

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2596

NOME
DISTRICT

Senator Phillips moved and asked unanimous consent that the figure \$95,200 be accepted for Nome District Administration. No objections, so ordered.

VALDEZ
DISTRICT

Senator Phillips moved and asked unanimous consent that the figure \$414,900 be accepted for Valdez District Administration. No objections, so ordered.

TOTAL

The total for Department of Highways Administration is \$3,488,800.

MAINTENANCE
DIVISION
Anchorage
District

It was noted that the Governor's allowance for Personal Services was increased to \$1,310,500. Mr. McVay stated that the vacancy and turn-over factor had been too high in this division --- Apparently these are all long time employees and there is very little vacancy and turn-over.

Senator Phillips said that \$156,000 had been put back in the budget for this purpose--if it had not been done it would have been necessary to lay off 18 of the permanent employees. He stated that these were the only changes made in this Division until Special Projects where \$200,000 had been put back in. He also said that two men had been put back in at Petersburg as they were necessary to run the camp and maintain the road--the Governor had approved this action.

Senator Phillips moved and asked unanimous consent that the figure \$3,065,600 be accepted for Anchorage District Maintenance. No objections, so ordered.

Fairbanks
District

Senator Phillips moved and asked unanimous consent that the figure \$2,396,700 be accepted for Fairbanks District Maintenance. No objections, so ordered.

Juneau District

Senator Phillips moved and asked unanimous consent that the figure \$1,011,600 be accepted for Juneau District Maintenance. No objections, so ordered.

Nome District

It was noted that the Governor had revised the allowance for this district. It was explained that the new employees were actually transfers from the Department of Public Works to Highways to perform maintenance on the district airports. Also some of the proposed maintenance projects had been put back in which reflected in increases for some of the other codes. Senator Phillips moved and asked unanimous consent that the figure \$487,500 be accepted for the Nome District Maintenance. No objections, so ordered.

Valdez District

It was noted that seven new employees had been requested and that three had been allowed. Mr. McVay also stated that airport maintenance in this district is being performed by Highways. Senator Phillips moved and asked unanimous consent that the figure \$1,559,200 be accepted for Valdez District Maintenance. No objections, so ordered.

Special Projects

Senator Brady left the meeting. Senator Blodgett joined the meeting.

In reply to a question, Senator Phillips said that the repair to the Douglas Bridge consisted of shoring up the underdeck and painting the substructure. Senator Phillips moved and asked unanimous consent that the figure \$500,000 be accepted for Special Projects. No objections, so ordered.

Communications Equip-

The sum for this equipment is included in the Department of Public Works budget.

TOTAL

Total figure for MAINTENANCE DIVISION IS \$9,020,600.

WORKING
CAPITAL
FUND

It was brought out that Highways is working on a new method of funding the Working Capital Fund for the replacement of equipment. They will submit a listing of priorities on projects and equipment showing location and age.

Senator Phillips moved and asked unanimous consent that the figure \$5,816,200 be accepted for the Working Capital Fund. No objections, so ordered.

Repro-
duction
Unit

It was moved and unanimous consent asked that the figure \$64,700 be accepted for the Reproduction Unit. No objection, so ordered.

Sign Shop

Senator Phillips moved and asked unanimous consent that the figure \$70,200 be accepted for the sign shop. No objection, so ordered.

Data Pro-
cessing

It was noted that all personnel in this unit would be transferred to the Department of Administration. No money involved.

Equipment
Section

Senator Phillips moved and asked unanimous consent that the figure \$4,346,900 be accepted for the Equipment Section. No objection, so ordered.

Head-
quarters

It was moved and unanimous consent asked that the figure \$64,500 be accepted for Headquarters. No objection, so ordered.

Anchorage
District

Senator Phillips moved and asked unanimous consent that the figure \$1,134,500 be accepted for the Anchorage District. No objection, so ordered.

Fairbanks
District

It was moved and unanimous consent asked that the figure \$925,100 be accepted for Fairbanks District. No objection, so ordered.

**Juneau
District**

Senator Phillips moved and asked unanimous consent that the figure \$307,000 be accepted for Juneau District. No objections, so ordered.

**Nome
District**

Senator Phillips moved and asked unanimous consent that the figure \$164,600 be accepted for the Nome District. No objections, so ordered.

**Valdez
District**

It was moved and unanimous consent asked that the figure \$523,300 be accepted for the Valdez District. No objections, so ordered.

**Equipment
Purchase**

It was moved and unanimous consent asked that the figure \$1,227,900 be accepted for Equipment Purchase. No objections, so ordered. Mr. McVay stated that this figure included equipment for the new Healy and Petersville maintenance stations.

**Building
Maintenance**

This section is for the maintenance of state buildings and it was noted that the rental from these buildings goes back into this fund. It was moved and unanimous consent asked that the figure \$1,334,400 be accepted for Building Maintenance. No objections, so ordered.

Headquarters

It was explained that the large amount authorized in the current year budget was for the purchase of trailers. It was moved and unanimous consent asked that the figure \$214,100 be accepted for Headquarters. No objections, so ordered.

**Anchorage
District**

Senator Phillips moved and asked unanimous consent that the figure \$219,200 be accepted for the Anchorage District. No objections, so ordered.

