duplication costs, phone charges, postage, etc. Travel and per diem funding is for meetings of the commission. Commodities money is to cover routine supplies and maps (27.1 personal services; 18.0 travel; 6.0 contractual; 2.5 commodities).

5. Executive Director and secretary for Commission.
Estimated costs: \$109,200.

The executive director receives a monthly salary at the Natural Resource Manager level (range 18). Office support is provided by a Clerk Typist II (range 7). Both persons serve in the exempt service. Travel funding enables the director to meet regularly with the diverse mental health constituent groups. Contractual funding provides office space and overhead. Equipment funding is for a one time purchase of office equipment. Line item totals are: 73.2 personal services; 8.0 travel; 20.0 contractual; 5.0 commodities; and, 3.0 equipment.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : CSSSHB 128
 Title : An Act relating to the interim management of mental health trust land; and providing for an effective date.
 Sponsor : Pignalberi, Gruenberg, Boucher
 Requestor : Pignalberi
 Date of Request : March 24, 1986

FISCAL DETAIL

Agency Affected : Health & Social Services
 BRU : DHSS Administrative Services
 Components : Audit

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		81.0	0			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		81.0	0	0	0	0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		81.0				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		0				
PART-TIME		0				
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Karen Perdue, Assistant Commissioner
 Division : Commissioner's Office

Phone : 465-3030
 Date : 3/26/86

Approved by Commissioner : [Signature]
 Agency : Health and Social Services

Date : 4/1/86

Distribution (by Agency preparing fiscal note):

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

Fiscal Note, Page 2

The definition of mental health is not clear, and was not defined by the courts. The parties may agree to a definition or the court may be asked to define it for these purposes.

The department's cost estimate for an independent audit includes the accounting for a broad range of possible mental health expenditures. Auditing all possible expenditures and then applying those relevant to the final definition would be cheaper than presupposing the definition of mental health and then reperforming the audit should the definition be expanded beyond the original scope.

Department audit staff could perform this audit at a negligible cost if it is determined that a private firm is not needed. DHSS audit staff includes 3 CPAs who regularly perform hundreds of audits per year.

Should it be determined that the department perform this function in-house, the proposed language would have to be amended to delete the word "independent" in section 4(1).

DRAFT POSITION PAPER
SENATE HESS COMMITTEE

For an Act entitled: "An Act relating to the interim management of mental health trust land; and providing for an effective date."

Section 4 of the draft bill requires the department to establish guidelines for and obtain an independent audit of mental health expenditures. It also requires the department to prepare guidelines and procedures to determine by some mechanism the level of funding necessary to comply with the state's mental health plan. It requires the department to seek the approval of the commission prior to embarking on these tasks.


Position

The department wishes to comment on Section 4 of this bill. The department believes an audit of mental health expenditures needs to be performed.

It would be prudent for all parties to agree on the guidelines for such an audit prior to commitment of funds for that purpose. The commission provides a valuable forum for this agreement to be reached. The department would work with the commission to achieve consensus on such a set of guidelines. Once the scope is determined, the department's Audit Unit could perform the audit within existing resources. Should it be determined that the audit could adequately be performed in-house, the proposed language would have to be amended to delete the word "independent" in section 4(1).

With regard to the third section, the department feels it important that an interim commission examine the needs for mental health services and be involved in a needs assessment which would result in costing out what is "necessary" for the state to implement a comprehensive mental health program. A broad based effort to come to an agreement on the level and range of services needed to meet Alaska's mental health program would provide a valuable yard stick by which to measure how existing services fail to meet the true need and what level of commitment is needed in the future.

Recommended by:

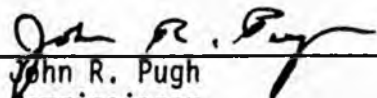


Karen Perdue
Assistant Commissioner
for Administration

Date:

4/3/86

Approved by:



John R. Pugh
Commissioner

Date:

4/3/86

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 5/7/86

REQUEST

Bill/Resolution No. : SB 472
 Title : Management of Mental Health Trust

Sponsor : Senate HESS
 Requestor : House Finance
 Date of Request : 5/7/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land and Water Management

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS		300.0				
TOTAL OPERATING		300.0				

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		300.0				
FEDERAL FUNDS						
OTHER						
TOTAL		300.0				

POSITIONS :

FULL-TIME		3				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner
 Division : Commissioner's Office

Phone : 465-2400
 Date : 5/7/86

Approved by Commissioner : Mr. D. Arnold, Deputy
 Agency : Department of Natural Resources

Date : 5/7/86

Distribution (by Agency preparing fiscal note):

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

Department of Natural Resources
5-7-86
Senate Bill 472
House Finance - Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office.

Task 4 specifies that \$72,000 will be made available to the commission which will prepare a budget for necessary expenditure of those funds. Tasks 1, 2, and 3 will be completed by the department with the remaining \$228,000. Rather than allocate the funds to each component it is preferred that the department have the flexibility to utilize the funds as determined necessary by the commissioner.

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985.

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year.

2. Identify and appraise all less than fair market value conveyances and encumbrances.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised.

The reports and maps must take approximately 1,100 parcels into consideration. This project will be completed by the Natural Resource Officer I in item #1 above.

We project that approximately 820 parcels totalling 268,000 acres will need appraisals. These appraisals will be determined by an Opinion of Value panel method. This method employs three senior designated appraisers, each

representing one geographic region (northern, southcentral, and southeastern). The panel of appraisers prepares value statements for each parcel of mental health land based on their regional expertise. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental.

3. Provide management oversight of all transactions and account for funds received from mental health lands.

The Supreme Court decision in Weiss v. Alaska requires the department to manage mental health land as a trust consistent with the Alaska Mental Health Enabling Act. In order to comply in a defensible and consistent manner the department will employ a Natural Resource Manager and Accounting Technician.

