

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2522

Code	Classification	Governor's Allowance	Increase/Decrease over FY '71	Reason	Detailed Justification
200	Travel	\$ 5,300	\$300	Increased transportation costs, (Fares and Tax) and Per Diem Allowance. \$300	<p>a) Inside travel related to certification of laboratories for premarital and prenatal serology, seafood and PKU. Laboratory consultation given for the improvement in the quality of medical laboratory service in Alaska.</p> <p>b) Out-of-State travel for training of key personnel in new laboratory techniques. Each will train others in the regional laboratories. Courses are primarily laboratory courses with a minimum of lecture material.</p>
300 -435- 3/11/71	Contractual Services	\$73,400	\$18,400	<p>310- Increase in postal rates and other transportation. \$1,800</p> <p>330- Increase in rents and utilities \$3,000</p> <p>340- Repairs and Services to laboratory and office equipment. \$7,400</p> <p>390- Other Contractual Services \$6,200</p>	<p>310- Shipment of biologicals and vaccines, i.e. rabies vaccine, measles, polio, rubella, typhoid. In FY '70 sent out 21,437 vials of vaccines. Shipment of specimen containers, i.e. Sputum, water, blood and feces. In FY '70 sent out 65,499 containers.</p> <p>330- Reactivation of Southeastern Water Chemistry Laboratory in 1970 and a six day operational work period for the Northern Regional Laboratory due to increased work loads.</p> <p>340- Laboratory equipment purchased 10-32 years ago or obtained thru surplus property. Aging equipment becoming more difficult to repair. To replace equipment would cost \$18,000.</p> <p>390- In lieu of taxes for lab. space in Fairbanks Court Bldg. First time assessed by ASHA. Fixed charge.</p>

Code	Classification	Governor's Allowance	Increase/Decrease over FY '71	Reason	Detailed Justification
00	Commodities	\$51,300	\$3,300	410- Clothing (\$100) 470- Professional and Scientific Supplies \$3,200	Increase of protective garment costs for personnel in the three regional laboratories. Increased costs of glassware, chemicals, diagnostic sera and dehydrated media. This increase will not take care of increased costs or the increased examination load which will be 12% over FY 70.
00	Equipment	\$14,200	\$6,200	Replacement of equipment \$6,200	Listed equipment needed to replace items that are either too costly to maintain due to frequency of repairs or for which repair parts are no longer available. Items include a microscope (\$1,200), autoclave (\$5,300), centrifuge (\$1,125) and refrigerator (\$1,900).
00	Inter-Agency Charges	8,300	(\$1,000)	Maintenance Charges by Division of Buildings. (\$1,000)	Decrease from \$9,300 to \$8,300 due to non-recurring shared cost for painting of Old Territorial Bldg. in 1970.

-436-

3/11/71

DEPARTMENT OF HEALTH & WELFARE
DIVISION OF PUBLIC HEALTH
SECTION OF LABORATORIES

EXAMPLES OF LABORATORY SERVICES PERFORMED

1. Serology

- a) Blood tests for syphilis.
- b) Fluorescent Treponemal Antibody Tests to separate true from false positive serological tests for syphilis.
- c) Agglutination tests for brucellosis, tularemia and typhoid.
- d) Rubella H.I. tests to determine level of immunity to rubella and if currently infected.
- e) Screening and confirmatory tests for infectious mononucleosis ("kissing disease")
- f) Blood tests for trichinosis.

2. Bloodtyping and Rh.

- a) ABO typing on all prenatal specimens.
- b) Rh studies on all prenatal specimens.
- c) Special blood group tests for M, N and subtypes of A.

3. Diagnostic Bacteriology

- a) Smears and cultures for gonorrhea (GC)
- b) Smears, cultures and virulence tests for diphtheria.
- c) Throat cultures for beta-hemolytic streptococcus.
Serological Grouping
Fluorescent Antibody - Ultra-Violet Microscopic Studies.
- d) Wound cultures
- e) Cultures and rapid fluorescent antibody tests for whooping cough.
- f) Cultures and examination of foods and other materials involved in food poisoning outbreaks (botulism, staphylococcus outbreaks, salmonellosis, clostridium perfringens).
- g) Antibiotic sensitivity studies.
- h) Cultures of feces and other specimens for typhoid organisms, salmonella and shigella (bacillary dysentery).
- i) Identification of cultures submitted by other hospitals..
- j) Parasitology - Mycology
 - 1) Examination of stool specimens for intestinal parasites such as tapeworm, ascaris and amoeba.
 - 2) Examination for pinworm.
 - 3) Examination of blood smears for malaria and other blood parasites.
 - 4) Examination of hair, skin and other tissues for fungus infections.

