

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10126 SENATE RESOURCES

ANALYSIS CONTINUATION

loan recipients resulting in a continuing need for collection efforts. Collection efforts will be complicated by liability issues because the loan collateral may still be contaminated at the time of loan default.

The new workload generated by this bill would be split between the Civil Division's Commercial and Environmental Law sections, with Commercial handling loan issues and Environmental Law the environmental compliance issues. In the first year, three-quarters of an attorney position would be required, with the work equally divided between the sections. In the second, and subsequent years, once regulations development and other initial start-up work is complete, a half-time position is expected to be sufficient, and the workload to primarily fall on the Commercial section (75 percent of the half-time position).

The Senate Resources Committee Substitute removes language contained in the original version of the bill permitting the legislature to appropriate funds from the Storage Tank Assistance Fund for any purpose. Therefore, the fund source for the Department of Law's fiscal note for CSSB 128 (RES) has been changed to the general fund.

Fiscal note costs are based on the department's FY00 standard full-time equivalent attorney cost schedule (\$133,926), and include clerical support, communications, space, supplies, data processing, and other normal overhead expenses. An additional \$6,500 for one-time equipment purchases, costs that cannot be included in the rate as overhead, are added in FY00 only, and as a practical matter, placed in Commercial with the new part time position. These costs would be split between the separate components as follows:

	FY00	FY01-FY05	PPT
Commercial	\$56.7	\$50.2	1
Environmental Law	\$50.2	\$16.7	
	<u>\$106.9</u>	<u>\$67.0</u>	

# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. CSSB 128 (RES)

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Environmental Conservation</u>
Title <u>An Act relating to the storage tank assistance</u>	BRU <u>Spill Prevention and Response</u>
fund, replacing <u>cleanup grant program with loan program</u>	Component <u>Storage Tank Program</u>
Sponsor <u>Senate Finance</u>	
Requester <u>Senate Resource</u>	Component Serial No. <u>2063</u>

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual	250.0	180.0	195.0	210.0	225.0	240.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>250.0</b>	<b>180.0</b>	<b>195.0</b>	<b>210.0</b>	<b>225.0</b>	<b>240.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1079 Storage Tank Fund	250.0	180.0	195.0	210.0	225.0	240.0
<b>TOTAL</b>	<b>250.0</b>	<b>180.0</b>	<b>195.0</b>	<b>210.0</b>	<b>225.0</b>	<b>240.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill proposes to replace the cleanup program with a loan program. The Department will incur additional operating costs in the administration of a loan program. Estimates for loan administration are \$200 the first year, \$130 the second year, and \$145 the third year, \$160 the fourth year, \$175 the fifth year, and \$190 the sixth year. These extra costs would cover only the loan examination, award, and collection of repayments and delinquent payments. A significant portion of these costs occur in the first year with the proposed expansion of the loan program to cover the tank upgrade and closure program in addition to the cleanup program as earlier proposed. CSSB 128 (RES) expands the loan program to add 176 loans for upgrade and closure for a total of \$3.5 million for FY 00 only. The cleanup loans projected in the out years remain the same at 30 loans per year for a total of \$2.0 million per year. Department staff would still approve the workplans and eligible costs and oversee the projects for upgrade, closure, and cleanup work.

Prepared by <u>Larry Dietrick, Director</u>	Phone <u>465-5255</u>
Division <u>Spill Prevention and Response</u>	Date/Time <u>4/9/99 5:10 PM</u>
Approved by <u>Commissioner Michele Brown</u> <i>Kent Fendish for</i>	Date <u>4-9-99</u>
Agency <u>Department of Environmental Conservation</u>	

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# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. CSSB 128 (RES) pg. 2

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Other work associated with the conversion of the grant program to the loan program can be absorbed by existing staff. This would include working with the Attorney's General Office on enforcement issues surrounding sites where owners choose not to participate in the cleanup loan program or are unable to qualify for a loan but must still clean up their site, and converting the existing regulations from a grant to a loan program. A funding source switch from capital receipts to Storage Tank Funds will be necessary to capture that portion of the Capital Project that was earmarked for staff (\$473.5). \$50.0 is also necessary to fund associated project support costs previously charged directly to other lines of the CIP.

Any appropriations to the Storage Tank Fund will be capitalized. However, additional appropriations may be needed each year to meet the demands of the program, since it is not a revolving loan program.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

To: Jim Hauk Fax 463-4885  
From: Barbara Towne Phone 465-5235

RE: Requested information, line item by fund source. FY98 expenditures for the Board of Storage Tank Assistance.

TOTAL FY98 EXPENDITURES  
BOARD OF STORAGE TANK ASSISTANCE

	Amount
Personal Services	80.5
Travel	3.5
Contractual	2.3
Supplies	5.0
Equipment	6.4
<b>TOTAL</b>	<b>97.7</b>

FUND SOURCE - STORAGE TANK ASSISTANCE FUND

Post-it<sup>®</sup> Fax Note 7671

To	ANNLTTE	Date		# of pages	1
Co./Dept.		From	JIM H.		
Phone #		Co.			
Fax #		Phone #			
		Fax #			



# Alaska State Legislature

Please enter into the record my testimony to the Sen. Resources Comm  
 committee on SB 132, dated 4/14/99  
 bill/ subject committee name

I support SB 132 for the reason of bringing the state inspections of plants, animals & food back to the DNR from DEC; Also the State Veterinarian back to DNR. This will place these important functions back to the area they cover and save duplication of services and hopefully - period.

Signed:

Maria E. Ward  
Testifier

Ward Farms  
Representing (Optional)

Box 1087, Delta Jet, AK 99737  
Address

895-5415  
Phone No.



# Alaska State Legislature

Please enter into the record my testimony to the Senate ~~House~~ Res  
 committee on 132, dated April 14, 99.  
bill/ subject committee name

I support SB 132 because  
 I feel that the state grading,  
 inspection and state vet. all should  
 be under the control of DNR  
 not DEC. keep ag related  
 things under ag related division.

Signed:

Scott R Miller

Testifier  
Mista mt Farm

Representing (Optional)  
HC 60 Box 4140, Delta got. Atc, 99737

Address  
907-895 6208

Phone No.

## LEGISLATIVE INFORMATION OFFICE

PO BOX 1189

DELTA JCT., AK 99737

PHONE: (907) 895-4236

FAX: (907) 895-5017

## FACSIMILE TRANSMITTAL SHEET

TO:	Senate Resources	FROM:	Jiz Sarver
COMPANY:	Alaska State Legislature	DATE:	04/14/99
FAX NUMBER:	465-4928	TOTAL NO. OF PAGES INCLUDING COVER:	3
PHONE NUMBER:	[Click here and type phone number]	SENDER'S REFERENCE NUMBER:	[Click here and type reference number]
RE:	SB 132	YOUR REFERENCE NUMBER:	[Click here and type reference number]

URGENT     FOR REVIEW     PLEASE COMMENT     PLEASE REPLY     PLEASE RECYCLE

NOTES/COMMENTS:

**SB**

**132**

# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. CSSB 132 (RES)

Revision Date/Time (Note if correction) 4/19/99 3:00 PM Dept. Affected DEC  
 Title Transferring food programs to DNR BRU Environmental Health  
 Component Food Safety and Sanitation  
 Sponsor Senate Finance  
 Requester Senate Resources Component Serial No. 2343

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	(2,756.7)					
Travel	(305.9)					
Contractual	(253.9)					
Supplies	(74.5)					
Equipment	(28.8)					
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>(3,419.8)</b>					
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	(494.1)					
1003 GF Match	(244.1)					
1004 GF	(1,549.1)					
1005 GF/Program Receipts	(1,132.5)					
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>(3,419.8)</b>					

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time	-45					
Part-time	-2					
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Several people in this component are eligible to participate in the department's Retirement Incentive Program. DNR and DEC would have to work out an arrangement to cover the costs associated with any employee who retired and whose position was transferred to DNR.

Prepared by Janice Adair, Director  
 Division Division of Environmental Health  
 Approved by Commissioner Michele Brown  
 Agency Department of Environmental Conservation

Phone 269-7644  
 Date/Time 4/19/99 3:16 PM  
 Date 4/17/99

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# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. CSSB 132 (RES)

Revision Date/Time (Note if correction) 4/19/99 3:00 PM Dept. Affected Environmental Conservation  
 Title Transferring food programs to DNR BRU Environmental Health  
 Component Laboratory Services  
 Sponsor Senate Finance  
 Requester Senate Resources Component Serial No. 2065

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	(578.3)					
Travel	(9.0)					
Contractual	(75.4)					
Supplies	(66.9)					
Equipment	(4.2)					
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>(733.8)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	(60.0)					
1003 GF Match	(60.1)					
1004 GF	(523.1)					
1005 GF/Program Receipts	(90.6)					
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>(733.8)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

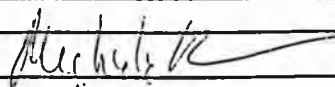
Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time	-11					
Part-time	-1					
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Moving costs to relocate staff to the Juneau lab and move other staff out of the Palmer lab are not included. Estimates are still being calculated.

Prepared by Janice Adair, Director Phone 269-7644  
 Division Environmental Health Date/Time 4/19/99 3:17 PM  
 Approved by Commissioner Michele Brown  Date 4/19/99  
 Agency Department of Environmental Conservation

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# SENATE COMMITTEE REPORT

## First Committee of Referral

DATE: 4/1/99

FURTHER: Finance

Date of 5-Day Notice: 4/8/99  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 4/16/99

Resources Committee considered

SENATE BILL NO. 132

"An Act transferring some of the functions of the Department of Environmental Conservation to the Department of Natural Resources; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 132 (RES)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
CHAIR: <i>[Signature]</i>	✓	CHAIR: <i>[Signature]</i>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
DEZ	4/12	X	
DNR	4/14		25.0

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

02/14 note  
bill  
To CS  
Review

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**CS FOR SENATE BILL NO. 132(RES)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIRST LEGISLATURE - FIRST SESSION**

**BY THE SENATE RESOURCES COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the powers and duties of the Department of Natural  
2 Resources, transferring some of the functions of the Department of Environmental  
3 Conservation to the Department of Natural Resources, and modifying the  
4 Department of Natural Resources' power to control and manage land within the  
5 Hatcher Pass Public Use Area and authorizing municipal selection of that land;  
6 and providing for an effective date."

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

8 \* Section 1. AS 03.05.011 is amended to read:

9       **Sec. 03.05.011. Powers and duties of commissioner of natural resources**  
10       **[ENVIRONMENTAL CONSERVATION]. (a) To carry out the requirements of**  
11       **this title, the commissioner of natural resources [ENVIRONMENTAL**  
12       **CONSERVATION] may issue orders, regulations, permits, quarantines, and embargoes**  
13       **relating to**

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- (1) examination and inspection of premises containing products, articles, and commodities carrying pests;
- (2) establishment of quarantines for eradication of pests and diseases in livestock;
- (3) tests and analyses that may be made and hearings that may be held to determine whether the commissioner will issue a stop order or quarantine;
- (4) cooperation with federal and other state agencies;
- (5) regulation of fur farming; for purposes of this paragraph, "fur farming" means the raising of and caring for animals for the purpose of marketing their fur, or the animals themselves for breeding stock.

(b) The commissioner [OF ENVIRONMENTAL CONSERVATION] shall regulate the farming of elk in a manner similar to the manner in which the commissioner regulates domestic animals and livestock, to the extent that is appropriate.

\* Sec. 2. AS 03.45.050 is amended to read:

**Sec. 03.45.050. Inspection, quarantine, or destruction of livestock.**

Domestic animals and poultry in the state are subject to inspection and test for all diseases [,] and to quarantine, slaughter, or destruction when found to be infected with or suffering from any contagious disease by an inspector of the Animal Disease Eradication Branch, United States Department of Agriculture, or by a qualified inspector authorized by the commissioner [OF ENVIRONMENTAL CONSERVATION] to make inspections and tests of animals. Inspections and tests of animals kept for dairy purposes by dairies that offer their products to the public in the state [,] and inspection and tests of animals kept for private dairy purposes if [, PROVIDED] they are readily accessible [,] shall be made at least once every year, if possible, and all animals not readily accessible for inspection shall be inspected before they are brought into a community where other animals used for dairy purposes are kept. The commissioner may make arrangements with the Animal Disease Eradication Branch, United States Department of Agriculture, for these inspections and tests. In the event that arrangements cannot be made with the Animal Disease Eradication Branch, the commissioner may employ inspectors. Inspections shall be carried on in

1 cooperation with the Animal Disease Eradication Branch and in accordance with its  
2 regulations.

3 \* **Sec. 3.** AS 03.45.060(c) is amended to read:

4 (c) If the inspector determines that the animal should be slaughtered or  
5 destroyed, the inspector may condemn and have the animal slaughtered or destroyed  
6 in the manner the inspector determines. Reimbursement may be allowed for the  
7 slaughter or destruction of dairy cattle only. In such case, the inspector and the owner  
8 shall appraise the dairy cattle at a fair valuation without regard to the disease. Where  
9 they cannot agree as to the value of the animal, the owner and inspector may select  
10 a disinterested third party to aid in the appraisal. Where they cannot agree on the  
11 selection of a third party, a peace officer in the judicial district where the inspection  
12 is made may designate a third disinterested party to act with the inspector and owner  
13 to determine the value of the animal. The amount realized from the sale of the carcass  
14 of the slaughtered animal shall be paid to the owner of the animal, and the inspector  
15 shall certify to the commissioner [OF ENVIRONMENTAL CONSERVATION] the  
16 name and address of the owner, the date the animal was condemned, the appraised  
17 value of the animal, together with the net sum realized from the salvage of the animal  
18 [THEREOF,] or that [WHICH] could have been realized.