The new Natural Resource Manager (NRM) position will oversee all actions taken by the department on mental health land. Over the last eight years we have averaged approximately 60 cases per month where some (former) mental health land was involved. These include mining locations, park permits, oil and gas lease sales, rights-of-way, ILMAs, municipal selections, leases, land sales, and nearly anything else in which the department is involved.

One of the major duties of the NRM will be review of these cases to ensure compliance with the court decision and prepare briefing packets for review by the commission. In addition the NRM will: prepare mental health land management notices to the department; prepare audit reports; oversee implementation of Department Order 121 relating to interim mental health land management; research trust land management problems; coordinate review and responses by various agencies; continue to update audit reports; implement procedure to recognize various trust lands on the LAS computer system; establish, maintain, and continue to improve departmental mental health land records system; prepare fact sheets and informational notices regarding mental health lands; and, oversee and assist in the activities of the NRO (item 1 above) and coordinate with the accountant position to ensure an accurate and expeditious procedure for distribution of monies.

It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel.

The accounting position is required to distribute the appropriate percentage of income to the proper accounts for each post-October 4, 1986 transaction involving mental health land. In addition to percentage distributions among land types this position must also identify the percentage distribution between interest, principle, and penalty payments for entry into AKSAS. Many of these transactions are manually posted. A large portion of the work this position must accomplish will be the large number of monthly transactions from pre-1978 and continuing leases which must be corrected to reflect the proper distribution of income monies between the general and trust accounts. This is a continuing prospective function for each of the several thousand transactions which include mental health land.

4. Commission funding for the performance of its duties.
Total allocation: \$72,000.

The commissioner shall allocate \$72,000 to the commission for the performance of its duties which may include, but are not limited to, hiring an executive director and staff, contracting with parties or individuals for the performance of functions it considers necessary, and travel expenses incurred in convening the commission or by the executive director. A budget for these funds will be prepared by the commission as provided in section 1 of the bill.

Office space and equipment will be provided by the department.

Offered: 4/15/85
Referred: Finance

FH

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

CS FOR SENATE BILL NO. 472 (Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the interim management of the
7 mental health trust; and providing for an effective
8 date."

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

10 * Section 1. The legislature finds that

11 (1) the Congress granted 1,000,000 acres of land to the Terri-
12 tory of Alaska to be administered as a public trust for the necessary
13 expenses of the support of mental health in the territory;

14 (2) the land authorized to be granted to the Territory of Alaska
15 has been selected by the territory and since statehood by the state and
16 most of the 1,000,000 acres has been conveyed to the state;

17 (3) the Alaska Supreme Court ruled in State v. Weiss, 706 P.2d
18 681 (Alaska 1985) that the legislation redesignating mental health trust
19 land as general grant land had actually breached the trust established by
20 Congress and the court ordered the trust reconstituted;

21 (4) there is presently no statutory authority providing for the
22 management of the mental health trust land as trust land;

23 (5) the Alaska Mental Health Association as the original sponsor
24 of the litigation regarding the management of the mental health trust land,
25 more recently participating as intervenor in the litigation, and the plain-
26 tiffs have performed and continue to perform an important public function
27 in their efforts to reconstitute the mental health trust land and to pro-
28 vide for the proper management of the trust land; and

29 (6) there is a need for the interim management of the trust land

1 as a public trust.

2 * Sec. 2. INTERIM MENTAL HEALTH TRUST COMMISSION ESTABLISHED. (a) The
3 interim mental health trust commission is established in the Department of
4 Natural Resources.

5 (b) The commission established under (a) of this section consists of
6 five members, including the commissioner of natural resources and the
7 commissioner of health and social services, or their designees, and three
8 members appointed by the governor as follows:

9 (1) a member representing the plaintiffs, appointed by the
10 governor from a list of three names submitted to the governor by the plain-
11 tiffs in State v. Weiss, 706 P.2d 681 (Alaska 1985);

12 (2) a member representing the intervenors, appointed by the
13 governor from a list of three names submitted to the governor by the inter-
14 venors in State v. Weiss, 706 P.2d 681 (Alaska 1985); and

15 (3) a member representing the Governor's Mental Health Advisory
16 Council, appointed by the governor from a list of three names submitted to
17 the governor by the Governor's Mental Health Advisory Council.

18 (c) The members of the commission shall elect a presiding officer. A
19 majority of the commission constitutes a quorum. The affirmative vote of
20 three members is required to take official action. A vacancy does not
21 impair the power of the remaining members to exercise the powers of the
22 commission.

23 (d) Members of the commission serve without compensation but are
24 entitled to per diem and travel expenses authorized by law for other boards
25 under AS 39.20.180.

26 (e) The commission shall meet at least quarterly and may meet more
27 frequently, either in person or by teleconference.

28 (f) The commission may employ an executive director and staff to
29 assist it in fulfilling its responsibilities under this Act. The employees

1 shall be in the exempt service.

2 (g) The commission may contract with parties or individuals for the
3 performance of functions assigned to it.

4 * Sec. 3. RESPONSIBILITIES OF THE COMMISSIONER OF NATURAL RESOURCES AND
5 THE COMMISSION. (a) The commissioner of natural resources shall inventory
6 and catalog the mental health trust land of the state, shall audit and
7 appraise each land transaction involving land that has been part of the
8 mental health trust land of the state, and determine the status of mental
9 health trust land on the effective date of this Act under procedures and
10 guidelines established by the commissioner of natural resources with the
11 approval of the commission. In the exercise of the commission's respon-
12 sibilities under this section, the commission may review the records of the
13 Department of Natural Resources.