Fairbanks
District

It was noted that the decrease in Contractual Services is due to reduced rental rates. It was moved and unanimous consent asked that the figure \$374,000 be accepted for the Fairbanks District. No objections, so ordered.

Juneau
District

Senator Phillips moved and asked unanimous consent that the figure \$59,400 be accepted for the Juneau District. No objections, so ordered.

Nome
District

Senator Phillips moved and asked unanimous consent that the figure \$44,100 be accepted for the Nome District. No objections, so ordered.

Valdez
District

Senator Phillips moved and asked unanimous consent that the figure \$423,600 be accepted for the Valdez District. No objections, so ordered.

Senator Phillips said that completed the review and close out of the Department of Highways Budget.

Adjournment: The meeting adjourned at 9:55 a.m.

SENATE FINANCE COMMITTEE MEETING

March 21, 1968

10:30 a.m.

Present: Members of the Senate Finance Committee.

Discussion was held relative to the Teachers' Fund Indebtedness in the amount of approximately \$400,000.

Senator Lewis moved and asked unanimous consent to buy out the Teachers' Fund indebtedness and appropriate from the General Fund. Motion was seconded by Senator Engstrom.

No objections, so ordered.

No further business, the meeting adjourned at 10:45 a.m.

SENATE FINANCE COMMITTEE MEETING

March 22, 1968

9:00 a.m.

Present: Members of the Senate Finance Committee except Senators Brady, Engstrom and Blodgett. Also present were William McVay and Gene Smith of the Division of Budget & Management, Department of Administration.

Senator Vance Phillips opened the meeting and said that the committee would go over the budget request for the Department of Natural Resources.

Senator Lewis stated that there were some areas in Mines and Minerals that were still in question, but he thought they could go ahead with the balance of the department.

Office of
The Com-
missioner

Senator Lewis stated the the Governor's Allowance for this item was \$154,100 and moved and asked unanimous consent that the figure \$154,100 be accepted for the Office of the Commissioner. No objection, so ordered.

Agricul-
ture

Senator Lewis said he was recommending that this request be raised to \$707,600. This would buy back the Teachers' Retirement Fund, including interest of 5%, losing 1% in interest. He stated that the state takes all the losses and pays the costs of administration. The \$175,000 allowed in the budget would buy out the "worthless paper" and the department would keep the "good paper" and make the interest on that. Senator Lewis felt we ought to get the money back and invest it -- possibly at 5-1/2%. It can't work out economically if the state does all the administrative work and pays the costs. He had put in the recommendation that

that we put up the money--\$450,000 to buy them out and this will also increase the loan fund. Senator Lewis then read a letter from Mr. Wallington, deputy commissioner of Natural Resources relative to the farm loan program (in file). Senator Lewis stated that it was noted that money has been loaned to the farmers under the program, but little effort had been made to collect it.

Senator Phillips asked what the 1% loss costs per year. Senator Lewis replied about \$4,000 per year. He also stated that the Teachers' Retirement wants to get rid of the investment in this fund.

Discussion ensued on the amounts of money on loan which were being collected on and those that weren't. Senator Lewis pointed out that tighter control was necessary to collect on these loans or the farms foreclosed on. He stated that there are now 11 cases in the Attorney General's office for action and there are 8 or 10 more that should be given to the Attorney General for action. So far there has been no action out of the Attorney Generals' office on those that have been turned over to him.

Senator Smith stated that he would be in favor of Senator Lewis' recommendation and felt that guide lines on how these loans are handled should be set up. He did not feel that the state was doing the farmer a favor by loaning him money and then failing to follow up on the loans.

Senator Phillips stated that as soon as the session is over the Legislative Audit Committee is going to go over the farm loan matter which is already in a report and will give it to the Governor.

Senator Phillips said that the action by Senator Lewis will pay back the Teachers Retirement fund--\$400,000--and cuts down the cash flow from the state treasury.

Senator Smith commented that the original idea of the farm loan revolving fund was that it would pay for itself, but ever since we have been pumping more money into it.

Senator Lewis said the revolving fund could make money at 6%, but we have to get it back within our control.

Senator Lewis moved and asked unanimous consent that the figure \$707,600 be accepted for Agriculture. No objection, so ordered

Total
Agricul-
ture.

Lands

Senator Lewis said that he was recommending the figure of \$1,856,800 for Lands. He said that the subcommittee had cut in a number of places, but had added \$50,000 for the timber survey which the Commissioner of Natural Resources had convinced them was necessary as there was a sale for the timber if there was a large enough inventory. It was Senator Lewis' understanding that the Governor had also come in with a request for the additional \$50,000.

Senator Phillips said it was a recommendation of the Timber Task Force.

Senator Haggland asked if this was for an aerial survey or ground survey. Senator Lewis replied that it was probably for both. Both Senator Haggland and Senator Smith expressed concern about the quantity of lumber available in the area.

There was general discussion regarding the timber survey.

It was requested that Mr. Wallington be called over to the meeting to answer some of the questions.

There was a brief recess while waiting for Mr. Wallington

to arrive. Senator Engstrom joined the meeting at this time also.

Senator Lewis asked Mr. Wallington to explain what the additional \$50,000 was for.