3. Diagnostic Bacteriology Cont.

- k) Rabies - Examination of animal heads. Animal studies performed at Atlanta, Ga.

4. Tuberculosis Bacteriology

- a) Smears and cultures for M. tuberculosis.
- b) Drug sensitivity studies.
- c) Identification of atypical mycobacteria.

5. Sanitary Bacteriology and Chemistry

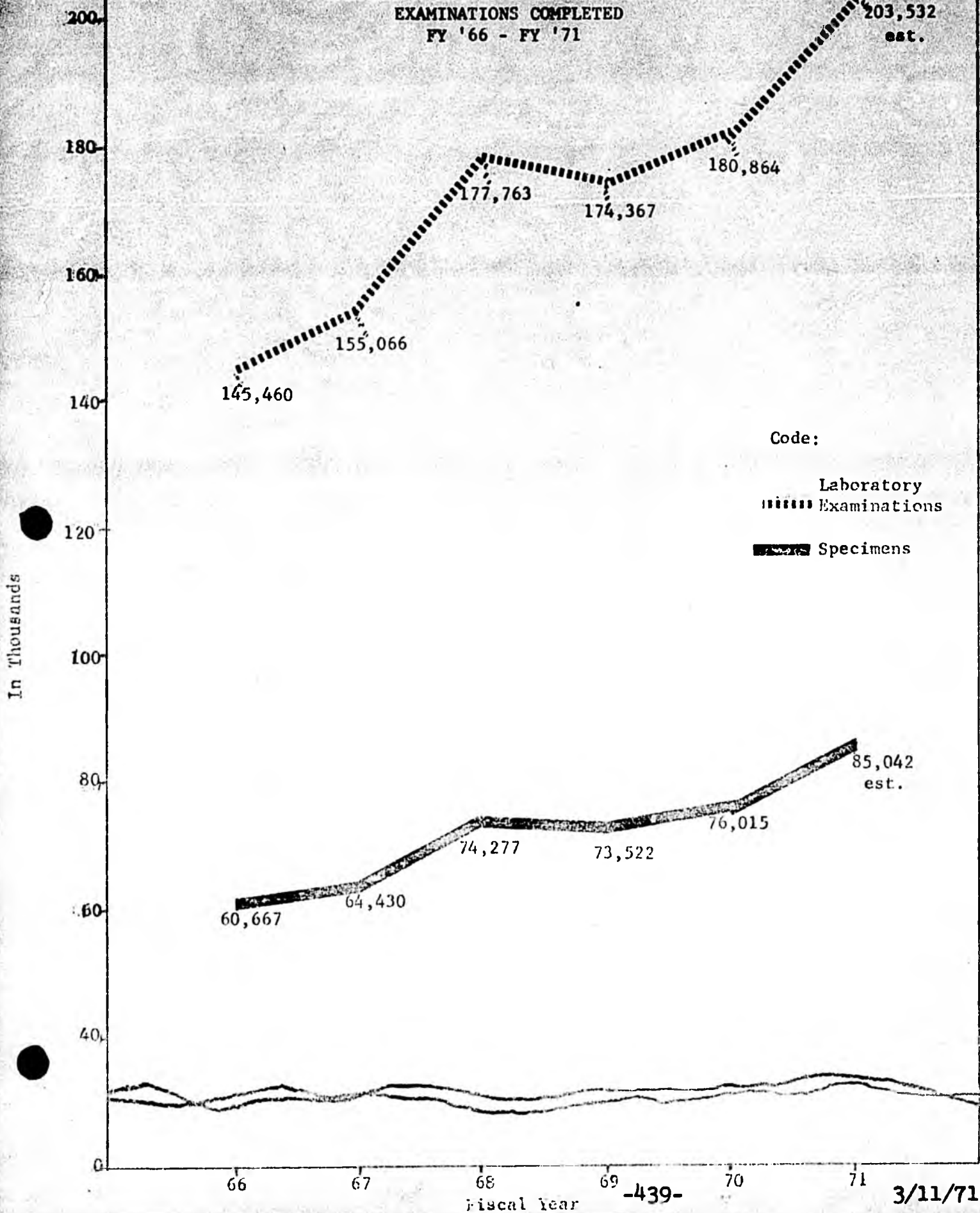
- a) Bacteriological examination of drinking water.
- b) Bacteriological examination of swimming pools.
- c) Seafood microbiology - crab, shrimp, clams and other seafood products.
- d) Food microbiology - Detection of pathogens.
- e) Dairy microbiology - Checking finished products.
- f) Water and Waste Water Chemistry.