19 \* **Sec. 4.** AS 03.45.070 is amended to read:

20 **Sec. 03.45.070. Compensation to owners of dairy cattle destroyed; records**  
21 **to be kept.** The commissioner [OF ENVIRONMENTAL CONSERVATION] may  
22 enter into cooperative agreements with the United States Department of Agriculture for  
23 controlling diseases among dairy cattle and may match federal indemnity payments for  
24 livestock slaughtered thereunder [,] from any funds available. The commissioner shall  
25 keep a record of all payments made, with a copy of the inspector's certification of  
26 appraised value and salvage value.

27 \* **Sec. 5.** AS 03.45.080 is amended to read:

28 **Sec. 03.45.080. Record and payment of value of destroyed dairy cattle.**  
29 The Department of Administration shall keep a record of the appraised value of all  
30 dairy cattle slaughtered or destroyed and of the salvage value of the dairy cattle  
31 [THEREOF], stating the date when the animal was slaughtered or destroyed and the

1 name of the inspector who ordered the animal slaughtered or destroyed. The  
2 Department of Administration, with the approval of the department [DEPARTMENT  
3 OF ENVIRONMENTAL CONSERVATION], shall pay the owner of the animal  
4 slaughtered or destroyed two-thirds of the difference between the appraised value and  
5 the salvage value of the animal slaughtered or destroyed. The appraised valuation of  
6 each slaughtered animal may not exceed \$175 in the first judicial district and not more  
7 than \$200 in the second and third judicial districts and not more than \$250 in the  
8 fourth judicial district. Payment may not be made if at the time of inspection, test, or  
9 destruction, the animal was upon the premises of any person to which it had been sold,  
10 shipped, or delivered for the purpose of being slaughtered. Payment may not be made  
11 unless the owner has complied with all lawful quarantine regulations.

12 \* Sec. 6. AS 03.53.010(b) is amended to read:

13 (b) The following persons are authorized to enforce the provisions of this  
14 section:

15 (1) the commissioner [OF ENVIRONMENTAL CONSERVATION];

16 (2) a state employee authorized by the commissioner [OF  
17 ENVIRONMENTAL CONSERVATION].

18 \* Sec. 7. AS 16.40.050(d) is amended to read:

19 (d) Elk imported, exported, or possessed for the purpose of elk farming are  
20 subject to the provisions of AS 03 and regulations adopted under AS 03 by the  
21 commissioner of natural resources [OR THE COMMISSIONER OF  
22 ENVIRONMENTAL CONSERVATION] for domestic animals and livestock [,] to the  
23 extent they are made applicable to elk by the commissioner of natural resources  
24 [COMMISSIONERS].

25 \* Sec. 8. AS 17.06.070(1) is amended to read:

26 (1) "department" means the Department of Natural Resources  
27 [ENVIRONMENTAL CONSERVATION];

28 \* Sec. 9. AS 17.20.005 is amended to read:

29 **Sec. 17.20.005. Powers and duties of commissioner of natural resources.**  
30 To carry out the requirements of this chapter that are within the jurisdiction of the  
31 Department of Natural Resources, the commissioner of natural resources may issue

1 orders, regulations, permits, quarantines, and embargoes relating to

2 (1) food offered to the public or sold, including

3 (A) inspection of meat, fish, poultry, and other food products;

4 (B) standards of sanitation and handling methods for all phases  
5 of slaughtering, processing, storing, transporting, displaying, and selling; and

6 (C) labeling;

7 (2) control and eradication of pests;

8 (3) enforcement of hazard analysis critical control point programs for  
9 seafood processing that are developed in cooperation with appropriate industry  
10 representatives or, to the extent not inconsistent with this chapter or regulations  
11 adopted under the authority of this chapter, that are established by regulations of the  
12 United States Food and Drug Administration as they may periodically be revised;

13 (4) labeling and grading of milk and milk products and standards of  
14 sanitation for dairies offering to the public or selling milk or milk products to at least  
15 the minimum of current recommendations of the United States Public Health Service  
16 pasteurized milk ordinance as it may periodically be revised;

17 (5) standards and conditions for the operation and siting of aquatic  
18 farms and related hatcheries, including

19 (A) restrictions on the use of chemicals; and

20 (B) requirements to protect the public from contaminated  
21 aquatic farm products that pose a risk to health;

22 (6) monitoring aquatic farms and aquatic farm products to ensure  
23 compliance with this chapter and, to the extent not inconsistent with this chapter or  
24 regulations adopted under the authority of this chapter, with the requirements of the  
25 national shellfish sanitation program manual of operations published by the United  
26 States Food and Drug Administration as it may periodically be revised;

27 (7) tests and analyses that may be made and hearings that may be held  
28 to determine whether the commissioner will issue a stop order or quarantine;

29 (8) transportation of, use of, disposal of, recalls of, or warnings  
30 concerning quarantined or embargoed items;

31 (9) cooperation with federal and other state agencies.

1 \* **Sec. 10.** AS 17.20.066(c) is amended to read:

2 (c) The commissioner shall authorize the use of an "inspection" seal for  
3 display on seafood products processed by a person who, at the time the products are  
4 processed, holds a permit to operate issued under AS 17.20.065 and who complies with  
5 regulations adopted by the commissioner under this chapter.

6 \* **Sec. 11.** AS 17.20.066(d) is amended to read:

7 (d) The commissioner, after consultation with the Alaska Seafood Marketing  
8 Institute, shall develop product specifications and standards for the use of the  
9 "premium quality" seal on Alaska seafood products. The commissioner shall authorize  
10 a seafood processor to display a "premium quality" seal on products that qualify for  
11 the seal if the processor meets the requirements of regulations adopted by the  
12 commissioner under this chapter and has been issued a permit to operate under  
13 AS 17.20.065.

14 \* **Sec. 12.** AS 17.20.067 is amended to read:

15 **Sec. 17.20.067. Seafood processing research.** The commissioner may  
16 conduct studies, research, experiments, and demonstrations, directly or through grants  
17 to or contracts with public or private agencies, organizations, or individuals to

18 (1) improve sanitation practices in the processing of fish and fisheries  
19 products; and

20 (2) develop improved techniques for surveillance and inspection  
21 activities of the department under this chapter.

22 \* **Sec. 13.** AS 17.20.075 is amended to read:

23 **Sec. 17.20.075. Definitions.** In AS 17.20.005 - 17.20.075,

24 (1) "commissioner" means the commissioner of natural resources  
25 [ENVIRONMENTAL CONSERVATION];

26 (2) "department" means the Department of Natural Resources  
27 [ENVIRONMENTAL CONSERVATION].

28 \* **Sec. 14.** AS 17.20.180 is amended to read:

29 **Sec. 17.20.180. Regulations.** The Department of Environmental Conservation,  
30 the Department of Natural Resources, and the Department of Health and Social  
31 Services may adopt regulations for the efficient enforcement of their respective

1 portions of this chapter. Each department may make the regulations conform, in so  
2 far as practicable, with those adopted under the federal act.

3 \* Sec. 15. AS 17.20.200 is amended to read:

4 **Sec. 17.20.200. Inspections and examinations.** (a) The commissioner of  
5 natural resources [ENVIRONMENTAL CONSERVATION] or an agent shall have  
6 free access at reasonable hours to a factory, warehouse, or establishment in which  
7 foods [OR COSMETICS] are manufactured, processed, packed, or held for introduction  
8 into commerce, to enter a vehicle being used to transport or hold these foods [OR  
9 COSMETICS] in commerce, or to an aquatic farm in order to

10 (1) inspect a factory, warehouse, establishment, vehicle, or aquatic farm  
11 to determine if the provisions of the commissioner's respective portions of this chapter  
12 are being violated; and

13 (2) secure samples or specimens of a food or [,] aquatic farm product  
14 [, OR COSMETIC].

15 (b) The commissioner of natural resources [ENVIRONMENTAL  
16 CONSERVATION] shall make or have made examinations of samples secured under  
17 this section to determine whether or not a provision of the commissioner's respective  
18 portions of this chapter is being violated.

19 (c) The commissioner of health and social services has the same powers and  
20 duties with respect to drugs and devices as the commissioner of natural resources  
21 [ENVIRONMENTAL CONSERVATION] has with respect to food [AND  
22 COSMETICS] under (a) and (b) of this section. The commissioner of environmental  
23 conservation has the same powers and duties with respect to cosmetics as the  
24 commissioner of natural resources has with respect to food under (a) and (b) of  
25 this section.

26 \* Sec. 16. AS 17.20.220 is amended to read:

27 **Sec. 17.20.220. Publication of reports and information.** (a) The  
28 commissioner of environmental conservation, the commissioner of natural resources,  
29 and the commissioner of health and social services may have published from time to  
30 time reports summarizing judgments, decrees, and court orders which have been  
31 rendered under their respective portions of this chapter, including the nature of the

1 charge and the disposition of it.

2 (b) The commissioner of environmental conservation may have disseminated  
3 information regarding [FOOD AND] cosmetics that [WHICH] the commissioner  
4 considers necessary in the interest of public health and the protection of the consumer  
5 against fraud. This section does not prohibit the commissioner from collecting,  
6 reporting, and illustrating the results of the commissioner's investigations.

7 (c) The commissioner of health and social services has the same power with  
8 respect to drugs and devices as the commissioner of environmental conservation has  
9 with respect to [FOOD AND] cosmetics under (b) of this section. The commissioner  
10 of natural resources has the same power with respect to food as the commissioner  
11 of environmental conservation has with respect to cosmetics under (b) of this  
12 section.

13 \* Sec. 17. AS 17.20.230 is amended to read:

14 **Sec. 17.20.230. Detention or embargo of goods.** (a) Whenever the  
15 commissioner of environmental conservation finds or has probable cause to believe that  
16 a [FOOD OR] cosmetic is adulterated [,] or so misbranded as to be dangerous or  
17 fraudulent within the meaning of this chapter, the commissioner shall affix to the  
18 cosmetic [IT] a tag or other appropriate marking [,] giving notice that the cosmetic  
19 [IT] is or is suspected of being adulterated or misbranded and has been detained or  
20 embargoed [,] and warning all persons not to remove or dispose of the cosmetic [IT]  
21 by sale or otherwise until permission for removal or disposal is given by the  
22 commissioner or the court. A person may not remove or dispose of a detained or  
23 embargoed cosmetic [ARTICLE] by sale or otherwise without this permission.

24 (b) The commissioner of health and social services has the same duty with  
25 respect to drugs and devices as the commissioner of environmental conservation has  
26 with respect to [FOOD AND] cosmetics under (a) of this section. The commissioner  
27 of natural resources has the same duty with respect to food as the commissioner  
28 of environmental conservation has with respect to cosmetics under (a) of this  
29 section.

30 \* Sec. 18. AS 17.20.240 is amended to read:

31 **Sec. 17.20.240. Petition for libel for condemnation.** When an article

1 detained or embargoed under AS 17.20.230 has been found by the commissioner of  
2 environmental conservation, the commissioner of natural resources, or the  
3 commissioner of health and social services, as the case may be, to be adulterated or  
4 misbranded, the appropriate commissioner shall petition the superior court for a libel  
5 for condemnation of the article. When that commissioner finds that a detained or  
6 embargoed article is not adulterated or misbranded, the commissioner shall remove the  
7 tag or other marking.

8 \* **Sec. 19.** AS 17.20.250 is amended to read:

9 **Sec. 17.20.250. Destruction of adulterated or misbranded goods.** If the  
10 superior court finds that a detained or embargoed article is adulterated or misbranded,  
11 it shall, after entry of the decree, be destroyed at the expense of the claimant [,] under  
12 the supervision of the commissioner of environmental conservation, the commissioner  
13 of natural resources, or the commissioner of health and social services, as the case  
14 may be. Court costs and fees and storage and other proper expenses shall be taxed  
15 against the claimant of the article.

16 \* **Sec. 20.** AS 17.20.260 is amended to read:

17 **Sec. 17.20.260. Exemption from destruction.** When the adulteration or  
18 misbranding can be corrected by proper labeling or processing of the article, and after  
19 entry of the decree and after costs, fees, and expenses have been paid and a good and  
20 sufficient bond, conditioned that the article will be properly labeled or processed has  
21 been executed, the court may order that the article be delivered to the claimant for  
22 labeling or processing under the supervision of the commissioner of environmental  
23 conservation, the commissioner of natural resources, or the commissioner of health  
24 and social services, as the case may be. The claimant shall pay the expense of  
25 supervision. The bond shall be returned to the claimant of the article on representation  
26 to the court by the appropriate commissioner that the article is no longer in violation  
27 of this chapter [,] and that the expenses of supervision have been paid.

28 \* **Sec. 21.** AS 17.20.270 is amended to read:

29 **Sec. 17.20.270. Immediate destruction of contaminated food.** Meat,  
30 seafood, poultry, vegetable, fruit, or other perishable article in any room, building,  
31 vehicle of transportation, or other structure that [WHICH] is unsound, or contains

1 filthy, decomposed, or putrid substance, or a substance that may be poisonous or  
2 deleterious to health or otherwise unsafe, is a nuisance. Whenever the commissioner  
3 of environmental conservation or the commissioner of natural resources finds such  
4 an article, the commissioner shall immediately condemn or destroy it or in any other  
5 manner render it unsalable as human food.