Mr. Wallington said it would be used for aerial surveys of the timber resources from the Tanana Valley up to the Canadian border. In order to do this would cost \$210,000 so they had gone to the Bureau of Indian Affairs, Bureau of Land Management and Department of Highways, all of whom agreed to contribute a certain sum. Forestry (Natural Resources) would put in \$40,000 and they had \$60,000 to \$70,000 all told. Then they went to the Federal Field Committee to get a grant for the rest (EDA) to make the \$210,000. The additional \$10,000 was requested for times when it was impossible to fly into the above areas and would be used to cruise the Yakutat area and the Kenai Peninsula. A firm has requested over 1,200,000,000 feet. Mr. McVay said that the Timber Task Force had not come in with their recommendation until after the review committee had acted on the budget request. Senator Phillips said that the department had come in with the request for the additional money and that the committee had received a letter from the Governor through the Department of Administration to reinstate this money. Senator Phillips then read the letter from Mr. Ward to the committee (in file).

Senator Smith asked Mr. Wallington if he had said a firm had requested 1,200,000,000 feet of timber. Mr. Wallington replied yes. In reply to a question on whether it was a Japanese firm, Mr. Wallington said that he did not know, but assumed it was. He thought the firm would be interested in processing the timber

into cants and shipping them out of Alaska.

Senator Smith thought it was a large estimate for the timber in that area. He stated that most of the timber is along the rivers and good timber is spotty. He felt that the timber lends itself to local use as it is being used now, but doubted it would be economically feasible if it was to go out of state. He suggested that the lab at the University may have some data on the timber in that area and was sure that the Bureau of Land Management had made timber cruises of the area down below Nenana several years ago and the reports may still be on file.

Senator Lewis suggested that this section be held open and that Senator Smith and he would try to meet with the Task Force (he understood that members of the Timber Task Force were in Juneau now) and check into it closer. He said he didn't want to spend \$200,000 if it wasn't going to accomplish anything. Senator Lewis said he would also get together with Senator Phillips on this matter.

Mr. Wallington left the meeting.

Mines and
Minerals

Senator Lewis said they now had the figures needed for this section of the budget. He noted that the Governor's Allowance was \$550,300 and the subcommittee recommended \$562,600.

Senator Smith said that money had been added for chemical analysis in the sum of \$12,000 and some additional travel money had been added--also \$6,000 for assays.

Senator Lewis moved and asked unanimous consent that the figure \$562,600 be accepted for Mines and Minerals. No objection, so ordered.

Senator Phillips suggested that Mr. Kramer and other members of the Timber Task Force may still be in town and that Senators Lewis and Smith might try to get together with them regarding the timber. He also suggested that they might talk to Al Anderson.

Adjournment: Meeting adjourned at 10:00 a.m.

SENATE FINANCE COMMITTEE

March 28, 1968

3:00 p.m.

Present: Chairman Vance Phillips and Senator Lewis.

Natural Resources Closeout

Senator Lewis presented the closeout for Natural Resources, and requested that Contractual Services be raised from the Governor's figure of \$197,900 to \$236,100 under Forestry, for a total of \$435,500. There being no objection it was so ordered.

Lands Forestry

Agriculture: Senator Lewis presented the following figures for Agriculture:

Personal Services	\$172,200
Travel	21,200
Contractual Svcs	29,900
Commodities	3,900
Equipment	1,800
Grants, etc	30,400
Misc.	10,000
Inter-Agency Charges	450,000
	<u>\$719,400</u>

There being no objection to the above figures they were adopted.

Lands:

Senator Lewis presented the following figures for Program of Management of State Lands:

Administration	\$328,500
Lands	393,700
Cadastral Engr.	253,100
Minerals	146,900
Water Use	41,000
Forestry	435,500
Parks & Recreation	247,200
	<u>\$1,845,900</u>

There being no objection to the above figures, they were adopted.

Department of Law

Senator Lewis presented the following figures for Department of Law:

Personal Services	\$1,010,700
Travel	35,300
Contractual	274,700
Commodities	15,300
Equipment	7,100
Grants, etc.	4,000
Inter-Agency	3,400
	<u>\$1,350,500</u>

Senator Lewis explained that the Kodiak attorneys had been deleted and they had re-instated an Attorney V and Secretary I for Juneau office.

There being no objection to the Department of Law figures, they were adopted.

Commerce Senator Lewis said in the Department of Commerce he had added one document processing clerk and raised the salary for the bank examiner.

Regulation of Public Service Senator Lewis requested \$201,800 for Utilities Commission, and \$249,000 for Transportation, for a total appropriation of \$450,800. He gave the following summary of these figures:

Personal Services	\$298,400
Travel	22,300
Contractual Ser.	79,700
Commodities	5,700
Equipment	3,200
Inter-Agency	41,500
	<u>\$450,800</u>

Veterans Council Senator Lewis moved to increase the original Governor's figure on this from \$18,000 to \$24,000 to include a new position.

There being no objection it was so ordered.