6. Phenylketonuria - PKU

Program to start in March, 1971. Includes screening test and confirmatory tests.

DEPARTMENT OF HEALTH & WELFARE
 DIVISION OF PUBLIC HEALTH
 SECTION OF LABORATORIES

SPECIMENS RECEIVED AND LABORATORY
 EXAMINATIONS COMPLETED
 FY '66 - FY '71



Code:

..... Laboratory Examinations

———— Specimens

DEPARTMENT OF HEALTH AND WELFARE
 DIVISION OF PUBLIC HEALTH
 SECTION OF LABORATORIES

11/1/71

SPECIMENS RECEIVED, PERCENTAGE DISTRIBUTION OF SPECIMENS BY DIAGNOSTIC CATEGORY
 FY 1966 - FY 1971
 ALL THREE REGIONAL LABORATORIES

FISCAL YEAR and Percentage Distribution of Specimens

Specimens Received	1966		1967		1968		1969		1970		First Half 1971		Estimated 1971
		%		%		%		%		%		%	
Total Specimens	60,667		64,430		74,277		73,522		76,015		42,521		85,042
Specimens By Diagnostic Category													
Syphilis and Other Serology	17,699	29.2	22,377	34.7	24,095	32.4	26,980	36.7	28,266	37.2	15,933	37.6	31,866
Bloodtyping and Rh	6,677	11.0	5,643	8.9	4,600	6.2	4,604	6.3	4,291	5.6	2,367	5.8	4,734
Diagnostic Bacteriology	6,526	10.6	8,112	12.7	11,429	15.4	9,839	13.4	14,344	18.9	8,137	19.2	16,274
Tuberculosis Bacteriology	17,600	29.1	15,094	23.5	17,780	23.9	17,484	23.8	14,491	19.1	7,861	18.6	15,722
Sanitary Bacteriology	12,165	20.1	13,204	20.2	16,373	22.1	14,615	19.8	14,623	19.2	7,860	18.7	15,720

-440-

DEPARTMENT OF HEALTH AND WELFARE
DIVISION OF PUBLIC HEALTH
SECTION OF LABORATORIES

LABORATORY EXAMINATIONS COMPLETED BY DIAGNOSTIC CATEGORY
FY 1966 - FY 1971
ALL THREE REGIONAL LABORATORIES

Laboratory Examinations	FISCAL YEAR and Percentage Distribution of Examinations												
	1966	%	1967	%	1968	%	1969	%	1970	%	First Half 1971	%	Estimated 1971
Total Examinations	145,460	100	155,066	100	177,763	100	174,367	100	180,864	100	101,766	100	203,532
Examinations By Diagnostic Category													
Syphilis and Other Serology	35,398	24.3	47,754	30.8	48,190	27.1	53,960	30.1	56,532	31.3	33,318	32.7	63,732
Bloodtyping and Rh	13,354	9.2	11,286	7.3	9,200	5.2	9,208	5.3	8,582	4.7	4,734	4.7	9,468
Diagnostic Bacteriology	19,578	13.5	24,336	15.7	34,287	19.3	29,517	16.9	43,032	23.8	24,411	24.0	48,822
Tuberculosis Bacteriology	52,800	36.3	45,282	29.2	53,340	30.0	52,452	30.1	43,473	24.0	23,583	23.2	47,166
Sanitary Bacteriology	24,330	16.7	26,408	17.1	32,746	18.4	29,230	16.8	29,245	16.2	15,720	15.4	31,440