14 (b) The commissioner of natural resources shall, with the approval of
15 the commission, retain an appraiser or appraisers to appraise all or
16 portion of land that, at any time, was part of the mental health trust land
17 of the state. The commissioner shall provide an appraiser conducting an
18 appraisal with written procedures and instructions that have been approved
19 by the commission.

20 (c) The commissioner of natural resources is responsible for the
21 management of the mental health land of the state as a public trust under
22 P.L. 84-830, 70 Stat. 709. Except for a transfer authorized under AS 38.-
23 05.035(b)(9), the commissioner of natural resources may not sell, lease, or
24 exchange mental health trust land of the state or an interest in the mental
25 health trust land of the state without the prior approval of the commis-
26 sion. In reviewing a proposal for the sale, lease, or exchange of mental
27 health trust land from the commissioner of natural resources, the commis-
28 sion may approve the proposal of the commissioner on its determination that
29 the proposal is consistent with the terms of the trust established by the

NATIVE ALLOTMENT LAND

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1 Alaska Mental Health Enabling Act.

2 (d) The proceeds from the management of the mental health trust land
3 of the state shall be deposited in a special trust account in the general
4 fund of the state and are subject to appropriation by the legislature.

5 * Sec. 4. RESPONSIBILITIES OF THE COMMISSIONER OF HEALTH AND SOCIAL
6 SERVICES AND THE COMMISSION. (a) The commissioner of health and social
7 services, with the approval of the commission, shall

8 (1) select an independent auditor to audit the state's mental
9 health program;

10 (2) establish the procedures and guidelines to guide the auditor
11 selected under this subsection;

12 (3) propose the guidelines and procedures to be used in de-
13 termining a range of expenditures for mental health programs necessary to
14 comply with the state's comprehensive mental health plan.

15 (b) The commission may review the records of the Department of Health
16 and Social Services that involve mental health expenditures under the
17 state's comprehensive mental health plan.

18 * Sec. 5. ADDITIONAL RESPONSIBILITIES OF THE COMMISSION. The commis-
19 sion shall submit a report to the legislature by the 10th day of the first
20 session of the fifteenth state legislature on matters of concern to the
21 commission. The report shall include its recommendations for amendment of
22 the laws relating to the management of the mental health trust, the mental
23 health trust land, and the mental health program of the state.

24 * Sec. 6. DEFINITION. In this Act "commission" means the interim
25 mental health trust commission established in sec. 2 of this Act.

26 * Sec. 7. This Act is repealed July 1, 1987.

27 * Sec. 8. This Act takes effect immediately in accordance with AS 01.-
28 10.070(c).

Letter of Intent for CS SB 472 (RES)

It is the intent of the legislature that the Interim Mental Health Trust Commission established by CSSB 472 shall include at least one member besides the Commissioner of Natural Resources who has experience and knowledge in Alaskan-based property and resource values.

SENATE BILL NO. 472 was referred to the Rules Committee.

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ARLISS STURGULEWSKI, Vice Chairman
JOE JOSEPHSON
PAUL FISCHER
EDNA ARMSTRONG-DE VRIES



P. O. BOX V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3762

Senate Committee on Health, Education and Social Services

*Clarification of
relationship between
this committee &
Legis. you
com.*

3/31/86 draft

An Act relating to the interim management of the mental health trust.

Section 1 - Findings

Congress granted 1,000,000 acres of land to Alaska to be administered as a trust, the Alaska Supreme Court ruled the trust had been breached, and there is a need for interim management of the trust land.

Section 2 - Establishes Commission in DNR

- membership - DNR Commissioner, DH&SS Commissioner, representative of plaintiffs, representative of intervenors, representative of Governor's Mental Health Advisory Council
- receive travel and per diem
- quarterly meetings; others allowed
- may employ staff

Section 3 - DNR Responsibilities

- inventory and catalog Mental Health Land
- audit land transactions
- hire an appraiser to appraise land
- manage Mental Health land with oversight from the commission
- deposit land proceeds in a special trust account

Section 4 - DH&SS Responsibilities

- hire an auditor to audit the Mental Health program, with oversight from the commission
- develop guidelines to determine necessary Mental Health expenditures, with oversight from the commission

Section 5 - Report to Legislature

Commission must submit recommendations by the 10th day of the next legislative session on management of the Mental Health trust and on the state's Mental Health program.

Section 6 - Defines "commission."

Section 7 - Commission terminates 7-1-87.

Section 8 - Immediate effective date.

14-2030
Bradley
3/31/86

DRAFT

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the interim management of the
7 mental health trust; and providing for an effective
8 date."

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

10 * Section 1. The legislature finds that

11 (1) the Congress granted 1,000,000 acres of land to the Terri-
12 tory of Alaska to be administered as a public trust for the necessary
13 expenses of the support of mental health in the territory;

14 (2) the land authorized to be granted to the Territory of Alaska
15 has been selected by the territory and since statehood by the state and
16 most of the 1,000,000 acres has been conveyed to the state;

17 (3) the Alaska Supreme Court ruled in State v. Weiss, 706 P.2d
18 681 (Alaska 1985) that the legislation redesignating mental health trust
19 land as general grant land had actually breached the trust established by
20 Congress and the court ordered the trust reconstituted;

21 (4) there is presently no statutory authority providing for the
22 management of the mental health trust land as trust land;

23 (5) the Alaska Mental Health Association as the original sponsor
24 of the litigation regarding the management of the mental health trust land,
25 more recently participating as intervenor in the litigation, and the plain-
26 tiffs have performed and continue to perform an important public function
27 in their efforts to reconstitute the mental health trust land and to pro-
28 vide for the proper management of the trust land; and

29 (6) there is a need for the interim management of the trust land

1 as a public trust.

2 * Sec. 2. INTERIM MENTAL HEALTH TRUST COMMISSION ESTABLISHED. (a) The
3 interim mental health trust commission is established in the Department of
4 Natural Resources.