Total: Senator Lewis moved the total figure of \$1,288,200 for Department of Commerce and presented the following summary:

Personal Services	\$ 915,500
Travel	69,000
Contractual	189,900
Commodities	22,400
Equipment	16,600
Grants, etc	24,000
Inter-Agency	51,600
	<u>\$1,288,200</u>

Department of Administration Senator Lewis moved the following figures for Department of Administration:

<u>Dept. Operations:</u>	Commissioner's Ofc.	\$ 240,800
	Personnel Division	265,500
	Budget & Mngmt	195,400
	Finance	301,200
	Supply Division	412,200
	Data Processing	1,256,800
	FICA	11,400
		<u>\$2,683,300</u>

<u>Retirement Admin.</u>	Retirement Admin.	126,800
	Retired Emp Benefits	8,000

Surplus Property 110,800

Total for Department of Administration was \$2,928,900 which was accepted by the committee.

U of A

Senator Haggland arrived and presented the budget for the University of Alaska.

He presented the following figures:

Governor's Request:	\$9,784,500
1/2 of deficiency:	143,700
Organized Research	297,300
	<u>\$10,234,400</u>

Senator Haggland moved the figure of \$10,234,400 for the total figure for the University of Alaska. There being no objection it was accepted by the committee.

Adjournment: Committee adjourned at 4:45 p.m.

SENATE FINANCE COMMITTEE MEETING
March 29, 1968
7:30 p.m.

The chairman called the meeting to order for the purpose of closing out various budgets. Representing Budget and Management

LEGISLATIVE AFFAIRS Division of the Department of Administration was Mr. William McVey.

Senator Phillips reopened Legislative Affairs, and moved and asked unanimous consent that Equipment (500) be increased from \$15,000 to \$18,000, due to the cost of the proposed purchase of (Increase) a collator. No objection, so ordered. A new total for Legislative Affairs of \$946,100 was moved, and there being no objection, it was so ordered.

OFFICE OF GOVERNOR

Executive Office
(Increase)

Senator Phillips moved to increase the original Governor's figure on Personal Services (100) from \$311,700 to \$323,700, to allow for the upgrading of two positions in the Governor's office. There being no objection, it was so ordered. He gave the following summary of the senate allowance for the Executive Office:

Personal Services	\$323,700
Travel	21,900
Contractual Services	43,100
Commodities	11,900
Equipment	1,000
Inter-Agency Charges	11,300
	<u>\$412,900</u>

These figures were accepted without objection.

Governor's Mansion

Senator Phillips presented the following figures for the Governor's Mansion:

Personal Services	\$24,000
Contractual Services	4,800
Commodities	10,800
Equipment	1,000
Inter-Agency Charges	15,000
	<u>\$55,600</u>

There being no objection to the above figures, they were adopted.

WICHE Senator Phillips moved the committee accept the figure of \$76,200 for the Western Interstate Commission for Higher Education. There being no objection, it was so ordered.

Council of State Governments Senator Phillips moved that the committee accept the figure of \$4,000 for the Council of State Governments. There being no objection, it was so ordered.

Athletic Commission
(decrease) Senator Phillips moved that the committee accept the sum of \$2,000, rather than the Governor's recommendation of \$4,000, for the Athletic Commission. There being no objection, it was so ordered.

Contingency Appropriation Senator Phillips moved that the committee accept the total sum of \$100,000 for the Contingency Appropriation. There being no objection, it was so ordered.

Secretary of State
(decrease) Senator Phillips moved to decrease the sum allowed for Equipment (500) for the Secretary of State to \$1,600. (The Governor's recommendation had been \$2,600 for this item.) There being no objection, so ordered. He then presented the following figures for the Secretary of State:

Personal Services	\$144,400
Travel	22,000
Contractual Services	213,500
Commodities	7,300
Equipment	1,600
	<u>\$388,800</u>

There being no objection to the above figures, they were adopted unanimously.

Commission
Status of
Women

It was moved that the committee accept the sum of \$5,000 for The commission on the Status of Women. There being no objection, it was so ordered.

Pioneers'
Home
(decrease)

Senator Phillips moved to decrease the allowance of the following items in the Pioneers' Home: Travel from \$11,400 to \$10,600, and Equipment from \$20,000 to \$17,500. No objection, so ordered. He then presented the following figures for the Pioneers' Home, and there being no objection they were adopted unanimously:

Personal Services	\$ 784,700
Travel	10,600
Contractual Services	90,200
Commodities	168,100
Equipment	17,500
Lands and Structures	10,000
Grants, etc	4,000
	<u>\$1,085,100</u>

Mr. McVey explained that the Pioneers' Advisory Board will remain in the Governor's Office, but the administration will be conducted by the Department of Administration.

Local
Affairs

It was moved that the committee accept the sum of \$150,000 for the Local Affairs Agency. No objection, so ordered.

Rural
Development
(increase)

Senator Phillips moved to increase the allowance of Grants, Claims and Shared Revenues for Rural Development Agency to \$390,500. No objection, so ordered. He presented the following figures for the Rural Development Agency, as follows:

Personal Services	\$60,000
Travel	9,000
Contractual	14,100
Commodities	9,000
Equipment	200
Grants, etc	390,500
	<u>\$482,800</u>

and there being no objection, they were unanimously adopted.

Human
Rights

It was moved that the committee accept the total sum of \$72,200

for the State Commission for Human Rights. No objection, so ordered.

Economic Opportunity

It was moved that the committee accept the total sum of \$181,800 for Economic Opportunity. There being no objection, it was so ordered.