TABLE 1

EXAMPLES OF CRIPPLED CHILDREN'S SERVICES

Physician services

Dentist services (selected cases only)

Surgery

Physiotherapy

Speech therapy

Audiology

Psychological testing

Orthopedic brace fitting

Medical laboratory

X-ray

Hospitalization (out of State if required)

Rehabilitation

Specialty medical clinics throughout the State

TABLE 2

EXAMPLES OF CONDITIONS IN CHILDREN TO AGE 21 COVERED BY CRIPPLED CHILDREN'S SERVICES

Birth defects and deformities

Crippling due to injury

Mental Retardation

Hearing and vision handicap

Cerebral palsy

Graph A.
Number of Children Served Annually
by Crippled Children's Service

Number of Children

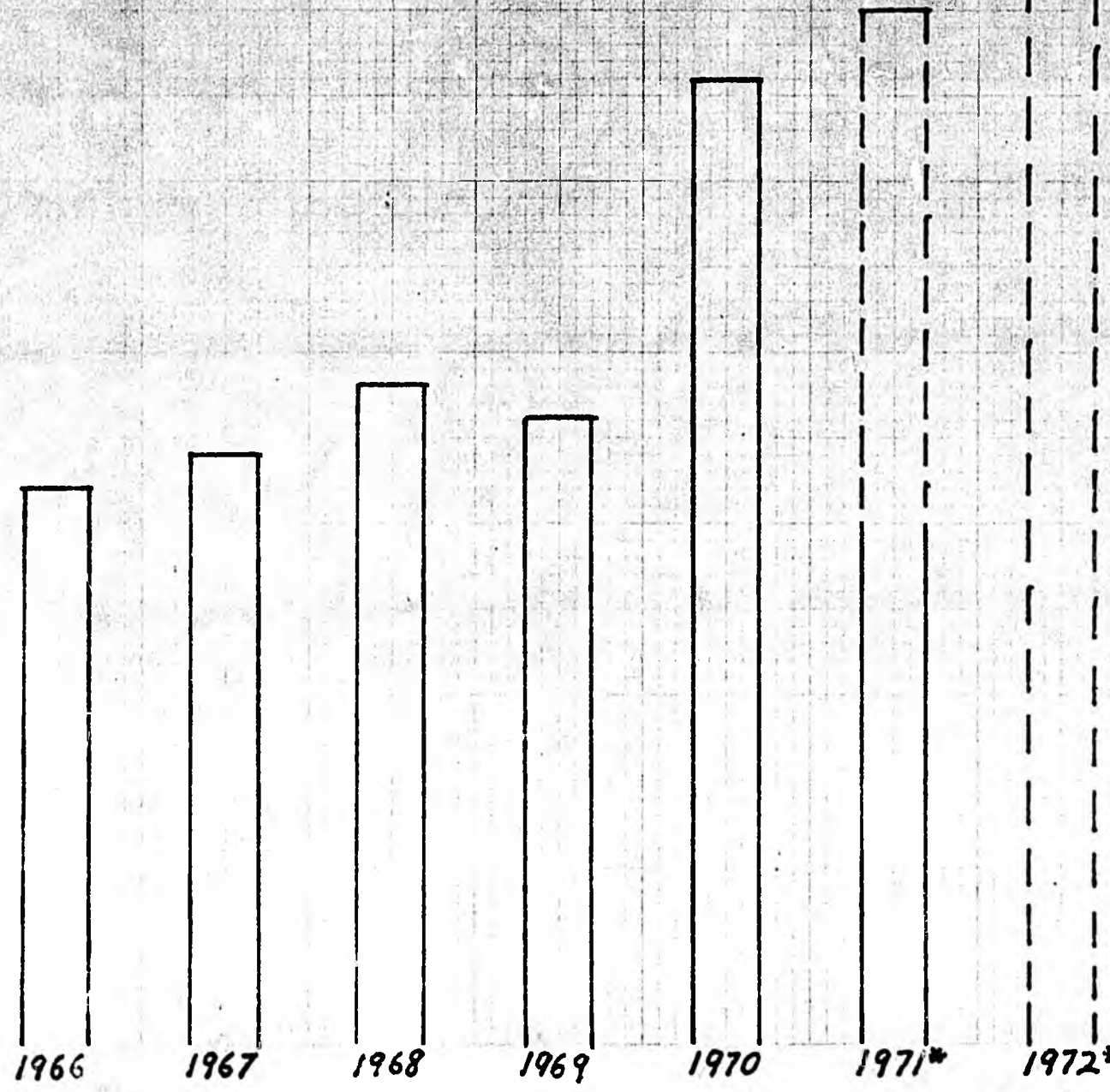
3000
2500
2000
1500
1000
500

1966 1967 1968 1969 1970 1971* 1972*

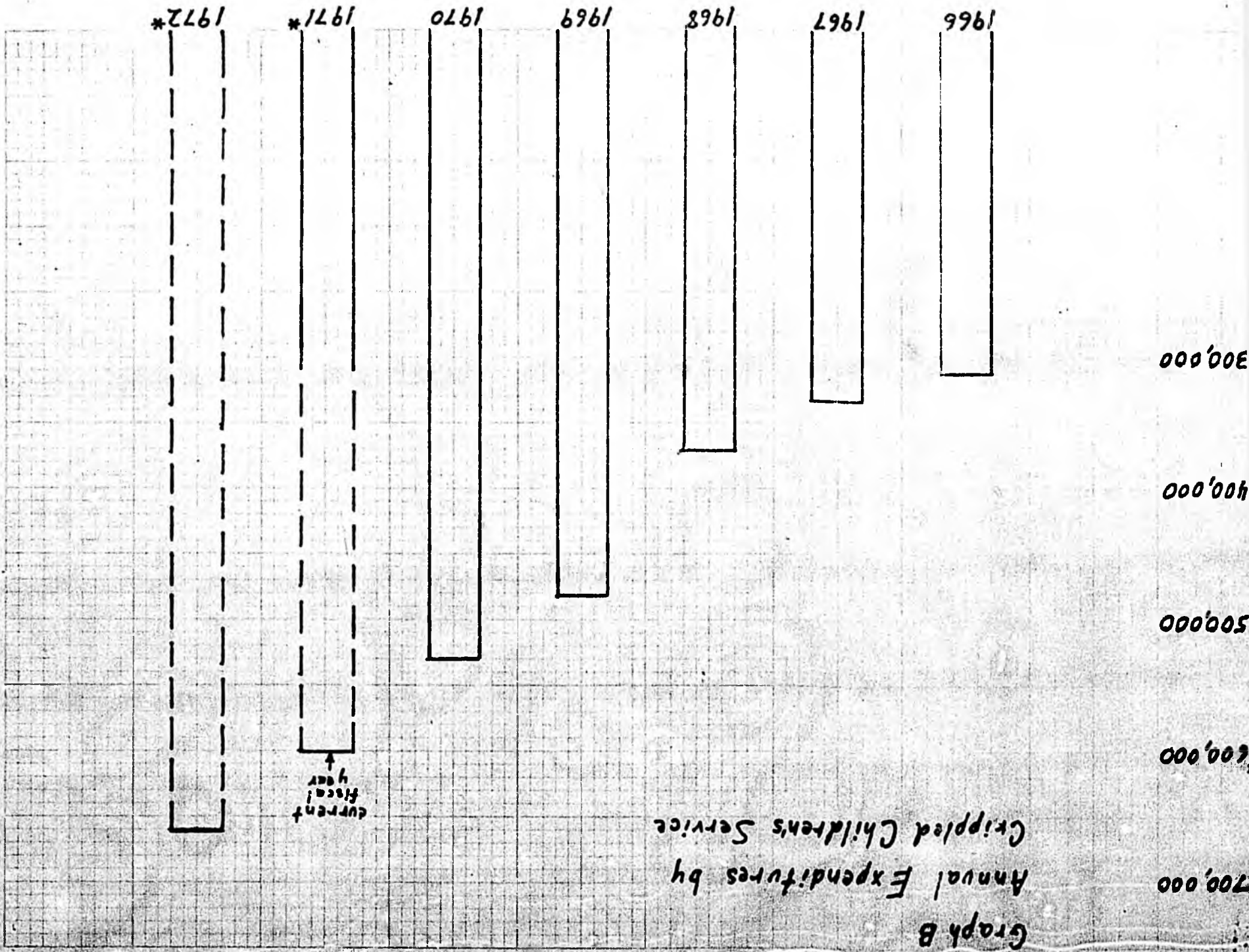
Fiscal Year

current
fiscal
year
↓

* estimated.