5 (b) The commission established under (a) of this section consists of
6 five members, including the commissioner of natural resources and the
7 commissioner of health and social services, or their designees, and three
8 members appointed by the governor as follows:

9 (1) a member representing the plaintiffs, appointed by the
10 governor from a list of three names submitted to the governor by the plain-
11 tiffs in State v. Weiss, 706 P.2d 681 (Alaska 1985);

12 (2) a member representing the intervenors, appointed by the
13 governor from a list of three names submitted to the governor by the inter-
14 venors in State v. Weiss, 706 P.2d 681 (Alaska 1985); and

15 (3) a member representing the Governor's Mental Health Advisory
16 Council, appointed by the governor from a list of three names submitted to
17 the governor by the Governor's Mental Health Advisory Council.

18 (c) The members of the commission shall elect a presiding officer. A
19 majority of the commission constitutes a quorum. The affirmative vote of
20 three members is required to take official action. A vacancy does not
21 impair the power of the remaining members to exercise the powers of the
22 commission.

23 (d) Members of the commission serve without compensation but are
24 entitled to per diem and travel expenses authorized by law for other boards
25 under AS 39.20.180.

26 (e) The commission shall meet at least quarterly and may meet more
27 frequently, either in person or by teleconference.

28 (f) The commission may employ an executive director and staff to
29 assist it in fulfilling its responsibilities under this Act. The employees

1 shall be in the exempt service.

2 (g) The commission may contract with parties or individuals for the
3 performance of functions assigned to it.

4 * Sec. 3. RESPONSIBILITIES OF THE COMMISSIONER OF NATURAL RESOURCES AND
5 THE COMMISSION. (a) The commissioner of natural resources shall inventory
6 and catalog the mental health trust land of the state, shall audit and
7 appraise each land transaction involving land that has been part of the
8 mental health trust land of the state, and determine the status of mental
9 health trust land on the effective date of this Act under procedures and
10 guidelines established by the commissioner of natural resources with the
11 approval of the commission. In the exercise of the commission's respon-
12 sibilities under this section, the commission may review the records of the
13 Department of Natural Resources.

14 (b) The commissioner of natural resources shall, with the approval of
15 the commission, retain an appraiser or appraisers to appraise all or a
16 portion of land that, at any time, was part of the mental health trust land
17 of the state. The commissioner shall provide an appraiser conducting an
18 appraisal with written procedures and instructions that have been approved
19 by the commission.

20 (c) The commissioner of natural resources is responsible for the
21 management of the mental health land of the state as a public trust under
22 P.L. 84-830, 70 Stat. 709. The commissioner of natural resources may not
23 sell, lease, or exchange mental health trust land of the state or an inter-
24 est in the mental health trust land of the state without the prior approval
25 of the commission. In reviewing a proposal for the sale, lease, or ex-
26 change of mental health trust land from the commissioner of natural re-
27 sources, the commission may approve the proposal of the commissioner on its
28 determination that the proposal is consistent with the terms of the trust
29 established by the Alaska Mental Health Enabling Act.

1 (d) The proceeds from the management of the mental health trust land
 2 of the state shall be deposited in a special trust account in the general
 3 fund of the state and are subject to appropriation by the legislature.

4 * Sec. 4. RESPONSIBILITIES OF THE COMMISSIONER OF HEALTH AND SOCIAL
 5 SERVICES AND THE COMMISSION. (a) The commissioner of health and social
 6 services, with the approval of the commission, shall

7 (1) select an independent auditor to audit the state's mental
 8 health program;

9 (2) establish the procedures and guidelines to guide the auditor
 10 selected under this subsection;

11 (3) propose the guidelines and procedures to be used in de-
 12 termining a range of expenditures for mental health programs necessary to
 13 comply with the state's comprehensive mental health plan.

14 (b) The commission may review the records of the Department of Health
 15 and Social Services that involve mental health expenditures under the
 16 state's comprehensive mental health plan.

17 * Sec. 5. ADDITIONAL RESPONSIBILITIES OF THE COMMISSION. The commis-
 18 sion shall submit a report to the legislature by the 10th day of the first
 19 session of the fifteenth state legislature on matters of concern to the
 20 commission. The report shall include its recommendations for amendment of
 21 the laws relating to the management of ^{the} mental health trust, the mental
 22 health trust land, and the mental health program of the state.

23 * Sec. 6. DEFINITION. In this Act "commission" means the interim
 24 mental health trust commission established in sec. 2 of this Act.

25 * Sec. 7. This Act is repealed July 1, 1987.

26 * Sec. 8. This Act takes effect immediately in accordance with AS 01.-
 27 10.070(c).

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STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolutior. No. : _____
 Title : Interim Mental Health Land
Management Commission
Alternative 2
 Sponsor : _____
 Requestor : Senate HESS
 Date of Request : 4/3/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land and Water Management

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		308.5				
TRAVEL		33.0				
CONTRACTUAL		136.9				
SUPPLIES		9.6				
EQUIPMENT		3.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		491.0				

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		491.0				
FEDERAL FUNDS						
OTHER						
TOTAL		491.0				

POSITIONS :

FULL-TIME		7				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner Phone : 465-2400
 Division : Commissioner's Office Date : 4/3/86

Approved by Commissioner : _____ Date : _____
 Agency : Department of Natural Resources

Distribution (by Agency preparing fiscal note) :

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

Department of Natural Resources
4-3-86
Draft Senate HESS Mental Health Commission
Fiscal Note Addendum (unnumbered)
ALTERNATIVE 2

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985. Estimated costs: \$40,800.

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year (37.8 personal services; 1.0 travel; 1.5 contractual; 0.5 commodities).