Planning & Research

(increase)

The governor's office requested an increase of \$41,930 for the office of Planning and Research. Senator Phillips moved the committee accept an increase of \$41,900, and presented the following new figures:

Personal Services	\$110,200
Travel	13,000 (same)
Contractual Services	46,800
Commodities	3,900
Equipment	9,800
	<u>\$183,700</u>

Without objection, the new figures were accepted.

Tokyo Office

(increase)

The Governor has requested an increase of \$15,000 for the Tokyo office, for a new total of \$80,000. Senator Phillips moved the committee accept the total sum of \$80,000. Without objection, it was so ordered.

Council of the Arts

It was moved that the committee accept the total sum of \$97,500 for the Council of the Arts. No objection, so ordered.

Rural Affairs Commission

It was moved and unanimous consent asked that the committee accept the total sum of \$35,900 for the Rural Affairs Commission. Without objection, it was so ordered.

Governor's Crime Commission

The governor's request of March 8, 1968, stated that SB 253 establishes the Governor's Crime Commission but does not provide for funding. \$10,000 is requested to provide for the following:

Travel and per diem	\$4,000
Contractual Services	3,500
Commodities	500
Temporary clerical support	2,000
	<u>\$10,000</u>

It was moved and unanimous consent requested that the \$10,000 as

set forth above, be accepted. Without objection, it was so ordered.

Taiya
Commission
(cut)

The Governor's request of March 8, 1968, included the sum of \$7,500 for the Taiya Commission. Senator Phillips moved and asked unanimous consent that this item be eliminated from the budget. There being no objection, it was so ordered.

Western
Interstate
Nuclear
Compact
(decrease)

It was moved and unanimous consent requested that the committee accept the total sum of \$5,000 to fund House Bill No. 517, Western Interstate Nuclear Compact. There being no objection, it was so ordered.

Senator Phillips moved and asked unanimous consent that the committee accept the total figure of \$3,428,500 for the Office of the Governor. There being no objection, it was so ordered.

DEPARTMENT
OF EDUCATION

General
Admin.

The Governor has requested an increase of \$50,000 for a Scholarship Program in the Department of Education, to be added to General Administration. Senator Haggland moved the committee accept the new total sum of \$210,600 for General Administration. No objection, so ordered.

Admin.
Services

In Administrative Services of the Department of Education Senator Haggland moved and asked unanimous consent that the sum of \$30,000 be added for a Transportation Museum. There being no objection, it was so ordered. It was moved and unanimous consent asked that the total sum of \$918,800 be accepted. No objection, it was so ordered.

Instruc.
Services
(increase)

Senator Haggland said the governor has requested an additional sum of \$17,600, in the memo of March 8, 1968, which will increase professional fees and services within contractual services and is to be used in the Curriculum Development Program.. He moved and asked unanimous consent that this increase be accepted. There being no

objection, so ordered. Therefore, contractual services was increased to a total amount of \$75,500 under Consultant Services. The new total for Consultant Services is \$226,000. Senator Haggland moved and asked unanimous consent that the total sum of \$1,484,900 be accepted by the committee for Instructional Services. No objection, it was so ordered.

State Operated Schools

(increase)

Senator Haggland stated that increases have been requested by the governor for State Operated Schools, and moved and asked unanimous consent that the following allowances be accepted:

Director's Office	\$ 120,000
Rural Schools	6,054,100
On-Base Schools	7,202,000
Regional Schools	773,500
Federal Schools	1,200,000
	<u>\$15,349,600</u>

There being no objection, it was so ordered.

District School Support

(increase)

For District School Support, Senator Haggland moved to increase the sum for Juveniles in Detention from a total of \$68,600 to \$92,600, and to add the sum of \$1,881,800 to fund Senate Bill Nos. 88 and 47. Without objection, it was so ordered. The committee was asked to adopt unanimously the new total of \$28,484,000 for District School Support. There being no objection, so ordered. Senator Phillips asked Mr. McVey to provide a breakdown on the sum of \$1,881,800.

Vocational Education

Senator Haggland moved and asked unanimous consent that the committee adopt the total sum of \$1,616,000 for Vocational Education. \$817,600 of this sum is for Vocational Rehabilitation and \$744,400 is for Manpower Development and Training. There being no objection, it was so ordered.

State Libraries

Senator Haggland stated that line items for State Libraries have been realigned by the governor's office to provide for an

Archivist position. Therefore the line items have been changed as follows:

Personal Services	\$128,800
Travel	8,600
Contractual Services	9,800
Commodities	34,300
Lands and Structures	5,100
Grants, etc.	220,800
	<u>\$407,400</u>

The total amount remains the same. He moved and asked unanimous consent that the figure of \$407,400 be accepted by the committee. No objection, so ordered.

Vocational Rehab.

Senator Haggland moved and asked unanimous consent that the committee accept the total sum of \$1,135,700 for Vocational Rehabilitation. No objection, so ordered.

Teachers Salary Increase

Senator Haggland moved and asked unanimous consent that the committee accept the sum of \$2,200,000 for Teachers' Salary Increase. No objection, so ordered.

Senator Haggland moved and asked unanimous consent that the committee accept the total sum of \$51,807,000 for the Department of Education. No objection, so ordered.