Graph B
Annual Expenditures by
Crippled Children's Service



*estimated

Fiscal Year

300,000

400,000

500,000

600,000

700,000

current
fiscal
year

Graph C

Appropriations vs. Expenditures for Crippled Children's Service





\$700,000

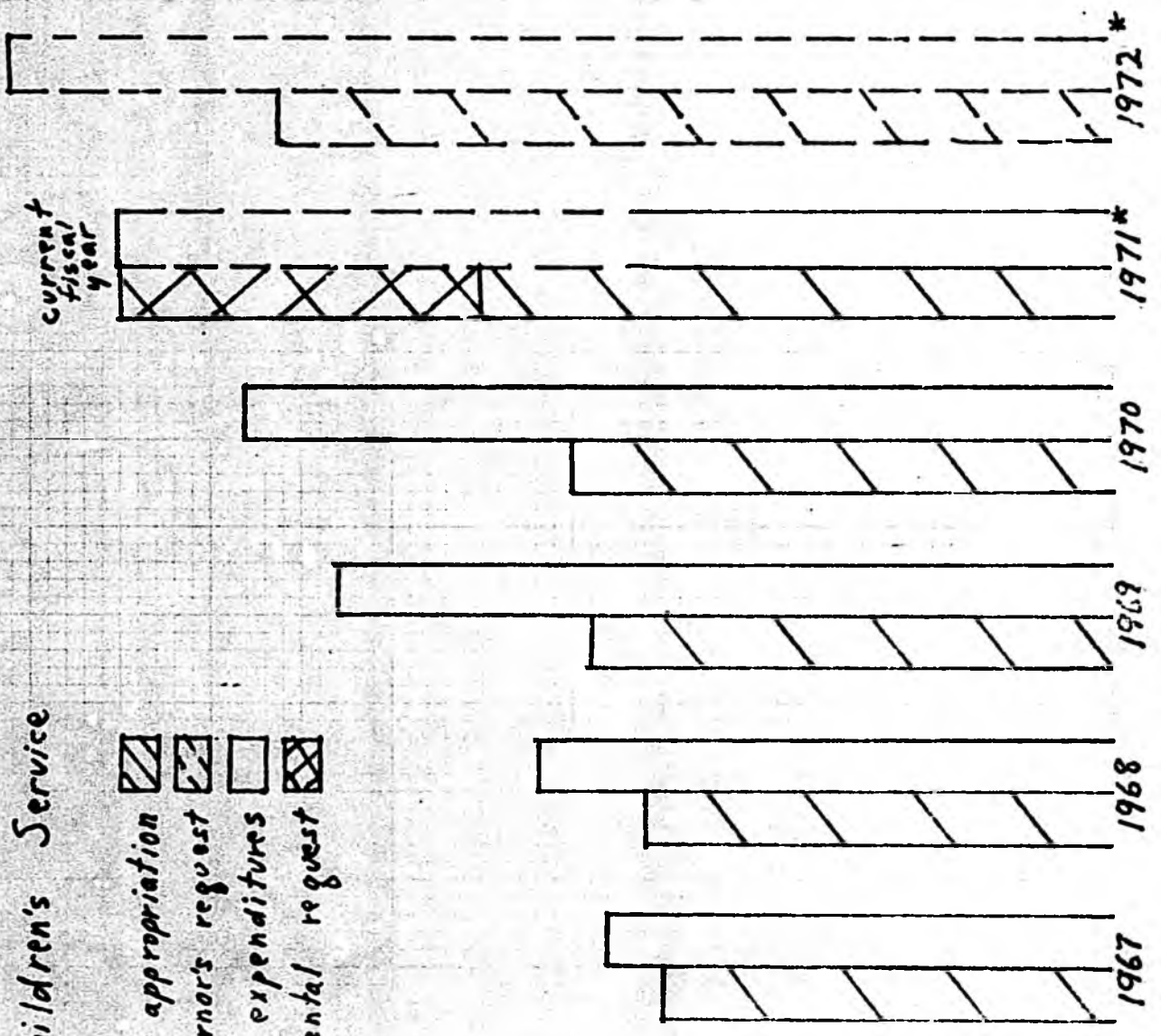
\$600,000

\$500,000

\$400,000

\$300,000

-  legislative appropriation
-  governor's request
-  expenditures
-  supplemental request