6 \* Sec. 22. AS 17.20.280 is amended to read:

7 Sec. 17.20.280. **Injunction proceedings.** The commissioner of environmental  
8 conservation, the commissioner of natural resources, and the commissioner of health  
9 and social services may apply to the superior court for, and the court has jurisdiction  
10 to grant, a temporary or permanent injunction restraining a person from violating their  
11 respective portions of this chapter.

12 \* Sec. 23. AS 17.20.290(b) is amended to read:

13 (b) The commissioner of environmental conservation or a designee of the  
14 commissioner is responsible for enforcing (a)(1) - (4) and (6) - (10) [THE  
15 PROVISIONS OF PARAGRAPHS (a)(1), (2), (3), (4), (6), (7), (8), (9), AND (10)] of  
16 this section [,] if the subject of the prohibited act involves [FOOD OR] cosmetics [,  
17 AND THE PROVISIONS OF PARAGRAPH (a)(12) OF THIS SECTION]. This  
18 subsection does not limit the authority of peace officers.

19 \* Sec. 24. AS 17.20.290 is amended by adding a new subsection to read:

20 (d) The commissioner of natural resources or a designee of the commissioner  
21 is responsible for enforcing (a)(1) - (4) and (6) - (10) of this section if the subject of  
22 the prohibited act involves food and for enforcing (a)(12) of this section. This  
23 subsection does not limit the authority of peace officers.

24 \* Sec. 25. AS 17.20.345(c) is amended to read:

25 (c) A person who donates to a food bank salmon from a hatchery that operates  
26 under a permit issued under AS 16.10.400 - 16.10.470 is immune from liability as  
27 provided in this section if the salmon is apparently fit for human consumption at the  
28 time of its donation, even if the hatchery does not have a permit issued by the  
29 Department of Natural Resources [ENVIRONMENTAL CONSERVATION] under  
30 this chapter or other statute to process fisheries products for human consumption.

31 \* Sec. 26. AS 17.20.350 is amended to read:

1           **Sec. 17.20.350. Report of minor violations.** Nothing in this chapter requires  
2           [EITHER] the commissioner of environmental conservation, the commissioner of  
3           natural resources, or the commissioner of health and social services, as the case may  
4           be, to report minor violations of their respective portions of this chapter for  
5           prosecution, or for the institution of libel or injunction proceedings, when that  
6           commissioner believes that the public interest will be adequately served by a suitable  
7           written notice or warning.

8           \* **Sec. 27.** AS 17.20.360 is amended to read:

9           **Sec. 17.20.360. Attorney general to prosecute; hearing before report of**  
10           **criminal violation.** The attorney general, to whom the commissioner of environmental  
11           conservation, the commissioner of natural resources, or the commissioner of health  
12           and social services, as the case may be, reports a violation of this chapter, shall  
13           institute appropriate proceedings in the superior court without delay and prosecute  
14           them in the manner required by law. Before a violation of this chapter is reported to  
15           the attorney general, the person against whom the proceeding is contemplated shall be  
16           given appropriate notice and an opportunity to respond to the appropriate  
17           commissioner, orally or in writing, in person or by attorney, with regard to the  
18           contemplated proceeding.

19           \* **Sec. 28.** AS 41.23.130 is amended to read:

20           **Sec. 41.23.130. Hatcher Pass Public Use Area.** The vacant and  
21           unappropriated state-owned land and water and the state land and water acquired in the  
22           future that lie within the boundaries described in this section are designated as the  
23           Hatcher Pass Public Use Area, are reserved for all uses compatible with their primary  
24           function as public use land, and are assigned to the department for control and  
25           management:

26           Township 19 North, Range 1 East, Seward Meridian

27           Section 1: NW1/4NW1/4, NW1/4NE1/4NW1/4, W1/2SW1/4NW1/4,  
28           NE1/4SW1/4NW1/4

29           Section 2: NE1/4, SE1/4NW1/4, SE1/4NE1/4NW1/4,  
30           SE1/4SW1/4NW1/4, SW1/4 exclusive of S1/2SW1/4SW1/4,  
31           NW1/4SE1/4, SW1/4SE1/4, NW1/4SE1/4SE1/4,

1 W1/2NE1/4SE1/4, NE1/4NE1/4SE1/4  
 2 [SECTION 10: E1/2E1/2]  
 3 Section 11: W1/2, NW1/4NE1/4, exclusive of Tract A  
 4 Section 14: W1/2, exclusive of Tract A  
 5 [SECTION 15: E1/2E1/2]  
 6 [SECTION 22: E1/2E1/2]  
 7 Section 23: W1/2  
 8 Section 26: W1/2SW1/4, SW1/4NW1/4  
 9 [SECTION 27: E1/2E1/2]  
 10 Township 20 North, Range 1 East, Seward Meridian  
 11 Section 25: S1/2S1/2SE1/4  
 12 Section 35: SE1/4, SE1/4SE1/4NE1/4  
 13 Section 36: NE1/4, SW1/4, E1/2NW1/4, SW1/4NW1/4,  
 14 SE1/4NW1/4NW1/4, NW1/4SE1/4, NW1/4NE1/4SE1/4,  
 15 NW1/4SW1/4SE1/4  
 16 Township 20 North, Range 2 East, Seward Meridian  
 17 Section 9: E1/2SE1/4, E1/2SW1/4SE1/4, SE1/4SE1/4NE1/4  
 18 Section 10: W1/2SW1/4, E1/2NW1/4, SW1/4NW1/4,  
 19 E1/2NW1/4NW1/4, W1/2NE1/4SW1/4, NW1/4NE1/4,  
 20 NW1/4SW1/4NE1/4  
 21 Section 15: W1/2W1/2NW1/4  
 22 Section 16: SE1/4, E1/2NE1/4, E1/2W1/2NE1/4  
 23 Section 21: E1/2SW1/4, E1/2SW1/4SW1/4, SW1/4SW1/4SW1/4,  
 24 SE1/4NW1/4SW1/4, NW1/4SE1/4, W1/2SW1/4SE1/4,  
 25 NE1/4SW1/4SE1/4, W1/2NE1/4, W1/2NE1/4NE1/4,  
 26 NW1/4SE1/4NE1/4, SE1/4NW1/4, E1/2NE1/4NW1/4,  
 27 SW1/4NE1/4NW1/4  
 28 Section 28: NW1/4, W1/2NW1/4NE1/4, NW1/4SW1/4,  
 29 NW1/4SW1/4SW1/4, NW1/4NE1/4SW1/4  
 30 Section 29: E1/2SE1/4, SE1/4NE1/4, SW1/4SE1/4, S1/2 NW1/4SE1/4,  
 31 NE1/4NW1/4SE1/4, S1/2SW1/4, S1/2NE1/4SW1/4

1 Section 30: S1/2S1/2S1/2, S1/2SE1/4

2 Section 31: NW1/4, N1/2NE1/4, N1/2S1/2NE1/4

3 Section 32: N1/2NW1/4, N1/2SW1/4NW1/4, NW1/4NW1/4NE1/4.

4 \* Sec. 29. AS 44.37 is amended by adding a new section to read:

5 Sec. 44.37.032. Fees for certain services. The Department of Natural  
6 Resources may adopt regulations that prescribe reasonable fees, and establish  
7 procedures for the collection of the fees, to cover the applicable direct costs, not  
8 including travel, of inspections, permit preparation and administration, plan review and  
9 approval, and other services provided by the department relating to agriculture and  
10 animals under AS 03.05.

11 \* Sec. 30. AS 44.46.025(a) is amended to read:

12 (a) The Department of Environmental Conservation may adopt regulations that  
13 prescribe reasonable fees, and establish procedures for the collection of the fees, to  
14 cover the applicable direct costs, not including travel, of inspections, permit  
15 preparation and administration, plan review and approval, and other services provided  
16 by the department relating to

17 (1) [AGRICULTURE AND ANIMALS UNDER AS 03.05; FOOD,]  
18 drugs [,] and cosmetics under AS 17.20, [;] and public accommodations and facilities  
19 under AS 18.35;

20 (2) certificates of inspection for motor vehicles under AS 46.14.400 or  
21 46.14.510;

22 (3) sewerage system and treatment works and wastewater disposal  
23 systems, and drinking water systems, under AS 46.03.720;

24 (4) [REPEALED

25 (5) REPEALED

26 (6)] water and wastewater operator training under AS 46.30;

27 (5) [(7)] control of solid waste facilities under AS 46.03.020(10) and  
28 46.03.100;

29 (6) [(8)] certification of laboratories conducting environmental analyses  
30 of public drinking water systems or of oil or hazardous substances [,] or conducting  
31 other analyses required by the department;

1                   (7) [(9)] certification of federal permits or authorizations under 33  
2                   U.S.C. 1341 (sec. 401, Clean Water Act).

3       \* **Sec. 31.** AS 44.46.025(d) is amended to read:

4                   (d) Notwithstanding (a) of this section, the department may not charge a fee  
5                   for inspection, permit preparation and administration, plan review and approval, or  
6                   other services provided by the department under [AS 03.05 OR] AS 44.46.020(5) to  
7                   a school. In this subsection, "school" means a public school or private school for  
8                   children of school age, as defined in AS 14.03.070, or a head start center that receives  
9                   federal financial assistance under 42 U.S.C. 9835.

10       \* **Sec. 32.** AS 03.05.020(b), 03.05.040(b), 03.05.050(b), 03.05.060(b), 03.05.080(b);  
11 AS 03.25.250; and AS 03.58.070(1) are repealed.

12       \* **Sec. 33.** AVAILABILITY OF HATCHER PASS PUBLIC USE AREA LAND FOR  
13 GENERAL GRANT LAND ENTITLEMENT OF THE MATANUSKA-SUSITNA  
14 BOROUGH. Notwithstanding the reservation of land, designation of the reserved land as the  
15 Hatcher Pass Public Use Area, and assignment of control and management of the land to the  
16 Department of Natural Resources made by AS 41.23.130, and notwithstanding selection  
17 procedures applicable to municipal general grant land entitlements under AS 29.65.010 -  
18 29.65.140, the following land within Township 19 North, Range 1 East, Seward Meridian, that  
19 is part of the Hatcher Pass Public Use Area is available for selection and conveyance to the  
20 Matanuska-Susitna Borough to fulfill the borough's general grant land entitlement under  
21 AS 29.65.010 - 29.65.140:

- 22                   Section 2: S1/2SW1/4SW1/4
- 23                   Section 10: E1/2E1/2
- 24                   Section 11: Tract A
- 25                   Section 14: Tract A
- 26                   Section 15: E1/2E1/2
- 27                   Section 22: E1/2E1/2
- 28                   Section 27: E1/2E1/2

29       \* **Sec. 34.** TRANSITION. (a) All litigation, hearings, investigations, and other  
30 proceedings pending under a law amended or repealed by this Act, or in connection with  
31 functions transferred by this Act, continue in effect and may be continued and completed

1 notwithstanding an amendment or a repeal provided for in this Act.

2 (b) Certificates and orders issued under authority of a law amended or repealed by this  
3 Act remain in effect for the term issued, or until revoked, vacated, or otherwise modified  
4 under the provisions of this Act.

5 (c) Regulations in effect on June 30, 1999, that were adopted to implement a function  
6 that is transferred by this Act remain in effect and shall be enforced by the agency to which  
7 the function is transferred under this Act until amended by the agency to which the function  
8 is transferred.

9 (d) Wherever in Alaska Statutes affected by this Act there is a reference to regulations  
10 adopted under a section of law and there are no regulations adopted under that section because  
11 previous regulations adopted under another section are being enforced under (c) of this  
12 section, the reference shall be construed to refer to the previously adopted regulations until  
13 they are amended by the new agency.

14 (e) All contracts, rights, liabilities, and obligations created by or under a law amended  
15 or repealed by this Act, and in effect on July 1, 1999, remain in effect notwithstanding this  
16 Act's taking effect.

17 (f) Records, equipment, appropriations, and other property of agencies of the state  
18 whose functions are transferred under this Act shall be transferred commensurate with the  
19 provisions of this Act.

20 \* **Sec. 35.** Sections 1 - 27 and 29 - 33 of this Act take effect July 1, 1999.

21 \* **Sec. 36.** Section 28 of this Act takes effect on the date of conveyance by the Department  
22 of Natural Resources to the Matanuska-Susitna Borough of all land described in sec. 33 of this  
23 Act. The commissioner of natural resources shall promptly notify the revisor of statutes of  
24 the conveyance made by the Department of Natural Resources to the Matanuska-Susitna  
25 Borough of land described in sec. 33 of this Act.



# ALASKA STATE LEGISLATURE

**SENATOR RANDY PHILLIPS**  
**SENATE DISTRICT L**

Session (Jan-May)  
State Capitol, Room 103  
Juneau, Alaska 99801  
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## Sponsor Statement

### SB 132

Senate Bill 132, by the Senate Finance Committee, investigates the possible efficiencies to the organization of state government by bringing the Animal Industries staff and workload from the Department of Environmental Conservation into the Division of Agriculture in the Department of Natural Resources.

The bill does not change policy for ADEC or DNR. It merely shifts responsibility from one to the other.

# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. SB 132

Revision Date: \_\_\_\_\_ Dept Affected: Natural Resources  
 Title: Transferring Certain DEC Functions ERU: Agricultural Development  
 Component: Agricultural Development  
 Sponsor: (S) FIN  
 Requestor: (S) RES Component Serial No. #455

Expenditures/Revenues (Inflation not included unless otherwise noted below) (Thousands of Dollars)

OPERATING EXPENDITURES	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
PERSONAL SERVICES	25.0	25.0	25.0	25.0	25.0	25.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES (fund code)						
--------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	25.0	25.0	25.0	25.0	25.0	25.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

Estimate of any current year (FY99) cost: \$ none

**POSITIONS**

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

ANALYSIS: (Attach a separate page if necessary)

Transfers responsibilities for live animal inspection, quarantine and destruction from DEC to DNR. The Division of Agriculture in DNR would require a new part-time veterinarian position in order to perform these duties.

Prepared by: Robert Wells, Director *Robert Wells* Phone: 745-7200  
 Division: Agriculture Date: 14-Apr-99  
 Approved by Commissioner: *Robert Wells* Date: 4/14/99  
 Agency: Natural Resources

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# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. SB 132

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Environmental Conservation  
 Title Transferring Certain DEC Functions BRU Environmental Health  
 Component Food Safety and Sanitation  
 Sponsor Senate Finance  
 Requester Senate Resources Component Serial No. 2343

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by Janice Adair, Director Phone 269-7644  
 Division Environmental Health Date/Time 4/12/99 1:02 PM  
 Approved by Commissioner Michele Brown Date 4/12/99  
 Agency Department of Environmental Conservation

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## **Component: Food Safety & Sanitation**

**Manager: Janice Adair, Director**

Tel: (907) 269-7645 Fax: (907) 269-7654 E-mail: JAdair@envircon.state.ak.us

### **Component Mission**

To promote safe food processing, service and sales, and safe and sanitary public facilities.

### **Component Services Provided**

- License and inspect commercial food processors, service and sales facilities.
- Establish public health sanitation standards for food and public facilities such as day care centers, adult residential facilities, pools and spas, schools, and overnight accommodations.
- Provide education and outreach to the general public to help them understand their role in safe food preparation, and safe and sanitary facilities.

### **Component Goals and Strategies for FY2000**

- 1) **SUCCESSFULLY IMPLEMENT MANDATORY HAZARD ANALYSIS CRITICAL CONTROL POINT (HACCP) PROGRAM FOR SEAFOOD AND MEAT PROCESSORS.** HACCP is a food safety system based on prevention. Prevention is essential for food safety because testing every product for bacteria, chemical, and foreign object contamination is impractical, time consuming and cost prohibitive. HACCP consists of identifying food safety hazards that are reasonably likely to occur in a food process, creating the controls to prevent the hazard, then monitoring those controls.
  - Provide federally approved HACCP and microbiological training for inspection staff to ensure they have a working knowledge of food safety hazards.
  - Work closely with FDA and USDA to resolve issues raised by industry and by inspection staff.
  - Provide technical assistance and training to help operators fully understand HACCP and basic food science.
- 2) **CONTINUE LOW RATE OF CONFIRMED FOOD BORNE ILLNESS OUTBREAKS ASSOCIATED WITH COMMERCIAL FOOD SUPPLY.**
  - Provide education and outreach to industry and the public on food safety hazards.
  - Inspect high risk facilities according to risk-based inspection frequency.
  - Immediately respond to critical violations with appropriate action.

### **Key Component Issues for FY1999 – 2000**

Inspections are the cornerstone of any food safety and sanitation program. They allow inspectors to work with operators to help them meet their obligations to the public to provide a safe product and to prevent disease outbreaks through poor sanitary conditions. Additional resources are needed to increase the inspection frequency of high-risk facilities, which are those that because of the process used or clients served present the greatest risks to public health. They include thermal processors, food smokers, full service restaurants, hospitals and nursing homes, schools, day care facilities, pools and spas. Currently, none are inspected at the level called for by our risk-based inspection frequency protocol.

HACCP is mandated by state and federal law for both seafood and red meat. However, no funding has been provided to the state to assure operators are trained in HACCP. While there has been some HACCP training for seafood provided by ASMI and trade organizations, it is not readily available in all areas of the state and many seafood processors are in need of additional training. The USDA does not plan to provide any training for meat processors.

### **Major Component Accomplishments for FY1998**

The Food Safety and Sanitation program instituted a recognition program for restaurants that exceed minimum public health requirements.

We completely revamped food safety information on our website; our food safety page was the only state page picked up by MSNBC as a hotlink during its egg safety awareness campaign.

We developed and instituted a risk-based inspection protocol for all food and public facilities.

The Food Safety and Sanitation program worked with bottled water processors to jointly develop definitions for "glacier water" and "glacier-blend water." (We will be petitioning FDA to adopt our definitions on a national basis.)

### **Statutory and Regulatory Authority**

AS 03.05, AS 17.05, AS 17.07, AS 17.20, AS 18.35, AS 44.46.020-025, 18 AAC 30, 18 AC 31, 18 AAC 32, 18 AAC 34, 18 AAC 36

**Food Safety & Sanitation**

**Resource Summary**

*All dollars in thousands*

	FY1998 Actuals	FY1999 Authorized	FY2000 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	2,946.1
72000 Travel	0.0	0.0	325.4
73000 Contractual	0.0	0.0	429.8
74000 Supplies	0.0	0.0	79.3
75000 Equipment	0.0	0.0	30.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>3,811.2</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	0.0	0.0	494.1
1003 General Fund Match	0.0	0.0	244.1
1004 General Fund Receipts	0.0	0.0	1,940.5
1005 General Fund/Program Receipts	0.0	0.0	1,132.5
1036 Commercial Fishing Loan Fund	0.0	0.0	0.0
<b>Funding Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>3,811.2</b>

**Estimated Food Safety & Sanitation Revenue Collections**

Description	Master Revenue Account	FY1998 Actuals	FY1999 Authorized	FY1999 Cash Estimate	FY2000 Governor
<b>Unrestricted Revenues</b>					
None.		0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>					
Federal Receipts	51010	0.0	0.0	0.0	494.1
General Fund Program Receipts	51060	0.0	0.0	0.0	1,132.5
<b>Restricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,626.6</b>
<b>Total Estimated Revenues</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,626.6</b>

**Food Safety & Sanitation**

**Proposed Changes in Levels of Service for FY2000**

The Animal Industries and Seafood & Sanitation Inspection components have been consolidated into a new component called Food Safety and Sanitation. There is little distinction between the accomplishments and activities of these components, causing repetition in budget presentation. We are finding that most potential performance measures are similar if not the same. Both components share staff, have the same basic requirements for knowledge, skills and abilities and, are involved in ensuring a safe food supply. Together they represent the bulk of our food safety efforts.

Inspections of facilities that represent the highest risk to public health occur about once every 18 - 24 months. This is not adequate to protect public health. The state has developed a risk based inspection protocol indicating that these high risk facilities should be inspected 4 times per year to ensure adequate prevention. To increase the frequency of our inspections for just these high risk facilities, 4 additional staff are needed. The requested increase in program receipts does NOT require a fee increase. These receipts are available from current collections in excess of our present authority and from an increased numbers of facilities.

**Component — Summary of Budget Changes**

**From FY1999 Authorized to FY2000 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY1999 Authorized</b>	0.0	0.0	0.0	0.0
<b>Adjustments which get you to start of year:</b>				
-Commercial Fishing Loan Fund changed to General Funds	175.0	0.0	-175.0	0.0
<b>Adjustments which will continue current level of service:</b>				
-Transfer funding, 36 PFT and 2 PPT PCNs from Sea/San	2,496.0	112.3	175.0	2,783.3
-Transfer in 8 PCNs and Funding from Animal Industries	316.1	381.8	0.0	697.9
<b>Proposed budget increases:</b>				
-High Risk Inspection Frequency	330.0	0.0	0.0	330.0
<b>FY2000 Governor</b>	<b>3,317.1</b>	<b>494.1</b>	<b>0.0</b>	<b>3,811.2</b>

**Food Safety & Sanitation**

**Component — Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY1999 Authorized	FY2000 Governor		
Full-time	0	48	Annual Salaries	2,362,569
Part-time	0	2	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	770,982
			<i>Less 5.98% Vacancy Factor</i>	(187,451)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>0</b>	<b>50</b>	<b>Total Personal Services</b>	<b>2,946,100</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	1	0	1	3
Administrative Clerk III	1	1	0	0	2
Environ Conserv Mgr II	1	1	0	0	2
Environ Health Off II	7	4	2	11	24
Environ Health Off III	2	2	1	8	13
Environ Health Off IV	2	0	0	0	2
Environmental Tech II	0	1	0	0	1
Paralegal Asst II	1	0	0	0	1
Research Analyst II	0	1	0	0	1
Veterinarian	0	0	0	1	1
<b>Totals</b>	<b>15</b>	<b>11</b>	<b>3</b>	<b>21</b>	<b>50</b>

**Animal Industries  
Resource Summary**

*All dollars in thousands*

	FY1998 Actuals	FY1999 Authorized	FY2000 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	465.7	535.5	0.0
72000 Travel	24.6	51.2	0.0
73000 Contractual	80.3	100.1	0.0
74000 Supplies	16.5	10.6	0.0
75000 Equipment	1.0	0.5	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>588.1</b>	<b>697.9</b>	<b>0.0</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	277.7	381.8	0.0
1003 General Fund Match	239.3	244.1	0.0
1004 General Fund Receipts	66.3	46.8	0.0
1005 General Fund/Program Receipts	2.5	25.1	0.0
1053 Investment Loss Trust Fund	2.3	0.1	0.0
<b>Funding Totals</b>	<b>588.1</b>	<b>697.9</b>	<b>0.0</b>

**Estimated Animal Industries Revenue Collections**

Description	Master Revenue Account	FY1998 Actuals	FY1999 Authorized	FY1999 Cash Estimate	FY2000 Governor
<b>Unrestricted Revenues</b>					
None.		0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>					
Federal Receipts	51010	277.7	381.8	381.8	0.0
General Fund Program Receipts	51060	2.5	25.1	25.1	0.0
<b>Restricted Total</b>		<b>280.2</b>	<b>406.9</b>	<b>406.9</b>	<b>0.0</b>
<b>Total Estimated Revenues</b>		<b>280.2</b>	<b>406.9</b>	<b>406.9</b>	<b>0.0</b>

**Animal Industries**

**Proposed Changes in Levels of Service for FY2000**

The Animal Industries and Seafood & Sanitation Inspection components have been consolidated into a new component called Food Safety and Sanitation. There is little distinction between the accomplishments and activities of these components, causing repetition in budget presentation. We are finding that most potential performance measures are similar if not the same. Both components share staff, have the same basic requirements for knowledge, skills and abilities and, are involved in ensuring a safe food supply. Together they represent the bulk of our food safety efforts.

**Component — Summary of Budget Changes**

**From FY1999 Authorized to FY2000 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY1999 Authorized</b>	<b>316.1</b>	<b>381.8</b>	<b>0.0</b>	<b>697.9</b>
<b>Adjustments which will continue current level of service:</b>				
-Change Investment Loss Trust Fund to General Fund	0.0	0.0	0.0	0.0
-PR/GF FS SWITCH/SSI	0.0	0.0	0.0	0.0
-Transfer 8 PCN's and funding to Food Safety & Sanitation	-316.1	-381.8	0.0	-697.9
<b>FY2000 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Animal Industries**

**Component — Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY1999 Authorized	FY2000 Governor		
Full-time	8	0	Annual Salaries	0
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	0
			Less 0.00% Vacancy Factor	(0)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>8</b>	<b>0</b>	<b>Total Personal Services</b>	<b>0</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Seafood and Sanitation Inspections**

**Resource Summary**

*All dollars in thousands*

	FY1998 Actuals	FY1999 Authorized	FY2000 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	2,129.3	2,187.7	0.0
72000 Travel	197.8	246.2	0.0
73000 Contractual	682.7	281.2	0.0
74000 Supplies	25.8	63.1	0.0
75000 Equipment	25.2	5.1	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>3,060.8</b>	<b>2,783.3</b>	<b>0.0</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	93.3	112.3	0.0
1004 General Fund Receipts	1,685.8	1,535.5	0.0
1005 General Fund/Program Receipts	1,267.4	957.4	0.0
1036 Commercial Fishing Loan Fund	0.0	175.0	0.0
1053 Investment Loss Trust Fund	14.3	3.1	0.0
<b>Funding Totals</b>	<b>3,060.8</b>	<b>2,783.3</b>	<b>0.0</b>

**Estimated Seafood and Sanitation Inspections Revenue Collections**

Description	Master Revenue Account	FY1998 Actuals	FY1999 Authorized	FY1999 Cash Estimate	FY2000 Governor
<b>Unrestricted Revenues</b>					
None.		0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>					
Federal Receipts	51010	93.3	112.3	112.3	0.0
General Fund Program Receipts	51060	1,267.4	957.4	1,268.5	0.0
<b>Restricted Total</b>		<b>1,360.7</b>	<b>1,069.7</b>	<b>1,380.8</b>	<b>0.0</b>
<b>Total Estimated Revenues</b>		<b>1,360.7</b>	<b>1,069.7</b>	<b>1,380.8</b>	<b>0.0</b>

**Seafood and Sanitation Inspections**

**Proposed Changes in Levels of Service for FY2000**

The Animal Industries and Seafood & Sanitation Inspection components have been consolidated into a new component called Food Safety and Sanitation. There is little distinction between the accomplishments and activities of these components, causing repetition in budget presentation. We are finding that most potential performance measures are similar if not the same. Both components share staff, have the same basic requirements for knowledge, skills and abilities and, are involved in ensuring a safe food supply. Together they represent the bulk of our food safety efforts.