Recess:

The committee recessed for ten minutes at 8:35 p.m.

DEPARTMENT OF FISH & GAME

Senator Haggland presented the following figures for the Office of the Commissioner, Fish and Game Department, pursuant to the Governor's request:

Office of Commissioner (Increase)

Personal Services	\$152,900
Travel	16,700
Contractual Services	6,800
Commodities	1,200
Equipment	1,500
	<u>\$179,100</u>

This is an increase of \$32,100. Senator Haggland moved and asked unanimous consent that the committee adopt the total figure of \$179,100 for the Office of the Commissioner. No objection, so ordered.

Board of Fish & Game
(increase)

Mr. McVey explained the department had requested an increase of \$3,000 in travel for the Board of Fish and Game. Senator Haggland moved the committee accept this increase, for a total of \$13,000 in travel. No objection, so ordered. Senator Haggland moved the committee accept the total sum of \$19,100 for Board of Fish and Game. No objection, so ordered.

Division of Administration

Senator Haggland moved and asked unanimous consent that the committee accept the total sum of \$666,600 for the Division of Administration. No objection, so ordered.

North Pacific Fisheries Commission

Senator Haggland moved and asked unanimous consent that the committee adopt the total sum of \$9,000 for the North Pacific Fisheries Commission. No objection, so ordered. Mr. McVey explained the total sum requested for the commission is down from last year because the location of the next meeting will be Seattle.

Information & Education

(increase)

Senator Haggland moved and asked unanimous consent that the committee accept the allowance of \$164,500 for Information and Education. This request is qualified in a memorandum to Senator Vance Phillips from Mr. Augie Reetz, Commissioner of the Dept. of Fish and Game, dated March 26, 1968. (See file.) Without objection, it was so ordered.

Senator Haggland moved and asked unanimous consent that the committee accept the total sum of \$1,038,300 for General Administration of the Department of Fish and Game.

Commercial Fisheries Management

Senator Haggland moved and asked unanimous consent that the committee accept the total amount of \$1,316,900 for Management of Commercial Fisheries. No objection, so ordered.

Research
(increase)

Senator Haggland moved and asked unanimous consent that the total sum allowed for research be increased from the governor's recommendation of \$407,000 to a total of \$708,600. There being

no objection, it was so ordered.

PL 88-309
(increase)

Senator Haggland moved and asked unanimous consent that the committee accept a new total allowance for PL 88-309 research in the sum of \$400,000. No objection, so ordered

Anadromous
Fish Act

Senator Haggland moved and asked unanimous consent that the committee accept the governor's recommendation of \$449,400 for the Anadromous Fish Act. No objection, so ordered.

Senator Haggland moved and asked unanimous consent that the committee accept the new total figure for Commercial Fisheries in the sum of \$2,874,900. No objection, so ordered.

Game

It was moved and unanimous consent asked that the committee accept the governor's recommendation of \$1,743,600. for Game. No objection, so ordered.

Protection

(increase
100)

Senator Haggland moved and asked unanimous consent that the committee increase the amount of Personal Services for Protection to \$856,900 to provide for more protection officers. No objection it was so ordered.

(increase
300)

Senator Haggland moved and asked unanimous consent that Contractual Services be increased by \$30,000, for a total of \$341,400. There being no objection, it was so ordered.

It was moved and unanimous consent asked that the total sum of \$1,329,400 be accepted for Protection. No objection, so ordered.

Bounties

Senator Haggland moved and asked unanimous consent that the total sum of \$170,000 be accepted for Bounties. No objection, so ordered.

Sport Fish
(increase)

Senator Haggland moved and asked unanimous consent that the amount allowed for Sport Fish be increased by \$30,000 to a total amount of \$806,500, pursuant to the request for increases dated

March 8, 1968. Of this total \$253,800 is allotted to Management and \$552,800 to Research. There being no objection, it was so ordered.

Alaska King
Crab Quality
Control

Senator Haggland moved and asked unanimous consent that the committee accept the amount of \$190,700 for the King Crab Control Board. No objection, so ordered.

Sea Otter
Harvest

Senator Haggland moved and asked unanimous consent that the committee allow the sum of \$53,500 for the Sea Otter Harvest. There being no objection, it was so ordered.

Fish & Game
Working
Capital Fund

Senator Haggland moved and asked unanimous consent that the Fish and Game Working Capital Fund be approved in the sum of \$497,300. No objection, so ordered.

Senator Haggland moved and asked unanimous consent that the total sum of \$8,206,900 be accepted for the Department of Fish and Game. There being no objection, it was so ordered.

ALASKA COURT
SYSTEM

(decrease)

The chairman moved and asked unanimous consent that the Court System budget be cut by \$100,000 and moved the figure of \$3,457,500. He stated that the committee had reviewed this budget item by item, and had been looking for requests for money that would be out of line, and he does not think it could be cut more than \$100,000. He noted that a supplemental was necessary this year. He then moved and asked unanimous consent that the committee accept the sum of \$3,457,500 for the Court System. No objection, it was so ordered.

HEALTH &
WELFARE

Commissioner

The chairman moved and asked unanimous consent that the sum of \$898,100 be accepted for the Office of the Commissioner of the Department of Health & Welfare. No objection, so ordered.