2. Identify and appraise all less than fair market value conveyances and encumbrances. Estimated costs: \$117,800.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised. If section 3(b) of the bill intends that all mental health land be appraised, then the cost, by the Opinion of Value panel method, will be approximately \$50,000.

The reports and maps must take approximately 1,100 parcels into consideration. We expect this project to take a single Natural Resource Officer I three months to complete. Additionally, the project will need funding for supplies and contractual clerical services (9.5 personal services; .5 contractual; .2 commodities).

The appraisals are expected to cost \$107,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$28,000. These appraisals will be determined by an Opinion of Value panel

method. This method employs three senior designated appraisers, each representing one geographic region (northern, southcentral, and southeastern). The panel of appraisers prepares value statements for each parcel of mental health land based on their regional expertise. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental. The approximate cost of these lease reappraisals is \$70,600.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
Estimated costs: \$142,700.

Statewide trust management oversight can be provided by a Natural Resource Manager II with support from a Natural Resource Officer I. That manager would be expected to review a large number of transactions, with research assistance from a subordinate, to ensure that the trust is not breached. It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel.

Accounting functions can be broken into two parts: ongoing accounting services, and an independent audit. An accounting Technician I will be needed to receive and separately process that portion of the approximately \$1.5 billion taken in by DNR annually that should be assigned to the mental health accounts.

Line items in this total are: 124.0 personal services; 6.0 travel; 11.3 contractual; and, 1.4 commodities.

4. Provide administrative support to the commission.
Estimated costs: \$53,600.

The department would need to provide administrative support to the commission which includes arranging meetings, preparing briefing packets, documenting meeting results, and clerical support. The Natural Resource Officer I listed in item 3 above could assist with the details of action review and a Clerk Typist III would be needed to assist with typing and organization of meetings. Contractual monies would cover duplication costs, phone charges, postage, etc. Travel and per diem funding is for meetings of the commission. Commodities money is to cover routine supplies and maps (27.1 personal services; 18.0 travel; 6.0 contractual; 2.5 commodities).

5. Executive Director and secretary for Commission.
Estimated costs: \$146,100.

The executive director receives a monthly salary at the division director level (range 26). Office support is provided by a secretary (range 10). Both persons serve in the exempt service. Travel funding enables the director to meet regularly with the diverse mental health constituent groups. Contractual funding provides office space and overhead. Equipment funding is for a one time purchase of office equipment. Line item totals are: 110.1 personal services; 8.0 travel; 20.0 contractual; 5.0 commodities; and, 3.0 equipment.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : 4/17/86

REQUEST

Bill/Resolution No. : SB 472
 Title : Management of Mental Health Trust

Sponsor : Senate HESS
 Requestor : Senate Finance
 Date of Request : 4/10/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land and Water Management

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		191.0				
TRAVEL		26.0				
CONTRACTUAL		129.1				
SUPPLIES		10.0				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		356.1				

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		356.1				
FEDERAL FUNDS						
OTHER						
TOTAL		356.1				

POSITIONS :

FULL-TIME		5				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner Phone : 465-2400
 Division : Commissioner's Office Date : 4/17/86

Approved by Commissioner : *James D. Amel* Date : 4/17/86
 Agency : Department of Natural Resources

Distribution (by Agency preparing fiscal note):

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

Department of Natural Resources
4-17-86
Senate Bill 472
Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985. Estimated costs: \$40,800.

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year (37.8 personal services; 1.0 travel; 1.5 contractual; 0.5 commodities).

2. Identify and appraise all less than fair market value conveyances and encumbrances. Estimated costs: \$107,600.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised. If section 3(b) of the bill intends that all mental health land be appraised, then the cost, by the Opinion of Value panel method, will require an additional \$22,000.

The reports and maps must take approximately 1,100 parcels into consideration. This project will be completed by the Natural Resource Officer I in item #1 above.

The appraisals are expected to cost \$107,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$28,000. These appraisals will be determined by an Opinion of Value panel method. This method employs three senior designated appraisers, each representing one geographic region (northern, southcentral, and southeastern). The panel of

appraisers prepares value statements for each parcel of mental health land based on their regional expertise. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental. The approximate cost of these lease reappraisals is \$79,600.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
Estimated costs: \$101,500.

Statewide trust management oversight can be provided by a Natural Resource Manager I. The manager would be expected to review a large number of transactions to ensure that the trust is not breached. It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel. Additional contractual money allows for the hiring of temporary help to assist with less complex, routine procedural steps.

An Accounting Technician I will be needed to receive and separately process that portion of the approximately \$1.5 billion taken in by the department annually that should be assigned to the mental health accounts.

Line items in this total are: 80.0 personal services; 5.0 travel; 12.0 contractual; and, 4.5 commodities.

4. Executive Director and secretary for Commission.
Estimated costs: \$106,200.

The executive director receives a monthly salary at the Natural Resource Manager level (range 18) and is in the exempt service. Office support is provided by a Clerk Typist II (range 7). Travel funding enables the director to meet regularly with the diverse mental health constituent groups and enables the commission to meet regularly. Office space and equipment will be provided in the department offices.

Line item totals are: 73.2 personal services; 20.0 travel; 8.0 contractual; 5.0 commodities.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 4/17/86

REQUEST

FISCAL DETAIL

Bill/Resolution No. : SB 472
Title : Management of Mental Health Trust

Agency Affected : Natural Resources
BRU : Land and Water Management

Sponsor : Senate HESS
Requestor : Senate Finance
Date of Request : 4/10/86

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		227.9				
TRAVEL		26.0				
CONTRACTUAL		129.1				
SUPPLIES		10.0				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		393.0				

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		393.0				
FEDERAL FUNDS						
OTHER						
TOTAL		393.0				

POSITIONS :

FULL-TIME		5				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner
Division : Commissioner's Office

Phone : 465-2400
Date : 4/17/86

Approved by Commissioner : *Armut D. Amodei*
Agency : Department of Natural Resources

Date : 4/17/86

Distribution (by Agency preparing fiscal note):

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

Department of Natural Resources

4-17-86

Senate Bill 472

Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985. Estimated costs: \$40,800.