* estimated

Fiscal Year

DEPARTMENT OF HEALTH & WELFARE
DIVISION OF PUBLIC HEALTH

SECTION OF NURSING BUDGET

Authorized for 1970-71 Fiscal Year (Nursing)	\$1,300,000
Authorized for 1970-71 Fiscal Year (Home Health Services)	20,900
Authorized for 1970-71 Fiscal Year (Nurses Training)	<u>50,000</u>
	\$1,370,900
Maintenance Level	\$1,793,500
Budget Allowance Governor's Second Review Committee for FY 1971-72.	

ANALYSIS OF BUDGET ALLOCATED BY GOVERNOR'S SECOND REVIEW COMMITTEE

100 PERSONAL SERVICES

Salary Increase Authorized by 1970 Legislature (6%) \$ 74,700

Increased Employee Benefits (5%) 77,800

Note: Authorized by 1970 Legislature

Recovery of Vacancy & Turnover 116,700

Note: Reclassification done in 1969 has improved recruitment. No lapsing funds anticipated for Personal Services in FY 1971.

Funding of Overtime for Clerical Positions @ Time and One-Half 600

Note: To meet peak workloads for evening and weekend clinics, preparation of budget and other special reports.

Reclassifications and Reallocations 55,400

Note: Not included in FY 1971 budget since reclassification was not completed until December 1969. Budget has gone to Budget & Management Review and could not be revised to include this deficit.

100 PERSONAL SERVICES (cont.)

Transfer 2 positions from Program Administration \$ 13,600

Note: Nursing Aide positions established under "New Careers" - salaries covered by Department of Labor FY 1971 with the agreement that Division of Public Health would fund positions in FY 1972 Budget.

Decrease through deletion of positions (18,400)

Note Deletion of Public Health Nurse II position, Bethel, and clerk typist position, St. Lawrence, decreases budget below maintenance level.

200 TRAVEL

Increased Transportation Costs and Per Diem Allowances \$ 48,400

Note: To cover an approximate 10% increase in transportation and a 42% increase in per diem. The major portion of this requested allocation is to provide funds for the 31 itinerant nurses who are responsible for covering the outlying villages.

300 CONTRACTUAL SERVICES

Increase in Postal Rates and Other Communication Costs - \$4,000; Increase in Rents, Repairs and Maintenance Costs - \$9,800; Increased Costs of Transportation of Personal and Household Effects of Employees Transferring - \$5,700; Increased Air Charter to remote areas - \$6,000; Less Reduction in Insurance Costs (\$1,700); and Other Minor Adjustments - \$1,000

Net Increase \$ 24,800

Note: Slightly over one-half of this amount represents increased costs of program operation at current level.

300 CONTRACTUAL SERVICES (cont.)

Approximately \$7,100 reflects changes in budgetary policy transferring the 5 part-time Housekeeping Aides from Personal Services to Contractual Services.

\$2,344 is included for Fairbanks State Office Building in lieu of taxes.

400 COMMODITIES

Increased Cost of Medical Supplies - \$6,500; Office Supplies - \$1,000; and Janitorial and Maintenance Supplies - \$1,000 \$ 9,000

Note: To supply nursing staff with the needed supplies necessary to carry out program. This includes items such as nursing bags, needles, syringes, alcohol, acetate bandages, antibiotics and some 60 medications and drugs used under Medical Standing Orders.

500 EQUIPMENT

Cost of Replacing Professional and Scientific Equipment, and Office Furniture and Equipment \$ 5,300

Note: Much of current equipment is old and in poor condition. If refrigerators breakdown large supplies of vaccine may be lost. Malfunctioning typewriters cut down on efficiency and are costly to repair. Broken down furniture is a hazard to both staff and patients. Proper protection of patient records in locked files is essential to insure confidentiality.