Admin.
Services
(increase)

The chairman recommended an addition of \$61,000 to the governor's allowance of \$677,500 for reclassified positions, and moved and asked unanimous consent that the amount of \$739,100 be accepted for Administrative Services. No objection, so ordered.

It was moved and unanimous consent was asked that the total sum of \$1,637,200 be allowed for Administration of Health & Welfare. No objection, so ordered.

Mental
Health

Administration

It was moved and unanimous consent requested that the sum of \$77,800 be allowed for Administration of Mental Health. No objection, it was so ordered.

Community
Mental
Health
(increase)

The chairman moved and asked unanimous consent that the total allowance for Community Mental Health Service be increased to \$360,400. This includes an increase of \$49,900, \$40,000 of which is for Personal Services, to reinstate one-half of the vacancy and turnover factor taken to allow continued recruitment; \$5,000 to increase travel; and an increase of \$4,900 in contractual services. There being no objection, it was so ordered.

Hospital &
Nursing Care
(decrease)

It was moved and unanimous consent asked that the total allowed for Hospital and Nursing Care be reduced to \$430,800. After a discussion concerning this cut, there was no objection and the motion passed unanimously.

Institutional
Services
(increase)

The chairman moved and asked unanimous consent that the committee increase the sum for Institutional Services to \$4,111,800. There being no objection, it was so ordered.

The chairman moved and asked the committee the sum of \$4,980,800 for Mental Health. No objection, so ordered.

Public Health The chairman moved and asked unanimous consent that the sum allowed by the governor's recommendation for Environmental Health be reduced to \$422,900. There being no objection, it was so ordered.

Child Health The chairman moved and asked unanimous consent that the Child Health Services be increased to \$678,300, in order to allow the program to branch out more. There being no objection, it was so ordered.

Public Health Nursing The chairman moved and asked unanimous consent that the committee accept the sum of \$1,088,000, which is an increase of \$20,000 over the governor's recommendation. There being no objection, it was so ordered.

The chairman moved and asked unanimous consent that the total sum of \$3,731,100 be accepted for the Program of Public Health. There being no objection, it was so ordered.

Public Welfare The chairman recommended an increase to a total of \$2,986,300 for Adult Public Assistance in the Program of Public Welfare. This sum includes the addition of \$192,300 for Nursing Homes, \$394,900 for Grant Assistance, \$329,600 for General Relief Medical, and \$253,800 for the Juvenile in Public Welfare. He moved and asked unanimous consent that the sum of \$2,986,300 be accepted by the committee. There being no objection, it was so ordered.

Aid to Families with Dependent Children The chairman moved and asked unanimous consent that the sum for Aid to Families with Dependent Children be increased to \$2,614,400. No objection, it was so ordered.

General Relief-Assistance The chairman moved and asked unanimous consent that the committee increase the amount for General Relief Assistance under Public Welfare to \$185,000. No objection, it was so ordered.

General
Relief-
Medical
(increase)

The chairman moved and asked unanimous consent that the committee increase the sum of General Relief Medical Care to \$1,239,000, due to increased medical and hospital costs. There being no objection, it was so ordered.

Juvenile
Code
(increase)

The chairman stated that the governor's recommendation does not meet the requirement for the Juvenile Code due to the increased caseload. Therefore, he moved and asked unanimous consent that the committee increase the amount for the Juvenile Code to \$1,053,000. There being no objection, it was so ordered.

It was moved and unanimous consent was asked that the total sum of \$9,745,900 be allowed for the Program of Public Welfare. There being no objection, it was so ordered.

Program
of Youth &
Adult
Authority

The chairman moved and asked unanimous consent that the total sum of \$5,126,300 be allowed for the Program of Youth and Adult Authority. There being no objection, it was so ordered.

It was moved and unanimous consent was asked that the committee allow the total sum of \$25,221,300 for the Department of Health and Welfare. With no objection, it was so ordered.

SENATE FINANCE COMMITTEE MEETING
March 30, 1968
9:30 a.m.

Present: Members of the Senate Finance Committee. Also present was Mr. William McVay of the Division of Budget & Management, Department of Administration.

Senator Vance Phillips, chairman, stated that the committee would review and close out the Department of Public Safety Budget request.

DEPARTMENT
OF PUBLIC
SAFETY
General
Adminis-
tration

It was moved and unanimous consent asked that the figure \$84,000 be accepted for General Administration. No objection, so ordered.

Technical
Services

It was noted that this is a new division, having been transferred from General Administration. It was moved and unanimous consent asked that the figure of \$267,400 be accepted for Technical Services. No objection, so ordered.

State
Troopers

It was recommended that the figure for State Troopers be increased by \$23,000 so that additional patrol boats can be purchased for use as follows: 1 for Southeastern (\$15,000), 1 for Bethel area (\$2,500), 1 for Fairbanks area (\$2,500), and 1 for Palmer area (\$3,000). There was considerable discussion relative to this recommendation and the feeling of the committee that it would be more economical for the department to lease or rent the extra boat(s) if needed than to purchase them and the resultant cost of upkeep. It was decided by the committee not to accept the increase recommendation.