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year (37.8 personal services; 1.0 travel; 1.5 contractual; 0.5 commodities).

2. Identify and appraise all less than fair market value conveyances and encumbrances. Estimated costs: \$107,600.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised. If section 3(b) of the bill intends that all mental health land be appraised, then the cost, by the Opinion of Value panel method, will require an additional \$22,000.

The reports and maps must take approximately 1,100 parcels into consideration. This project will be completed by the Natural Resource Officer I in item #1 above.

The appraisals are expected to cost \$107,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$28,000. These appraisals will be determined by an Opinion of Value panel method. This method employs three senior designated appraisers, each representing one geographic region (northern, southcentral, and southeastern). The panel of

appraisers prepares value statements for each parcel of mental health land based on their regional expertise. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental. The approximate cost of these lease reappraisals is \$79,600.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
Estimated costs: \$101,500.

Statewide trust management oversight can be provided by a Natural Resource Manager I. The manager would be expected to review a large number of transactions to ensure that the trust is not breached. It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel. Additional contractual money allows for the hiring of temporary help to assist with less complex, routine procedural steps.

An Accounting Technician I will be needed to receive and separately process that portion of the approximately \$1.5 billion taken in by the department annually that should be assigned to the mental health accounts.

Line items in this total are: 80.0 personal services; 5.0 travel; 12.0 contractual; and, 4.5 commodities.

4. Executive Director and secretary for Commission.
Estimated costs: \$143,100.

The executive director receives a monthly salary at the Division Director level (range 26) and is in the exempt service. Office support is provided by a Secretary (range 10). Travel funding enables the director to meet regularly with the diverse mental health constituent groups and enables the commission to meet regularly. Office space and equipment will be provided in the department offices.

Line item totals are: 110.1 personal services; 20.0 travel; 8.0 contractual; 5.0 commodities.

Introduced: 4/4/86
Referred: Health, Education and
Social Services, Resources
and Finance

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2

SENATE BILL NO. 472

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the interim management of the
7 mental health trust; and providing for an effective
8 date."

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

10 * Section 1. The legislature finds that

11 (1) the Congress granted 1,000,000 acres of land to the Terri-
12 tory of Alaska to be administered as a public trust for the necessary
13 expenses of the support of mental health in the territory;

14 (2) the land authorized to be granted to the Territory of Alaska
15 has been selected by the territory and since statehood by the state and
16 most of the 1,000,000 acres has been conveyed to the state;

17 (3) the Alaska Supreme Court ruled in State v. Weiss, 706 P.2d
18 681 (Alaska 1985) that the legislation redesignating mental health trust
19 land as general grant land had actually breached the trust established by
20 Congress and the court ordered the trust reconstituted;

21 (4) there is presently no statutory authority providing for the
22 management of the mental health trust land as trust land; *WEISS ET AL. V*
23 *STATE, 4 FA 82 2708 CIV.*

24 (5) the Alaska Mental Health Association as the original sponsor
25 of the litigation regarding the management of the mental health trust land,
26 more recently participating as intervenor in the litigation, and the plain-
27 tiffs have performed and continue to perform an important public function
28 in their efforts to reconstitute the mental health trust land and to pro-
vide for the proper management of the trust land; ~~and~~

29 *AN IMMEDIATE*
(6) there is ~~a~~ need for the interim management of the trust land

(6) There is an ⁻¹⁻ immediate need ^{SB 472} for funds
to facilitate the reconstruction of the trust
land and to conclude the litigation over the
status of the mental health trust land; and

1 as a public trust.

2 * Sec. 2. INTERIM MENTAL HEALTH TRUST COMMISSION ESTABLISHED. (a) The
3 interim mental health trust commission is established in the Department of
4 Natural Resources.

5 (b) The commission established under (a) of this section consists of
6 five members, including the commissioner of natural resources and the
7 commissioner of health and social services, or their designees, and three
8 members appointed by the governor as follows:

9 (1) a member representing the plaintiffs, appointed by the
10 governor from a list of three names submitted to the governor by the plain-
11 tiffs in State v. Weiss, 706 P.2d 681 (Alaska 1985);

12 (2) a member representing the intervenors, appointed by the
13 governor from a list of three names submitted to the governor by the inter-
14 venors in State v. Weiss, 706 P.2d 681 (Alaska 1985); and

15 (3) a member representing the Governor's Mental Health Advisory
16 Council, appointed by the governor from a list of three names submitted to
17 the governor by the Governor's Mental Health Advisory Council.

18 (c) The members of the commission shall elect a presiding officer. A
19 majority of the commission constitutes a quorum. The affirmative vote of
20 three members is required to take official action. A vacancy does not
21 impair the power of the remaining members to exercise the powers of the
22 commission.

23 (d) Members of the commission serve without compensation but are
24 entitled to per diem and travel expenses authorized by law for other boards
25 under AS 39.20.180.

26 (e) The commission shall meet at least ^{ONCE A MONTH} (quarterly and may meet more
27 frequently, either in person or by teleconference.)

28 (f) The commission may employ an executive director and staff to
29 assist it in fulfilling its responsibilities under this Act. (The employees

1 shall be in the exempt service.)

2 (g) The commission may contract with parties or individuals for the
3 performance of functions assigned to it.