**Component — Summary of Budget Changes**

**From FY1999 Authorized to FY2000 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY1999 Authorized</b>	<b>2,496.0</b>	<b>112.3</b>	<b>175.0</b>	<b>2,783.3</b>
<b>Adjustments which will continue current level of service:</b>				
-Change Investment Loss Trust Fund to General Fund	0.0	0.0	0.0	0.0
-PR/GF FS SWITCH/AI	0.0	0.0	0.0	0.0
-Transfer funding, 36 PFT and 2 PPT PCNs to Food Safety	-2,496.0	-112.3	-175.0	-2,783.3
<b>FY2000 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Seafood and Sanitation Inspections**

**Component — Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY1999 Authorized	FY2000 Governor		
Full-time	37	0	Annual Salaries	0
Part-time	1	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	0
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>38</b>	<b>0</b>	<b>Total Personal Services</b>	<b>0</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency:  
Department of Natural Resources

BRU:  
Agricultural Development

CONTACT: Robert Weiss

**SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:**

Agricultural development supports the Alaska agriculture industry. The Division of Agriculture is a one-stop center for Alaska agriculture. The division provides opportunity for local producers and marketers of food, fiber, and revegetation materials. Ultimately, this translates into expansion of the economy by providing stability and consistency to Alaska farmers by increasing import substitution through the development of Alaska agriculture in commodity areas where increased production is economically viable and human innovation is focused on resource-based activity. The Alaska consumer is the beneficiary of freshness, quality, and competition.

Agricultural assets and development projects are managed to facilitate privatization, maximize returns to the state, and promote economically viable growth of the industry.

FY00 will see continuation of the disposal of repossessed personal and real property to the private sector. This program will expand new resource development opportunities within the agricultural industry.

The Agricultural Revolving Loan Fund is an agricultural bank extending credit to borrowers based on their ability to repay. The director manages this program which is in its own BRU.

This BRU has two components: (1) Agricultural Development provides services aimed at improving agriculture enterprises. (2) North Latitude Plant Materials Center provides basic support for Alaska agriculture through testing, production and development of plant materials. The division also manages the Agricultural Revolving Loan Program Administration BRU.

**SUMMARY OF BRU ISSUES:**

Lack of General Funds to perform services and responsibilities and continued use of Agricultural Revolving Loan Fund source creates a long term negative impact on the ARLF program.

Major issues include land availability, simplified regulatory services, marketing services, lending programs, and cooperation with other agencies involved in resource development.

Inspection and marketing activities enable Alaska's agricultural products to be sold commercially. This provides for Alaskan farmers and processors to grow and process crops and commodities and realize opportunities to market new commodities and products. Individuals would not be able to market these items without the Division of Agriculture's assistance.

Demand for inspection services are increasing. New farms statewide have produced opportunities in the vegetable, meat and milk areas. Increased production will impact both the Fairbanks and central office inspection staff.

**BRU  
OVERVIEW**

AGENCY Natural Resources

BRU Agricultural Development

Page 1 of 2

Revised Date:

**FY00**

0000372

**CONTINUATION OF BRU OVERVIEW**

**SUMMARY OF BRU ISSUES:**

Land conservation services aim to provide soil and water resource and make available to the private sector lands that are suitable for agriculture in sufficient amounts to permit and encourage viable enterprises. The long-term economic value of these lands is protected through the use of contractual farm conservation plans.

The Plant Materials Center provides stability in seed and potato production. It is also the leading marketing entity for native seed procured by Alaska seed growers. The PMC has a wide reaching impact on Alaska residents. Lack of suitable revegetation material will become a limiting factor in some types of resource development in the near future. Reclamation in the north frequently requires difficult-to-obtain plants and development of unconventional revegetation methods. In addition, seedlings, work with vegetable, berries, and revegetation plants can provide opportunities for producers to compete successfully in the market place. Locally adapted, high-yielding grain, seed and forage plants are also in demand. Current local productions is meeting less than 50 percent of overall demand. These are accomplished through Applied North Latitude Plant Material Center.

**ADDITIONAL  
EXPLANATION  
FORM**

AGENCY Natural Resources

BRU Agricultural Development

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Revised Date:

**FY00**

000003

Agency:  
Department of Natural Resources

BRU:  
Agricultural Development

Component:  
Agricultural Development

CONTACT: Robert Wells

745-7200

**COMPONENT GOALS:**

Provide marketing and production expertise to Alaska growers increasing their ability to market Alaskan grown products and maintain viable farms.

Provide testing, production, development and distribution of materials to resource industries, meeting environmental requirements, and developing a native seed industry.

Conduct field inspection for contract compliance with farm development and farm conservation plans. Promote disposal and lease of agricultural and grazing lands.

Maintain effective marketing service programs, providing quality assurance of production.

Regulate and control the entry of potentially harmful plants and products.

**EXPENDITURES:**

Personal Services	695.0	760.2	760.2
Other Program Costs	937.3	399.6	398.2
<b>Total</b>	<b>1,632.3</b>	<b>1,159.8</b>	<b>1,158.4</b>

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 GOVERNOR
Personal Services	695.0	760.2	760.2
Other Program Costs	937.3	399.6	398.2
<b>Total</b>	<b>1,632.3</b>	<b>1,159.8</b>	<b>1,158.4</b>

**FUNDING SOURCES:**

Federal Receipts	157.3	120.8	219.4
General Fund Match			
General Fund	28.1	103.5	28.5
GF Program Receipts	190.8	217.3	217.3
ARLF	371.1	635.7	635.7
Other Funds	885.0	82.5	57.5
<b>Total</b>	<b>1,632.3</b>	<b>1,159.8</b>	<b>1,158.4</b>

Federal Receipts	157.3	120.8	219.4
General Fund Match			
General Fund	28.1	103.5	28.5
GF Program Receipts	190.8	217.3	217.3
ARLF	371.1	635.7	635.7
Other Funds	885.0	82.5	57.5
<b>Total</b>	<b>1,632.3</b>	<b>1,159.8</b>	<b>1,158.4</b>

**STAFFING:**

Permanent Full-Time	9.0	11.0	11.0
Permanent Part-time	3.0	2.0	2.0
Temporary			

Permanent Full-Time	9.0	11.0	11.0
Permanent Part-time	3.0	2.0	2.0
Temporary			

**DESCRIPTION OF COMPONENT SERVICES:**

The Division of Agriculture, in cooperation with industry representatives and at the direction of the Commissioner of the Department of Natural Resources, administers the Governor's agricultural policy for Alaska. The division seeks to create opportunities by providing consistency and stability in state agricultural programs. The agricultural assets owned by the division are managed to encourage privatization, maximize return to the state, and promote economically viable development.

**DESCRIPTION OF COMPONENT CHANGES:**

Agricultural Inspector I position was added in the FY99 budget process.

Increase / Federal receipts for Marketing Alaska Grown Products Program - \$50.0 - Contractual \$46.0, Travel \$1.0, Supplies \$3.0.

Increase / Federal receipts for Inspection Services - \$48.6 to reflect increased activity and revenue - Contractual \$45.6, Travel \$3.0.

Decrease / GF for Produce Certification Project \$75.0 - Contractual.

Decrease / Statutory Designated Program Receipts for Produce Certification Project- \$25.0 - Contractual

**COMPONENT GOALS  
AND SERVICES**  
Form CF1

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

COMPONENT AGRICULTURAL DEVELOPMENT #455

Page 1 of 1

Revised Date:

**FY00**

000050.1

**CONTACT:**

Robert Wells

745-7200

**OBJECTIVES AND ACCOMPLISHMENT MEASURES:**

Provide leadership and create opportunity for economic development, wholesaler, retailer, processor, farm industry meetings, and directories, plus Agricultural Symposium.

Conserve soil and water resources in the state; conduct field inspection for contract compliance with farm development and conservation plans; Natural Resources Conservation and Development Board meetings and federal funding coordination for resource planning; coordinating ten Soil and Water district operations.

Maximize import substitutions of cost competitive Alaskan products; identify and influence demand for cost competitive local products and stimulate production; facilitate slaughter house and farmer's coop operation to service infrastructure needs; provide grading service to maintain quality of local production; prepare biennially Food and Farm Products Directory.

Assist industry with compliance with environmental regulations in revegetation and erosion control; provide seed industry and seed users with northern latitude adapted species; techniques for reclamation and erosion control; increase stocks of foundation seed and grass for commercial production.

Comply with state and federal regulations; provide quality control for agricultural production through inspections and grading services; over three thousand produce inspections for USDA grade and buyer specifications; field inspections for seed certification and disease control; issue phyto sanitary certificates on export products from the agriculture industry; produce information and training on packaging and quality control. Encourage use of local products by state and federal agencies.

Provide an expanded agriculture base by preparing 20 new land disposal packages and 12 lease opportunities on grass land areas.

Privatization of the Matanuska Maid Creamery and Mt. McKinley Meats is under consideration. These facilities play a major role in the survival of the livestock industry in Alaska and operate with a business orientation, but we encourage private investors who will protect the interest of Alaskan milk and meat producers.

**STATUTORY/REGULATORY CITATIONS**

AS 03	AS 03.22	AS 03.10	AS 41.10	AS 38.05
AS 41.17				

**COMPONENT  
OBJECTIVES AND  
ACCOMPLISHMENT  
MEASURES**  
Form CF2

AGENCY NATURAL RESOURCESBRU AGRICULTURAL DEVELOPMENTCOMPONENT AGRICULTURAL DEVELOPMENT #455

Page 1 of 1

Revised Date:

FY00

0000805

DESCRIPTIVE TITLE: Transfer funds to the Information Resource Management component for increased Information Technology salary costs

<b>FROM</b>		<b>TO</b>
AGENCY Natural Resources		AGENCY Natural Resources
BRU Agricultural Development		BRU Information/Data Management
COMPONENT Agricultural Development #455		COMPONENT Information Resource Management #427

<b>DESCRIPTION:</b> General fund in the amount of \$75.0 is transferred from the Agricultural Development component to the Information Resource Management component in FY00.  The \$75.0 was an appropriation made by the Legislature in FY99 for produce and field certification for export. This amount was transferred via an RSA from the Agricultural Development budget to the University of Alaska, to support their produce export program in FY99.	<b>Amount</b>	<b>EXPENDITURES</b>	<b>Amount</b>	<b>DESCRIPTION:</b> General fund in the amount of \$75.0 is transferred from the Agricultural Development component to the Information Resource Management component in FY00.  The \$75.0 was an appropriation made by the Legislature in FY99 for produce and field certification for export. This amount was transferred via an RSA from the Agricultural Development budget to the University of Alaska, to support their produce export program in FY99.
	(75.0)	Personal Services Travel Contractual Supplies Equipment Lands & Buildings Grants & Claims Miscellaneous	75.0	
	(75.0)	Total	75.0	
	<b>FUNDING SOURCES</b>			
With the reality of declining oil prices and declining state budgets, an effort to reprioritize some of DNR's general fund programs resulted in this transfer. The funding will be used by the Information Resource Management component to fund the recent 7% increase in cost to pay Information Technology (IT) positions at comparable wages with private sector. Without this transfer, the IRM component may be forced to layoff one Analyst Programmer position to accommodate the salary increase. This \$75.0 only keeps IRM at status-quo.	(75.0)	1002 Federal Receipts 1003 General Fund Match 1004 General Fund 1005 GF Program Receipts 1007 IA Receipts 1021 ARLF 1061 CIP Receipts 1108 Stat Des Prg Rcpts	75.0	With the reality of declining oil prices and declining state budgets, an effort to reprioritize some of DNR's general fund programs resulted in this transfer. The funding will be used by the Information Resource Management component to fund the recent 7% increase in cost to pay Information Technology (IT) positions at comparable wages with private sector. Without this transfer, the IRM component may be forced to layoff one Analyst Programmer position to accommodate the salary increase. This \$75.0 only keeps IRM at status-quo.
	(75.0)	Total	75.0	
	<b>STAFFING</b>			
		Permanent Full-Time Permanent Part-time Temporary		

**TRANSFER WITHIN  
ADJUSTED BASE  
Form C<sup>1</sup>**

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

COMPONENT AGRICULTURAL DEVELOPMENT #455

Page 1 of 1  
Revised Date:

FY00

0000806

**TITLE:** Marketing Alaska Grown Products federal program

**DESCRIPTION:**

The federal government through USDA has made marketing funds available. In FY99 the Division of Agriculture participated in an intern program through cooperation with the University of Alaska. Producers, wholesalers and retailers were contacted and met to encourage the use of and promote Alaskan produced food. Alaska Grown promotional and informational materials were made available and restocked through this program. The Division will obtain additional meat inspection expertise through training made available with this funding. The Division of Agriculture continues to encourage the use of the Alaska products. This program will become increasingly important as proposed mergers in the grocery business create changes in the way we do business in the state. The Division of Agriculture will work to increase public awareness of Alaska Grown food products. New opportunities have been identified in organic production and the Division is working with producer groups to enhance this program and fit the federal guidelines into the Alaska farm industry.