It was moved and unanimous consent asked that the figure

\$2,953,300 be accepted for State Troopers. No objection, so ordered.

Fire
Preven-
tion

It was moved and unanimous consent asked that the figure \$121,200 be accepted for Fire Prevention. No objection, so ordered.

TOTAL
BUDGET

It was moved and unanimous consent asked that the figure \$3,425,900 be accepted for the Department of Public Safety. No objection, so ordered.

DEPARTMENT
OF REVENUE

Tax Col-
lection
& Rec.

Office of
the Com-
missioner

Senator Phillips said the committee would review and close out the Department of Revenue Budget Request.

It was moved and unanimous consent asked that the figure \$119,200 be accepted for the Commissioner's Office. No objection, so ordered.

Adminis-
tration

It was moved and unanimous consent asked that the figure \$319,500 be accepted for Administration. No objections, so ordered.

Collec-
tion

It was moved and unanimous consent asked that the figure \$357,600 be accepted for Collection. No objections, so ordered.

Audit

It was moved and unanimous consent asked that the figure \$449,300 be accepted for Audit. No objections, so ordered.

Motor Ve-
hicle
Licenses

It was moved and unanimous consent asked that the figure \$491,900 be accepted for Motor Vehicle Licenses. No objection, so ordered.

Treasury

It was moved and unanimous consent asked that the figure \$60,300 be accepted for Treasury. No objections, so ordered.

Total
Division

It was moved and unanimous consent asked that the figure \$1,797,800 be accepted for the Tax Collection & Rec. No objections, so ordered.

Alcoholic
Beverage
Control
Board
Administra-
tion

It was moved and unanimous consent asked that the figure \$43,300 be accepted for Administration of the Alcoholic Beverage Control Board. No objections, so ordered.

Enforce-
ment

It was moved and unanimous consent asked that the figure \$45,900 be accepted for Enforcement. No objections, so ordered.

Board
Expense

It was moved and unanimous consent asked that the figure \$7,000 be accepted for Board Expense. No objections, so ordered.

Total
Division

It was moved and unanimous consent asked that the figure \$96,200 be accepted for the Alcoholic Beverage Board. No objection, so ordered.

DEPARTMENT
TOTAL

It was moved and unanimous consent asked that the figure \$1,894,000 be accepted for the Department of Revenue. No objections, so ordered.

DEPARTMENT
OF ECONOMIC
DEVELOPMENT

Senator Phillips said the committee would review and close out the Department of Economic Development budget request.

Office of
the Commis-
sioner

It was moved and unanimous consent asked that the figure \$157,100 be accepted for the Commissioner's office. No objections, so ordered.

Industrial
Develop-
ment Divi-
sion

It was noted that the department is planning to initiate a reindeer development program and that \$75,000 has been requested to implement this program. It was moved and unanimous consent asked that the figure \$499,200 be accepted for Industrial Development. No objections, so ordered.

Alaska
Travel
Division

It was moved and unanimous consent asked that the figure \$611,100 be accepted for the Alaska Travel Division. No objections, so ordered.

Economic
Develop-
ment Dis-
trict

It was moved and unanimous consent asked that the figure \$128,000 be accepted for Economic Development District program. No objections, so ordered.

DEPARTMENT
TOTAL

It was moved and unanimous consent asked that the figure \$1,395,400 be accepted for the Department of Economic Development. No objections, so ordered.

DEPARTMENT
OF PUBLIC
WORKS

Senator Phillips said the committee would consider the Department of Public Works budget request and close it out.

Administra-
tion

It was moved and unanimous consent asked that the figure \$464,700 be accepted for Administration. No objections, so ordered.

Division of
Aviation

It was moved and unanimous consent asked that the figure \$4,592,300 be accepted for Aviation. No objections, so ordered.

Division of
Buildings

It was moved and unanimous consent asked that the figure

\$700,600 be accepted for the Division of Buildings. No objections, so ordered.

Division of
Communica-
tions

It was moved and unanimous consent asked that the figure \$387,400 be accepted for Communications. No objections, so crdered.

Division of
Marine Trans-
portation

Senator Phillips stated that it was the recommendation of the sub-committee that the amount for the Division of Marine Transportation be increased \$600,000--\$35,000 for the inspection of shafts on the TUSTUMENA and the three Southeastern ferries and \$565,000 for operating expenses for the Southeastern system. He noted that in correspondence from the American Bureau of Shipping it is necessary that the shaft be inspected on the M/V TUSTUMENA every two years and the shafts on the three SE ferries every three years. The time period difference is due to the waters in which the ships are operated. The increase for the division was accepted by the committee, but in further discussion it was decided that the increase for operation of the Southeastern system would not be allowed and only the \$35,000 increase for inspection of the shafts would be allowed.

It was moved and unanimous consent asked that the figure \$7,059,300 be accepted for the Division of Marine Transportation. No objections, so ordered.

DEPARTMENT
TOTAL

It was moved and unanimous consent asked that the figure \$13,204,300 be accepted for the Department of Public Works. No objections, it was so ordered.

CAPITAL
IMPROVE-
MENT
PROGRAM

This section of the Budget Request was not covered by a secretary. It is understood that the information is contained in the Official Senate Staff Copy of the Budget Document.

Recess: Meeting recessed at 10:15 a.m.