4 * Sec. 3. RESPONSIBILITIES OF THE COMMISSIONER OF NATURAL RESOURCES AND
5 THE COMMISSION. (a) The commissioner of natural resources shall inventory
6 and catalog the mental health trust land of the state, shall audit (and
7 appraise) each land transaction involving land that has been part of the
8 mental health trust land of the state, and determine the status of mental
9 health trust land on the effective date of this Act under procedures and
10 guidelines established by the commissioner of natural resources with the
11 approval of the commission. In the exercise of the commission's respon-
12 sibilities under this section, the commission may review the records of the
13 Department of Natural Resources.

14 (b) The commissioner of natural resources shall, with the approval of
15 the commission, retain an appraiser (or appraisers) to appraise all or a
16 portion of land that, at any time, was part of the mental health trust land
17 of the state. The commissioner shall provide an appraiser conducting an
18 appraisal with written procedures and instructions that have been approved
19 by the commission.

20 (c) The commissioner of natural resources is responsible for the
21 management of the mental health land of the state as a public trust under
22 P.L. 84-830, 70 Stat. 709. ^{under the direction of the Commission,} The commissioner of natural resources may not
23 sell, lease, or exchange mental health trust land of the state or an inter-
24 est in the mental health trust land of the state without the prior approval
25 of the commission. ^{changed.} In reviewing a proposal for the sale, lease, or ex-
26 change of mental health trust land from the commissioner of natural re-
27 sources, the commission may approve the proposal of the commissioner on its
28 determination that the proposal is consistent with the terms of the trust
29 established by the Alaska Mental Health Enabling Act.

The Commission may contract with the private sector for the performance of functions assigned to it.

1 (d) The proceeds from the management of the mental health trust land
2 of the state shall be deposited in a special trust account in the general
3 fund of the state and are subject to appropriation by the legislature.

*for the support
of the mental
health
program
in the
state*

4 * Sec. 4. RESPONSIBILITIES OF THE COMMISSIONER OF HEALTH AND SOCIAL
5 SERVICES AND THE COMMISSION. (a) The commissioner of health and social
6 services, with the approval of the commission, shall

7 (1) select an independent auditor to audit the state's mental
8 health program;

9 (2) establish the procedures and guidelines to guide the auditor
10 selected under this subsection;

11 (3) propose the guidelines and procedures to be used in de-
12 termining a range of expenditures for mental health programs necessary to
13 comply with the state's comprehensive mental health plan.

14 (b) The commission may review the records of the Department of Health
15 and Social Services that involve mental health expenditures under the
16 state's comprehensive mental health plan.

17 * Sec. 5. ADDITIONAL RESPONSIBILITIES OF THE COMMISSION. The commis-
18 sion shall submit a report to the legislature by the 10th day of the first
19 session of the fifteenth state legislature on matters of concern to the
20 commission. The report shall include its recommendations for amendment of
21 the laws relating to the management of the mental health trust, the mental
22 health trust land, and the mental health program of the state.

different

23 * Sec. 6. DEFINITION. In this Act "commission" means the interim
24 mental health trust commission established in sec. 2 of this Act.

25 * Sec. 7. This Act is repealed July 1, 1987.)

26 * Sec. 8. This Act takes effect immediately in accordance with AS 01.-
27 10.070(c).

Offered: 3/26/86
Referred: Judiciary and
Finance

Original sponsors: Pignalberi, Gruenberg,
Boucher, et al

1 IN THE HOUSE BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 128 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the interim management of mental
7 health trust land; and providing for an effective
8 date."

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

10 * Section 1. The legislature finds that

11 (1) the Congress granted 1,000,000 acres of land to the Terri-
12 tory of Alaska to be administered as a public trust for the necessary
13 expenses of the support of mental health in the territory;

14 (2) the land authorized to be granted to the Territory of Alaska
15 has been selected by the territory and since statehood by the state and
16 most of the 1,000,000 acres has been conveyed to the state;

17 (3) the Alaska Supreme Court ruled in State v. Weiss, 706 P.2d
18 681 (Alaska 1985) that the legislation redesignating mental health trust
19 land as general grant land had actually breached the trust established by
20 Congress and the court ordered the trust reconstituted;

21 (4) there is presently no statutory authority providing for the
22 management of the mental health trust land as trust land, (Weiss et al. v.
23 State, 4 FA 82 2208 CIV;)

24 (5) the Alaska Mental Health Association as the original sponsor
25 of the litigation regarding the management of the mental health trust land,
26 more recently participating as intervenor in the litigation, and the plain-
27 tiffs have performed and continue to perform an important public function
28 in their efforts to reconstitute the mental health trust land and to pro-
29 vide for the proper management of the trust land;

1 (6) there is an immediate need for funds to facilitate the
2 reconstruction of the trust land and to conclude the litigation over the
3 status of the mental health trust land; and

4 (7) there is an immediate need for the interim management of the
5 trust land as a public trust.

6 * Sec. 2. INTERIM MENTAL HEALTH TRUST LAND COMMISSION ESTABLISHED. (a)
7 The interim mental health trust land commission is established in the
8 Department of Natural Resources.

9 (b) The commission established under (a) of this section consists of
10 five members, including the commissioner of natural resources and the
11 commissioner of health and social services, or their designees, and three
12 members appointed by the governor as follows:

13 (1) a member representing the plaintiffs, appointed by the
14 governor from a list of three names submitted to the governor by the plain-
15 tiffs in State v. Weiss, 706 P.2d 681 (Alaska 1985);

16 (2) a member representing the intervenors, appointed by the
17 governor from a list of three names submitted to the governor by the inter-
18 venors in State v. Weiss, 706 P.2d 681 (Alaska 1985); and

19 (3) a member representing the Governor's Mental Health Advisory
20 Council, appointed by the governor from a list of three names submitted to
21 the governor by the Governor's Mental Health Advisory Council.