Project impacted Marketing Alaska Grown Products

**EXPENDITURES**

Personal Services	
Travel	1.0
Contractual	46.0
Supplies	3.0
Equipment	
Lands & Buildings	
Grants & Claims	
Miscellaneous	
<b>Total</b>	<b>50.0</b>

**FUNDING SOURCES**

1002 Federal Receipts	50.0
1003 General Fund Match	
1004 General Fund	
1005 GF Program Receipts	
1007 IA Receipts	
1021 ARLF	
1061 CIP Receipts	
1108 Stat Des Prg Rcpts	
<b>Total</b>	<b>50.0</b>

**STAFFING**

Permanent Full-Time	
Permanent Part-time	
Temporary	

**DECREMENT  
or INCREMENT**  
Form C5

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

COMPONENT AGRICULTURAL DEVELOPMENT #455

Page 1 of 1

Revised Date:

**FY00**

000807

**TITLE:** Food and farm product inspection services

**DESCRIPTION:**

Inspection revenue has been generated from produce and egg inspections performed in FY98 and FY99. Cooperative agreements with the USDA, Federal Seed Act, National Plant Board, Agricultural Plant Health and (APHIS) Inspection Services have continued to increase revenue. FY99 saw the addition of an Agricultural Inspector position. New and increased services include training and updating existing and new staff in fresh fruit and vegetable inspection, and renewing required collaborator's licenses which allow inspectors to perform a variety of military and commercial inspections. In addition new inspectors will be trained for the Shell Egg Surveillance program. We expect to expand our service to the military, and grocery wholesalers and retailers statewide. Potential new programs are organic product certification, feed and fertilizer registration as well as increased bee registration and brand program assistance.

Project Impacted is Food and Farm Product Inspection Services.

**EXPENDITURES**

Personal Services	
Travel	3.0
Contractual	45.6
Supplies	
Equipment	
Lands & Buildings	
Grants & Claims	
Miscellaneous	
<b>Total</b>	<b>48.6</b>

**FUNDING SOURCES**

1002 Federal Receipts	48.6
1003 General Fund Match	
1004 General Fund	
1005 GF Program Receipts	
1007 IA Receipts	
1021 ARLF	
1061 CIP Receipts	
1108 Stat Des Prg Rcpts	
<b>Total</b>	<b>48.6</b>

**STAFFING**

Permanent Full-Time  
Permanent Part-time  
Temporary

**DECREMENT  
or INCREMENT**  
Form C5

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

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**TITLE:** Eliminate statutory designated program receipt authority in the Produce Certification project

**DESCRIPTION:**

The Legislature authorized \$25.0 of statutory designated program receipts within the Division of Agriculture for produce and field certification for export. The Division of Agriculture anticipated that these funds would be collected by a non-profit organization through sales of certified potato seed.

No structure appears to have been implemented to transfer these funds by the non-profit organization from the sale of seed potatoes to Taiwan and China. The statutory designated program receipt authorization is unused and is eliminated in the FY00 budget.

EXPENDITURES	
Personal Services	
Travel	
Contractual	(25.0)
Supplies	
Equipment	
Lands & Buildings	
Grants & Claims	
Miscellaneous	
<b>Total</b>	<b>(25.0)</b>
FUNDING SOURCES	
1002 Federal Receipts	
1003 General Fund Match	
1004 General Fund	
1005 GF Program Receipts	
1007 IA Receipts	
1021 ARLF	
1061 CIP Receipts	
1108 Stat Des Prg Rcpts	(25.0)
<b>Total</b>	<b>(25.0)</b>
STAFFING	
Permanent Full-Time	
Permanent Part-time	
Temporary	

**DECREMENT  
or INCREMENT  
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PROJECT NUMBER	PROJECT TITLE	FY98 ACTUAL		FY99 AUTHORIZED		FY00 ADJUSTED BASE		FY00 GOVERNOR	
		GENERAL FUNDS	PROJECT TOTAL	GENERAL FUNDS	PROJECT TOTAL	GENERAL FUNDS	PROJECT TOTAL	GENERAL FUNDS	PROJECT TOTAL
	Director's Office		164.2	28.3	217.7	14.4	219.4	14.4	219.4
	Food & Farm Products Inspections Services		248.3		459.2		443.6		470.2
	Agr Land Conser & Contract Mgmt	218.9	226.9	217.5	261.3	231.4	275.0	231.4	297.0
	Marketing Alaska Grown Products		38.0		40.0		40.0		90.0
	Natural Resource Conservation & Develop.		69.9		81.6		81.8		81.8
	Unbudgeted RSAs		885.0						
	Produce Certification Project			75.0	100.0		25.0		
<b>TOTALS</b>		<b>218.9</b>	<b>1,632.3</b>	<b>320.8</b>	<b>1,159.8</b>	<b>245.8</b>	<b>1,084.8</b>	<b>245.8</b>	<b>1,158.4</b>

**PROJECT LISTING**  
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PROJECT NUMBER:	PROJECT TITLE: Director's Office	LOCATION: Statewide
	AUTHORITY: AS 03	CONTACT: Robert Wells 745-7200

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	138.4	181.4	183.1	183.1
72000 Travel	6.5	5.9	5.9	5.9
73000 Contractual Services	18.1	25.6	25.6	25.6
74000 Supplies and Materials	1.2	4.8	4.8	4.8
75690 Equipment				
75025 Lands/Buildings				
77000 Grants, Claims				
<b>TOTAL</b>	<b>164.2</b>	<b>217.7</b>	<b>219.4</b>	<b>219.4</b>

1002 Federal Receipts				
1003 General Fund Match				
1004 General Fund				
1005 General Fund Program Receipts		28.3	14.4	14.4
1007 IA Receipts				
1021 ARLF	164.2	189.4	205.0	205.0
1061 CIP Receipts				
1108 Statutory Designated Program Receipts				
<b>TOTAL</b>	<b>164.2</b>	<b>217.7</b>	<b>219.4</b>	<b>219.4</b>

Full-Time	3.0	3.0	3.0	3.0
Part-Time				
Temporary				
Staff Months	36.0	36.0	36.0	36.0

**PROJECT DESCRIPTION:**

The director of the Division of Agriculture, in cooperation with industry representatives, and at the direction of the Commissioner of Department of Natural Resources, administers the Governor's Agricultural policy for Alaska. The Division of Agriculture works to:

Make state lands available for agriculture development.

Facilitate the development and use of agricultural lands through proven concepts of sustained yield management and conservation planning.

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CONTINUATION OF FORM: P2

Assure the availability of capital for financially viable agriculture business.

Provide greater consumer availability of quality Alaskan grown products and other regions' products for Alaskan consumer and export.

Monitor the state's investment in agriculture science and technology to protect and enhance the quality of Alaska's agricultural soils, seeds, plants, livestock, and associated products.

The director, through the Division of Agriculture, is responsible for the implementation of these policy goals. Under his immediate direction, the Northern Latitudes Plant Materials Center carries out the testing and release of seed crops, vegetables, and other plant materials adapted to northern latitudes. The Agricultural Revolving Loan Fund provides moderate interest agricultural development, processing, chattel, and operating loans to qualified participants. The director is personally involved in loan related activity, including collection, litigation, bankruptcy, and settlement matters resulting from loan fund actions. The Agricultural Land and Contract Management section adjudicates all current and active agricultural land sales and grazing lease contracts and manages an aggressive agricultural land portfolio for eventual disposal. The farm products inspection program strives to prevent loss of product sales due to poor quality and prevent fraud and misrepresentation of agricultural products sold in Alaska. Finally, the agricultural marketing program promotes the increased utilization and sales of competitively priced Alaska grown commodities.

The director interacts on a daily basis with legislators and constituent groups, including the Agricultural Revolving Loan Fund Board, Natural Resources Conservation and Development Board, the Alaska Farm Bureau, numerous consumer interest, food wholesale and retail groups, including military.

**Goals:**

Initiate Governor's goals for agriculture at the division level.

Prepare budgets and develop policies to allow for delivery of effective state government services to the agricultural industry in the state.

Encourage employee efficiency and industry service.

Maintain economic development opportunities for agricultural producers, processors, and marketers to utilize natural resources for sustainable agricultural production.

Encourage division staff and industry leaders to identify and promote new markets for farm products, both for in-state and export.

Maintain industry liaison with other state, federal, and municipal government agencies to affect issues related to agricultural development in Alaska.

Coordinate activities related to USDA agreement in grain grading, produce inspection, plant material, agricultural statistics, Federal Seed Act, shell eggs, and phytosanitary certificates for exports. Maintain cooperative services with USDA commodity control, insurance, conservation and lending agencies serving Alaska producers.

PCN	CLASSIFICATION	RANGE	LOCATION	TS
10-3001	Director	24	Palmer	PFT
10-3002	Secretary	10	Palmer	PFT
10-3047	Administrative Assistant	13	Palmer	PFT

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PROJECT NUMBER:	PROJECT TITLE: Food & Farm Products Inspections Services	LOCATION: State-wide
	AUTHORITY: AS 03	CONTACT: Robert Wells 745-7200

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	219.0	322.6	307.0	307.0
72000 Travel	8.5	7.6	7.6	7.6
73000 Contractual Services	19.9	121.4	121.4	148.0
74000 Supplies and Materials	0.9	7.6	7.6	7.6
75690 Equipment				
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL	248.3	459.2	443.6	470.2

1002 Federal Receipts	111.3	120.8	120.8	147.4
1003 General Fund Match				
1004 General Fund				
1005 General Fund Program Receipts				
1007 IA Receipts				
1021 ARLF	137.0	338.4	322.8	322.8
1061 CIP Receipts				
1108 Statutory Designated Program Receipts				
TOTAL	248.3	459.2	443.6	470.2

Full-Time	4.0	5.0	5.0	5.0
Part-Time				
Temporary				
Staff Months	48.0	60.0	60.0	60.0

PROJECT DESCRIPTION: Produce grading/inspection at farm and warehouse. Provide consumer protection through produce inspections at retail/wholesale outlets to insure produce for sale meets grade. For sale to military, inspection is mandatory. \$22.0 of federal funds were re-allocated to the Ag Land program to reflect Federal Crop Reserve Program participation in that program.

Greenhouse and nursery inspection: spot check and complaint response to control quality, prevent contamination from pest and disease import, enhance market for local products. Provides consumer protection by ensuring that insect and disease pests are spotted and controlled.

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CONTINUATION OF FORM: P2

Egg grading/inspection under cooperating federal agreement and funding. Maintain quality produce, protect local market option, and prevent consumer disease and fraud. Provide consumer protection through inspection of eggs at retail/wholesale outlets to ensure eggs meet Alaska state and federal regulatory requirements.

Grain inspection at harvest time to establish grade. Facilitate commerce, prevent fraud, and maintain quality. Protects farmers and ensures they are paid for the quality produced. Protects consumers by ensuring they received the grade they requested. For shipments leaving state, grade must be established to sell the product.

Apiary inspection through registration and complaint requests. Control pest and disease, prevent adulteration of local product, and enhance markets. Without this assistance, disease and pest problems could destroy Alaska's growing industry. Ensure consumers are receiving quality products.

Seed sampling testing and certification on farm and in market place. Maintain quality, protect environment, prevent deception, and promote marketability. If service not available, many local and export market opportunities will be eliminated.

Noxious weed/pest control: response to complaints and imports; protect environment, reduce production costs; enhance local clean markets with phytosanitary certificates on exports. Recently, noxious weeds not previously found in Alaska have been discovered. These infestations need to be controlled and prevented from reoccurring.

Producer education industry meetings: Program education, training, tours, and program management.

Maintain cooperative agreements and inspector licensing requirements with USDA, National Plant Board, Animal and Plant Health Inspection Services (APHIS), Agricultural Marketing Service (AMS); Fresh Fruit and Vegetable (FFV); Poultry Division; Seed Division; Meat Division.

Provide meat grading services. The opening of a new plant in Delta Junction has the potential of doubling current meat grading requirements.

PCN	CLASSIFICATION	RANGE	LOCATION	TS	COMMENTS
10-3060	Agricultural Inspector	16	Palmer	PFT	
10-3048	Development Specialist	18	Palmer	PFT	
10-3056	Administrative Clerk	8	Palmer	PFT	
10-3058	Agricultural Inspector	16	Fairbanks	PFT	
10-3073	Agricultural Inspector	16	Palmer	PFT	

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PROJECT NUMBER:	PROJECT TITLE: Agr Land Conser & Contract Mgmt	LOCATION: Statewide
	AUTHORITY: AS 03	CONTACT: Ed Arobio 451-2780

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	204.0	219.2	232.9	232.9
72000 Travel	2.8	4.5	4.5	4.5
73000 Contractual Services	14.8	31.6	31.6	53.6
74000 Supplies and Materials	0.8	6.0	6.0	6.0
75690 Equipment	4.5			
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL	226.9	261.3	275.0	297.0

1002 Federal Receipts	8.0			22.0
1003 General Fund Match				
1004 General Fund	28.1	28.5	28.5	28.5
1005 General Fund Program Receipts	190.8	189.0	202.9	202.9
1007 IA Receipts		43.8	43.6	43.6
1021 ARLF				
1061 CIP Receipts				
1108 Statutory Designated Program Receipts				
TOTAL	226.9	261.3	275.0	297.0

Full-Time	1.0	3.0	3.0	3.0
Part-Time	3.0	1.0	1.0	1.0
Temporary Staff Months	36.0	37.0	42.0	42.0

**PROJECT DESCRIPTION:**  
 Make agricultural land available in various parcel sizes as dictated by regional and local demand for land sales, leases, and permits as funding allows.

Emphasis is on selling previously sold land, returned to the state through foreclosure. It is important to resell these parcels before they regrow and the clearing investment is lost.

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**CONTINUATION OF FORM: P2**

Maintain inventory of unsold lands, classified for agriculture, for future sale. Prior to offering land for sale, the Agricultural Land and Contract Management Section reviews parcels for legal survey and status, provides for appraisal, conducts Title 38.945 notice, formulates terms and conditions of sale, and issues land sale and lease contracts. After sale or lease, this section monitors contract holders for compliance with their contractual agreements including farm conservation plans and development requirements.

Payment schedules are monitored. If development or payments fall behind schedule and are not corrected within times set by agreement, this section initiates collection and foreclosure actions. This program also monitors patented agriculture lands for compliance with statutory and regulatory requirements to maintain the agriculture potential of the land. Minimally one quarter of patented agricultural land is to be inspected each year.

Increase in federal funds to \$22.0 reflect the Federal Crop Reserve Program, a re-allocation from the Food and Farm Inspection Project.

**Goals:**

Monitor approximately 185 land sale contracts for compliance with the sales contract.

Monitor approximately 263 patented farms to ensure they comply with use restriction regulations.

Continue to work with local Soil and Water Districts to establish land disposal projects.

Monitor 29 grazing leases and permits on 178,630 acres for compliance with terms and conditions of the lease.

Continue to refine and develop a new statewide grazing policy for public lands classified for grazing purposes.

Review status of unsold land classified for agricultural and participate in state and local land planning projects.

Respond to daily written and verbal request for agricultural land disposal and leasing information.

Continue management of foreclosed properties to maintain production capabilities and comply with Federal farm program requirements.

Sell 15 agricultural tracts totaling 6,000,000 acres.

Work with contract holders and patent holders to update farm conservation plans.

Work with Districts and NRCS to clarify purchase process and conservation plan requirements.

Review and recommend update needs in regulations for agricultural sales, branding, grazing, etc.

PCN	CLASSIFICATION	RANGE	LOCATION	TS	COMMENTS
10-3071	Planner	19	Fairbanks	PFT	
10-1388	Natural Resource Officer	16	Fairbanks	PFT	
10-1727	Natural Resource Officer	16	Palmer	PPT	6 months
10-1795	Natural Resource Officer	16	Palmer	PFT	

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PROJECT NUMBER:	PROJECT TITLE: Marketing Alaska Grown Products	LOCATION: Statewide
	AUTHORITY: AS 03	CONTACT: Robert Wells 745-7200

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	21.2			
72000 Travel	1.3			4.0
73000 Contractual Services	14.7	40.0	40.0	83.0
74000 Supplies and Materials	0.8			3.0
75690 Equipment				
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL	38.0	40.0	40.0	90.0

1002 Federal Receipts	38.0			50.0
1003 General Fund Match				
1004 General Fund				
1005 General Fund Program Receipts				
1007 IA Receipts				
1021 ARLF		40.0	40.0	40.0
1061 CIP Receipts				
1108 Statutory Designated Program Receipts				
TOTAL	38.0	40.0	40.0	90.0

Full-Time				
Part-Time				
Temporary				
Staff Months				

PROJECT DESCRIPTION:

**Benefit:** Serving the farming community in Alaska; 520 farms.

**Evaluation - Impact:** Program impact noted in utilization of logo and a demand for staff assistance in continued marketing services.

**PROJECT  
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CONTINUATION OF FORM: P2

**Future Needs:** Program improvements can be facilitated with commodity commission or marketing order legislation to allow for producer input and control. Provide small scale grant program for commodity group promotion efforts.

To identify and influence demand for Alaska Grown products, the Division of Agriculture must provide effective marketing service programs, quality assurance grading, and facilitate commercial transactions between producers, processors, wholesalers, and retailers based on sound market information. Publish the Alaska Food and Farm Products Directory, and other information to promote the qualities and benefits of Alaska Grown production.

Increasing the use of competitively priced Alaska Grown commodities and decreasing imports are the objectives of Marketing Alaska Grown Products. As farmers become more productive, identifying market niches, encouraging value-added processing opportunities, and influencing demand for local products becomes increasingly important.

Marketing Alaska Grown Products is focused on red meat, fresh vegetables, hay, berries, and seed production. The approach includes; distribution of point sale materials; coordinating with military purchasing agents; printing and distributing farm product directories; analyzing transportation and product feasibility; providing marketing information to commodity groups, producer forums, and other agricultural agencies; plus participating at state fairs, trade shows, and the annual Agricultural Symposium.

Developing export markets in the Lower 48 and other countries is another function of the marketing program. Although some Alaska Grown products are being successfully exported, there is a need to identify competitive advantages of Alaska products. Activities in this area include: cooperating with USDA Foreign Agricultural Service (FAS) and Western U.S. Agriculture Trade Association (WUSATA).

Alaska conditions favor production of potatoes, carrots, peas, cole crops, and other vegetables of unique quality. Current fresh market share held by local producers ranges from 10-50 percent and can be increased. Our clean environment provides advantages to organic production, which will require additional certification assistance with new federal standards being adopted.

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PROJECT NUMBER:	PROJECT TITLE: Natural Resource Conservation & Develop.	LOCATION: Statewide
	AUTHORITY: AS 03.10	CONTACT: Art Weiner 269-8424

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	51.3	37.0	37.2	37.2
72000 Travel	8.5	19.0	19.0	19.0
73000 Contractual Services	9.3	24.4	24.4	24.4
74000 Supplies and Materials	0.8	1.2	1.2	1.2
75690 Equipment				
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL	69.9	81.6	81.8	81.8

1002 Federal Receipts				
1003 General Fund Match				
1004 General Fund				
1005 General Fund Program Receipts				
1007 IA Receipts		13.7	13.9	13.9
1021 ARLF	69.9	67.9	67.9	67.9
1061 CIP Receipts				
1108 Statutory Designated Program Receipts				
TOTAL	69.9	81.6	81.8	81.8

Full-Time	1.0			
Part-Time		1.0	1.0	1.0
Temporary				
Staff Months	12.0	6.0	6.0	6.0

**PROJECT DESCRIPTION:**

The Natural Resource Conservation Board (NRC&DB) represents the State of Alaska and DNR in a grass roots management of natural resource conservation efforts throughout Alaska. These efforts are effected by the Soil and Water Conservation Districts (SWCD) located throughout the state which provide local planning, conservation project implementation, and resource education in schools. Since there are enormous areas in Alaska which are not included in local SWCD's, the NRC&DB serves as the board of supervisors for the Alaska Soil and Water Conservation District. The Alaska District covers all of the land not included in other Districts.

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The US Department of Agriculture (USDA), Natural Resource Conservation Service (NRCS) provides technical support to SWCD's for development and implementation of these conservation efforts.

This synergy results in substantial Federal funding (\$1.3 million in 1998) for important ongoing agricultural conservation programs in Alaska (e.g. Conservation Reserve Program (CRP), Wildlife Habitat Incentives Program (WHIP), Environmental Quality Incentives Program (EQIP), etc.

Through a cooperative effort, SWCD's and NRCS plans and implements emergency erosion protection projects in Alaska. The current Delta-Clearwater Flood Control Project is almost \$6 million which should begin construction in 1998.

The SWCD's have become increasingly involved in Environmental Protection Agency (EPA) programs to resolve non-point pollution problems in both agricultural and urban areas. Two Districts have received EPA funding (\$100,000) this year for water quality sampling projects.

**Goals:**

- Increase the number of SWCD's to include North Slope Communities
- Increase direct funding of EPA projects to support locally led conservation priorities
- Increase USDA funding of EQIP and WHIP conservation projects
- Work with USDA, NRCS to expand the range specific GIS system to support Reindeer Herders
- Work with the US Department of Defense and Plant Materials Center on projects to restore native grasses in areas damaged by military operations
- Provide conservation planning advice to municipalities' planning and development commissions
- Obtain Federal funding to develop an "Alaska Specific" education program for public schools
- Increase volunteer low cost participation by SWCD's in DEC water sampling programs

PCN	CLASSIFICATION	RANGE	LOCATION	TS	COMMENTS
10-0087	Special Assistant	21	Anchorage	PPT	

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0000820

PROJECT NUMBER:	PROJECT TITLE: Unbudgeted RSAs	LOCATION: Statewide
	AUTHORITY: AS 03	CONTACT: Robert Wells 745-7200

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services	61.1			
72000 Travel				
73000 Contractual Services	795.8			
74000 Supplies and Materials	0.1			
75690 Equipment	28.0			
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL	885.0			

1002 Federal Receipts				
1003 General Fund Match				
1004 General Fund				
1005 General Fund Program Receipts				
1007 IA Receipts	880.0			
1021 ARLF				
1061 CIP Receipts	5.0			
1108 Statutory Designated Program Receipts				
TOTAL	885.0			

Full-Time				
Part-Time				
Temporary				
Staff Months				

PROJECT DESCRIPTION: An integral part of agriculture and the red meat industry was severely damaged by fire November 1997. Through cooperative efforts between the Department of Natural Resources, Department of Corrections, Department of Administration - Risk Management, the Governor's Office and Legislature we were able to begin work to rebuild the Mount McKinley meat plant in Palmer. The plant was back in operation in 103 days. A scheduled shutdown in August resulted in a 30 day closure to continue work on a capital roof project.

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PROJECT NUMBER:	PROJECT TITLE: Produce Certification Project	LOCATION: Statewide
	AUTHORITY: AS 03	CONTACT: Robert Wells 745-7200

	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJUSTED BASE	FY00 GOVERNOR
71000 Personal Services				
72000 Travel				
73000 Contractual Services		100.0	25.0	
74000 Supplies and Materials				
75690 Equipment				
75025 Lands/Buildings				
77000 Grants, Claims				
TOTAL		100.0	25.0	

1002 Federal Receipts				
1003 General Fund Match				
1004 General Fund		75.0		
1005 General Fund Program Receipts				
1007 IA Receipts				
1021 ARLF				
1061 CIP Receipts		25.0	25.0	
1108 Statutory Designated Program Receipts				
TOTAL		100.0	25.0	

Full-Time				
Part-Time				
Temporary				
Staff Months				

**PROJECT DESCRIPTION:** This project is eliminated in the FY00 Ag Development budget. See related C5 form for further details. FY99 funding was transferred by RSA to the University of Alaska, Agricultural and Forestry Experiment Station, which is leading this certification program. According to the University project manager, the world demand for premium quality seed potatoes free of certain viruses, late blight and other diseases, is increasing. The annual world market value of premium quality seed potatoes is approximately \$5 billion dollars. Alaska now produces more than 50% of the tablestock potatoes consumed in the state, and potatoes are one of our valuable agricultural products. Recent increases in potato production in Alaska make export a viable economic potential.

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The absence of certain virus diseases, as well as late blight, bacterial ring rot, and golden nematodes in seed potatoes screened by laboratory diagnostics in Alaska provides a product that is attractive to markets in Taiwan and China. Since 1994 plant samples have been surveyed and lab tested for six viruses, bacterial ring rot and late blight diseases. The state of health of potato plants in Alaska, affirmed by laboratory tests, resulted in the final clearance of plant quarantine requirements for Alaska seed potatoes and tablestock potatoes for export to Taiwan and the special permit granted for shipping Alaskan seed potatoes to China.

The export of food crops is regulated by the receiving country. The state of health of potato crops may vary from year to year. Disease surveys and testing are needed to ensure the quality of Alaska potatoes and ensure the success of exporting Alaska potatoes. In 1998, due to late blight disease in some Western U.S. states, actions by the Taiwan government left Alaska as the only state in the U.S. that can export potatoes (tablestock and seed) to Taiwan.

The university project has the following objectives: 1. To export seed and tablestock potatoes to Taiwan, Phytosanitary certificates stating the absence of all of the quarantine diseases and pests for these products are essential. Disease surveys and lab tests conducted on seed and tablestock potatoes will form the scientific basis for the claim that Alaska seed and tablestock potatoes are free from the diseases and pest quarantined by Taiwan. 2. To improve the quality of the product, farm managers can use plant health information, derived from disease survey and tests. With accurate information producers can minimize or eliminate the source of disease contamination by making appropriate decisions on harvesting, marketing, storage, and planting. 3. Scientists and officials in Taiwan and China and university officials will collaborate in investigating the performance of Alaska premium seed potatoes under their environmental conditions, and obtaining information on the preference of potato varieties and quality.

Late in the 1998 growing season late blight, a potato disease, was discovered in some commercial Alaskan farms. Currently there are about 20 major producers statewide producing about a million pounds of potatoes. Late blight is caused by a fungus and is rare in Alaska, where cold winters and isolation prevent the spread. This fast-spreading condition can also affect tomatoes but poses no threat to human health. Special attention, including a sprayed on fungicide, helped control the outbreak.

As of this budget preparation, although the \$75.0 in general funds was RSA'd to the University of Alaska's Agricultural and Forestry Experiment Station, no structure appears to have been implemented by the non-profit organization to transfer \$25.0 in statutory designated program receipts to the Division of Agriculture in support of produce certification and export.