22 (c) The members of the commission shall elect a presiding officer. A
23 majority of the commission constitutes a quorum. The affirmative vote of
24 three members is required to take official action. A vacancy does not
25 impair the power of the remaining members to exercise the powers of the
26 commission.

27 (d) Members of the commission serve without compensation but are
28 entitled to per diem and travel expenses authorized by law for other boards
29 under AS 39.20.180.

1 (e) The commission shall meet at least (once a month.)

2 (f) The commission may employ an executive director and staff to
3 assist it in fulfilling its responsibilities under this Act.

4 * Sec. 3. RESPONSIBILITIES OF THE COMMISSIONER OF NATURAL RESOURCES AND

5 THE COMMISSION. (a) The commissioner of natural resources () inventory and
6 catalog the mental health trust land of the state, shall audit each land
7 transaction involving land that has been part of the mental health trust
8 land of the state, and determine the status of mental health trust land on
9 the effective date of this Act under procedures and guidelines established
10 by the commissioner of natural resources with the approval of the commis-
11 sion. In the exercise of the commission's responsibilities under this
12 section, the commission may review the records of the Department of Natural
13 Resources.

14 (b) The commissioner of natural resources shall, with the approval of
15 the commission, retain an appraiser to appraise all or a portion of land
16 that, at any time, was part of the mental health trust land of the state.
17 The commissioner shall provide the appraiser conducting the appraisal with
18 written procedures and instructions that have been approved by the commis-
19 sion.

20 (c) The commissioner of natural resources is responsible for the
21 management of the mental health land of the state as a public trust under
22 P.L. 84-830, 70 Stat. 709, under the direction of the commission. The
23 commission may contract with the plaintiffs or the intervenors for the
24 performance of functions assigned to it. The commissioner of natural
25 resources may not sell, lease, or exchange mental health trust land of the
26 state or an interest in the mental health trust land of the state without
27 the prior approval of the commission. The commissioner of natural re-
28 sources shall sell, lease, and exchange mental health trust land of the
29 state as directed by the commission. In managing the trust and the trust

1 land the commission and the commissioner shall seek to maximize the income
2 earned and received by the trust consistent with a trustee's obligation to
3 protect and perpetuate the trust.

4 (d) The proceeds from the management of the mental health trust land
5 of the state shall be deposited in a special trust account in the general
6 fund of the state and may be appropriated by the legislature for the sup-
7 port of the mental health program in the state.)

8 * Sec. 4. RESPONSIBILITIES OF THE COMMISSIONER OF HEALTH AND SOCIAL
9 SERVICES AND THE COMMISSION. (a) The commissioner of health and social
10 services, with the approval of the commission, shall

11 (1) select an independent auditor to audit the state's mental
12 health program;

13 (2) establish the procedures and guidelines to guide the auditor
14 selected under this subsection;

15 (3) propose the guidelines and procedures to be used in de-
16 termining a range of expenditures for mental health programs necessary to
17 comply with the state's comprehensive mental health plan.

18 (b) The commission may review the records of the Department of Health
19 and Social Services that involve mental health expenditures under the
20 state's comprehensive mental health plan.

21 * Sec. 5. ADDITIONAL RESPONSIBILITIES OF THE COMMISSION. The commis-
22 sion shall make an annual report to the legislature on matters of concern
23 to it including recommendations of the commissioner for amendment of the laws
24 relating the management of mental health trust, the mental health trust
25 land, and the mental health program of the state.

26 * Sec. 6. DEFINITION. In secs. 2 - 5 of this Act "commission" means
27 the interim mental health trust land commission established in sec. 2 of
28 this Act.

29 * Sec. 7. Sections 1 - 6 of this Act are repealed July 1, 1988.

1 * Sec. 8. This Act takes effect immediately in accordance with AS 01.-
2 10.070(c).

POSITION PAPER
SB 472

For an Act entitled: "Act relating to the interim management of mental health trust funds and providing for an effective date."

Section 4 of the bill requires the department to establish guidelines for and obtain an independent audit of mental health expenditures. It also requires the department to prepare guidelines and procedures to determine by some mechanism the level of funding necessary to comply with the state's mental health plan. It requires the department to seek the approval of the commission prior to embarking on these tasks.

Position

The department wishes to comment on Section 4 of this bill. The department believes an audit of mental health expenditures needs to be performed.

It would be prudent for all parties to agree on the guidelines for such an audit prior to commitment of funds for that purpose. The commission provides a valuable forum for this agreement to be reached. The department would work with the commission to achieve consensus on such a set of guidelines. Once the scope is determined, the department's Audit Unit could perform the audit within existing resources. Should it be determined that the audit could adequately be performed in-house, the proposed language would have to be amended to delete the word "independent" in section 4(1).

With regard to the third section, the department feels it important that an interim commission examine the needs for mental health services and be involved in a needs assessment which would result in costing out what is "necessary" for the state to implement a comprehensive mental health program. A broad based effort to come to an agreement on the level and range of services needed to meet Alaska's mental health program would provide a valuable yard stick by which to measure how existing services fail to meet the true need and what level of commitment is needed in the future.

Recommended by:

Karen Perdue

Karen Perdue
Assistant Commissioner
for Administration

Date:

4/14/86

Approved by:

John R. Pugh
John R. Pugh
Commissioner

Date:

4/14/86

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 472
 Title : An Act relating to the interim management of mental health trust land and providing for an effective date.
 Sponsor : _____
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : Health & Social Services
 BRU : DHSS Administrative Services
 Components : Audit

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		81.0	0			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		81.0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		81.0				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		0				
PART-TIME		0				
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Karen Perdue, Assistant Commissioner
 Division : Commissioner's Office

Phone : 465-3030
 Date : April 14, 1986

Approved by Commissioner : [Signature]
 Agency : Health & Social Services

Date : 4/14/86

Distribution (by Agency preparing fiscal note):

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