ADDITIONAL  
EXPLANATION  
FORM

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

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Revised Date:

FY00

12/10/98

13:27:38.4

PERSONAL SERVICES EXPENDITURES DETAIL REPORT

PAGE: 29

DEPARTMENT OF NATURAL RESOURCES

SCENARIO: 1 (FY00 AGENCY SCENARIO 1)

COMP #: 10 48-01-00-04-55 NAME: AGRICULTURAL DEVELOPMENT

BRU NAME: AGRICULTURAL DEVELOPMENT

PCN	JOB CLASS TITLE	T R B S C U	LOCATION NAME	S R&S	BUDG	ANNUAL SALARY	PREM PAY	ANNUAL BENES	TOTAL COSTS	G.F. AMT
100087	SPEC ASST TO THE COMM I	S A XE	ANCHORAGE	AA 21A	6.50	27960	0	9198	37,159	0
101388	NATURAL RESOURCE OFF II	F A GG	FAIRBANKS	2B 16LM	12.00	53120	0	17567	70,688	37,464
101727	NATURAL RESOURCE OFF II	S A GG	PALMER	2A 16A	6.00	18868	0	7105	25,973	25,973
101795	NATURAL RESOURCE OFF II	F A GG	PALMER	2A 16K	12.00	48179	0	16489	64,668	64,668
103001	DIVISION DIRECTOR	F A XE	PALMER	BB 24BC	12.00	69248	0	20828	90,076	28,419
103002	SECRETARY I	F A GG	PALMER	2A 10F	12.00	29793	0	12477	42,271	0
103047	ADMINISTRATIVE ASSISTANT	F A SS	PALMER	2A 13K	12.00	39572	0	14173	53,745	0
103048	DEV SPEC I, OPTION B	F A GG	PALMER	2A 18L	12.00	56884	2174	18863	77,921	0
103056	ADMINISTRATIVE CLERK II	F A GG	PALMER	2A 08F	12.00	26425	0	11742	38,168	0
103058	AGRICULTURAL INSPECT I	F A GG	FAIRBANKS	99	12.00	61020	0	19291	80,311	0
103060	AGRICULTURAL INSPECT I	F A GG	PALMER	2A 16FJ	12.00	46261	2755	16671	65,688	0
103071	PLANNER III	F A GG	FAIRBANKS	2B 19LM	12.00	63542	0	19841	83,383	61,287
103073	AGRICULTURAL INSPECT I	F A GG	PALMER	2A 16A	12.00	37737	0	14210	51,947	0

COMPONENT TOTALS:

STAFF MONTHS	144.50	NEW+AUTH	TOTAL	NEW	DELETED
FULL TIME POSITIONS			11		
PART TIME/SEASONAL POSITIONS			2		
NON PERMANENT POSITIONS					

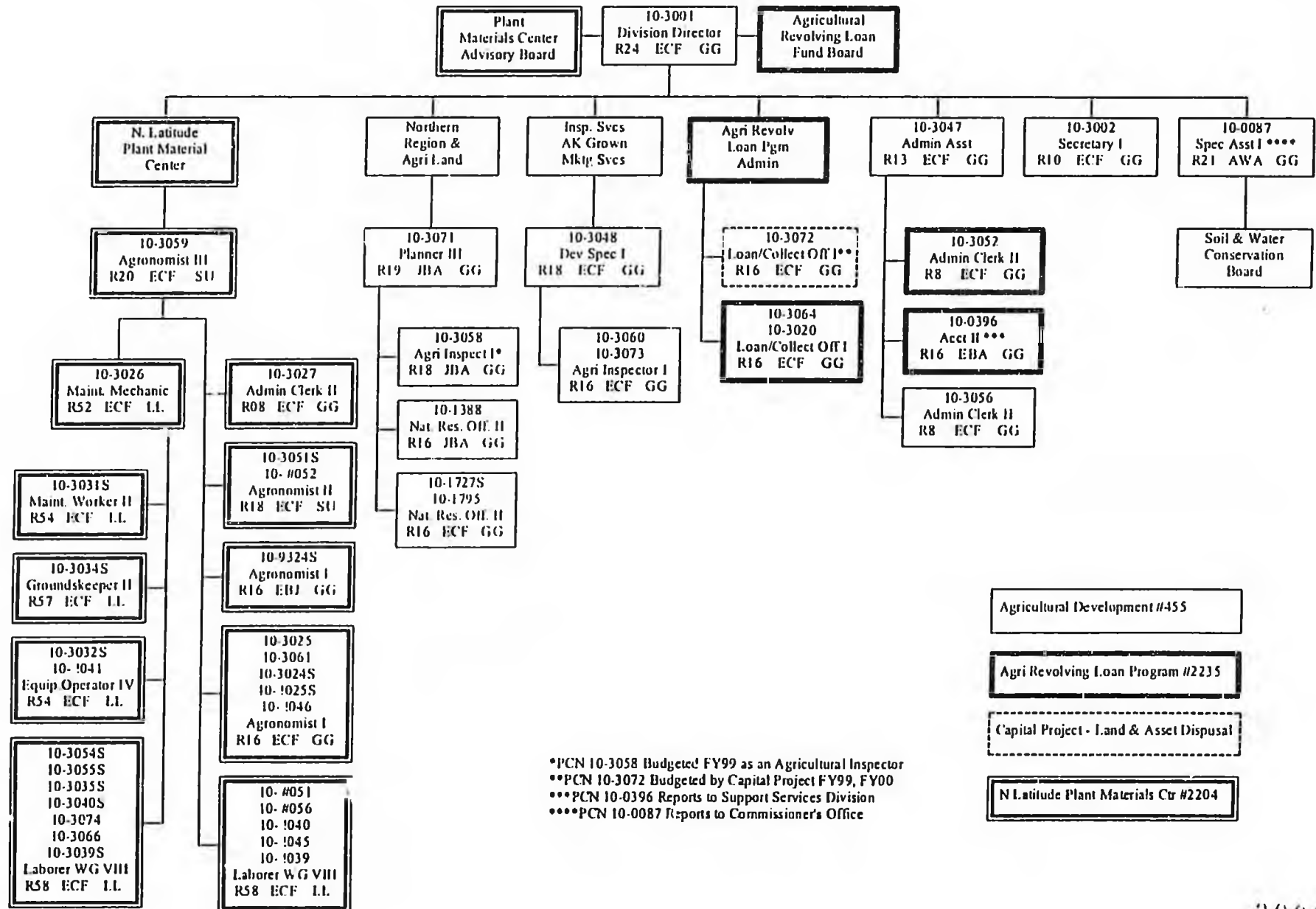
TOTAL SALARY COSTS	578,613.95
TOTAL PREMIUM PAY COSTS	4,929.45
TOTAL BENEFITS COSTS	198,459.97
TOTAL PERSONAL SERVICES	782,003.37
PLUS LUMP SUM PREMIUM PAY	0.00
SUB-TOTAL	782,003.37
- 2.78814 % VACANCY FACTOR	21,803.37

NUMBER OF POSITIONS IN COMPONENT 4801000455 = 13

FUND SOURCE	FUNDING AMOUNT	PERCENT	PERSONAL SERVICES, LINE 100	760,200.00
1002 FEDERAL RECEIPTS	103,879.71	13.28		
1004 GENERAL FUND RECEIPTS	28,778.36	3.68		
1005 PROGRAM RECEIPTS/GEN FUND	189,035.10	24.17		
1007 INTER-AGENCY RECEIPTS	57,759.02	7.39		
1021 AGRICULTURAL LOAN FUND	402,551.16	51.48		
=====				
TOTAL W/O VACANCY ADJUSTMENT:	782,003.35			

0000824

**Department of Natural Resources  
Division of Agriculture  
Director's Office**



\*PCN 10-3058 Budgeted FY99 as an Agricultural Inspector  
 \*\*PCN 10-3072 Budgeted by Capital Project FY99, FY00  
 \*\*\*PCN 10-0396 Reports to Support Services Division  
 \*\*\*\*PCN 10-0087 Reports to Commissioner's Office

- Agricultural Development #455
- Agri Revolving Loan Program #2235
- Capital Project - Land & Asset Disposal
- N. Latitude Plant Materials Ctr #2204

CODE	TRAVEL AND MOVING CLASSIFICATION	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
72000	Total Travel and Moving Interagency Transfers (non-add)	27.6	37.0	37.0	41.0

**FUNDING SOURCES**

1002	Federal Receipts	3.6	6.0	6.0	10.0
1003	General Fund Match				
1004	General Fund				
1005	General Fund Program Receipts	2.8	5.7	5.7	5.7
1007	Interagency Receipts				
1021	ARLF	21.2	25.3	25.3	25.3
1061	CIP Receipts				
1108	Statutory Designated Program Receipts				

CODE	DESCRIPTION	EXPLANATION	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
72240	Field travel for land sales, training, administration of sales, budget meetings, produce and egg safety and compliance inspections		8.6	8.6	11.6
72270	Administrative travel for division management to travel for field office reviews and meetings. Natural Resource Conservation & Development Board member travel. Director travel for training, planning, and program coordination.		15.7	15.7	16.7
72300	Travel to attend Agricultural Symposium, marketing, national and regional meetings. Planning meetings with other agencies.		1.9	1.9	1.9
72500	Per diem for field work, administration personnel travel and inspections.  Increased focus on the inspection program, increased agricultural land disposal at Point MacKenzie and the Northern region including Delta Junction and Fairbanks reflect this increase in travel.		10.8	10.8	10.8

**TRAVEL AND  
MOVING**  
Form C200

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

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0000826

CODE	CONTRACTUAL SERVICES CLASSIFICATION	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
73000	Total Contractual Services	872.6	343.0	268.0	334.6
	Interagency Transfers (non-add)	16.3	90.5	15.5	17.3

**FUNDING SOURCES**

1002	Federal Receipts	26.4	12.4	12.4	102.2
1003	General Fund Match				
1004	General Fund		75.0		
1005	General Fund Program Receipts	6.8	57.2	57.2	23.3
1007	Interagency Receipts	795.8			
1021	ARLF	43.6	173.4	173.4	209.1
1061	CIP Receipts				
1108	Statutory Designated Program Receipts		25.0	25.0	

CODE	DESCRIPTION	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
73100	Professional service contract for appraisals, produce, meat and egg training and assistance, Soil and Water Districts annual payments. DOA Risk Management and other professional services. Special Projects - Produce Certification, marketing opportunities available through federal funding.	231.0	156.0	205.4
73300	Telephone, postage, courier service,	15.2	15.2	18.2
73400	Motor pool, transportation, fuel, freight and messenger services.	33.4	33.4	36.7
73500	Printing materials, applications and brochures, film for inspections, Natural Resource Conservation & Development Board material and agriculture publications and subscriptions. Management plans, land sale advertising, interagency plans.	24.7	24.7	27.2
73600	Public utilities, electricity, heating fuel, waste disposal for operations.	15.8	15.8	18.8
73700	Minor repair and maintenance of vehicles, computer and office equipment.	5.3	5.3	6.3
73800	Rental space for public meetings, leases/machinery equipment.	3.4	3.4	5.6
73900	Insurance/investment maintenance/dues fees.	14.2	14.2	16.4

**CONTRACTUAL  
SERVICES  
Form C300**

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

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0000827

CODE	SUPPLIES AND MATERIALS CLASSIFICATION	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
74000	Total Supplies and Materials Interagency Transfers (non-add)	4.6	19.6	19.6	22.6

**FUNDING SOURCES**

1002	Federal Receipts	0.9	0.3	0.3	3.3
1003	General Fund Match				
1004	General Fund				
1005	General Fund Program Receipts	0.8	10.8	10.8	10.8
1007	Interagency Receipts	0.1			
1021	ARLF	2.8	8.5	8.5	8.5
1061	CIP Receipts				
1108	Statutory Designated Program Receipts				

CODE	DESCRIPTION	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
74220	Office supplies, copy paper, forms, educational materials, training supplies, photo supplies,	10.3	10.3	11.3
74650	Repair and maintenance supplies, vehicle parts, gasoline, oil, electrical.	4.8	4.8	5.8
74520	Inspection program instruments and other professional supplies.	4.2	4.2	5.2
74800	Small tools and minor equipment for inspection and land disposal program.	0.3	0.3	0.3

**SUPPLIES AND  
MATERIALS**  
Form C400

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

COMPONENT AGRICULTURAL DEVELOPMENT #455

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Revised Date:

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0000823

CODE	EQUIPMENT AND MACHINERY CLASSIFICATION	FY98 ACTUAL	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
75000	Total Equipment and Machinery Interagency Transfers (non-add)	32.5	0.0	0.0	0.0

**FUNDING SOURCES**

1002	Federal Receipts				
1003	General Fund Match				
1004	General Fund				
1005	General Fund Program Receipts	4.5			
1007	Interagency Receipts	28.0			
1021	ARLF				
1061	CIP Receipts				
1108	Statutory Designated Program Receipts				

CODE	DESCRIPTION	FY99 AUTHORIZED	FY00 ADJ BASE	FY00 GOVERNOR
	EXPLANATION FY98 actual expenditures included computer equipment and network for the Fairbanks Office.  Hot water and refrigeration unit replacements at Mt. McKinley Meat Plant.			

**EQUIPMENT AND  
MACHINERY**  
Form C500

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

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Revised Date:

**FY00**

0510839

TYPE OF REVENUE	FY98 ACTUAL	FY99 AUTHORIZED	FY99 CASH ESTIMATE	FY00 GOVERNOR	FY01 FORECAST
<b>RESTRICTED RECEIPTS</b>					
Federal Receipts	157.3	120.8	169.4	219.4	249.4
General Fund Program Receipts	190.8	217.3	217.3	217.3	238.5
Interagency Receipts	880.0	57.5	120.9	57.5	57.3
CIP Receipts	5.0				
Statutory Designated Program Receipts		25.0			
Other Restricted Receipts					
Other Restricted Receipts					
Other Restricted Receipts					
<b>TOTAL</b>	<b>1,233.1</b>	<b>420.6</b>	<b>507.6</b>	<b>494.2</b>	<b>545.2</b>
<b>UNRESTRICTED RECEIPTS</b>	<b>33.8</b>				
<b>TOTAL RECEIPTS</b>	<b>1,266.9</b>	<b>420.6</b>	<b>507.6</b>	<b>494.2</b>	<b>545.2</b>

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**REVENUE SUMMARY**  
Form C20

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL DEVELOPMENT

COMPONENT AGRICULTURAL DEVELOPMENT #455

0000830