Hemoglobin meters, blood pressure equipment, otoscopes, etc. all represent tools the public health nurse needs to carry out assigned tasks. In the past our supply of these items has been so limited that we have not been able to replace equipment which has to be repaired. This has left the public health nurse for 2-3 months without essential equipment.

AFTER RECESS

1:40 p.m.

Present: All members except Messrs. Haugen and Wright.

From the Court System, Mr. Reeves, Administrative Director of Courts; Mr. Abbott, Deputy Administrative Director of Courts; and Mr. Morrison were also present.

COURT SYSTEM

Chairman Hohman called the meeting to order. Mr. Reeves explained the reason for two budget books (the Court System had prepared additional black budget books). Mr. Reeves explained this is the first time he has prepared a state government budget. He said it became apparent about in October that the people who were preparing this budget did not know what they were doing so they hired a man from outside to come in and prepare the budget. He said that when Mr. Morrison looked at this budget he found they had left out part of the budget and also the Supreme Court indicated they were going to add additional courts and this was not planned for and this is the reason for the additional budget books.

Mr. Haugen entered the meeting.

Mr. Warwick asked if the Governor's Budget Review Committee looked at this new budget. Mr. Reeves explained that the Governor's Budget Review Committee does not look at the Court System budget as the Court System is a separate branch of government. Mr. Degnan asked who does review this budget and Mr. Reeves said the Chief Justice of the Supreme Court. Mr. Hohman said then the total budget is \$9,700,000 and Mr. Reeves said this is correct. Mr. Hohman said a communication from the administration indicated this budget request was

\$7,900,000. Mr. Reeves said all the Budget people do is take their figures and put them in the budget books. Mr. Hohman said then they are receiving the Court System budget on the sixtieth day of the legislature. Mr. Reeves said the committee is receiving an amendment which adds \$1,800,000 and this is due to several new courts that will be created and a couple of items which were inadvertently left out of the original budget.

Supreme Court Mr. Morrison referred to page 11 of the red budget book. He listed the new positions requested. Mr. Hohman asked what the difference between an Attorney III and an Attorney IV is. Mr. Reeves said an Attorney IV is a supervisor. Mr. Wright entered the meeting.

Mr. Hohman asked if a recent graduate of law school could enter at an Attorney IV range. Mr. Reeves said they would not anticipate this position for a recent law graduate; Attorney III's are recent graduates.

In answer to Mr. Hohman, Mr. Morrison said they are requesting 8 new positions.

Mr. Morrison explained the justification for the Assistant Administrative Director (page 17 of the red budget). He said the majority of the Supreme Court Justices deal with 35 cases a year while Alaska's Supreme Court Justices deal with 35 cases in 6 months. Mr. Reeves said he is currently spending a lot of time coming down to Juneau and if there had been someone here this type of work could be handled locally. He said that Justice Dimond's office receives all the requests for the Court System in Juneau. He said that Mrs. McPhetres, Clerk of

the Supreme Court, is doing her work and the administrative work also. He said Justice Dimond is expected to be the administrator and he felt this was asking too much.

In answer to Mr. Warwick, Mr. Reeves said when he took over they were lumping the Supreme Court and Administration together. They were also lumping all the District Courts together.

This new budget is broken down by judicial districts and this was done to try and get better cost accounting, Mr. Reeves added. He said the committee may find a tremendous increase or a tremendous decrease because they put them in a more logical breakdown.

Mr. Warwick said the Supreme Court provides basic services and asked if with this budget they are going to be able to provide all of the services they are mandated to do by the constitution. Mr. Reeves said he believed with this budget they will be. He said the cases that are being appealed to the Supreme Court have gone up drastically in the last two years. The Public Defender and OEO Legal Services are appealing more cases to the high court. Mr. Reeves said it is their best guess that this budget will provide all the appellate services they need.

Mr. Warwick^{asked} by the Supreme Court program increase who will actually be benefiting. Mr. Reeves said that anyone in the State of Alaska who is involved in any type of litigation or may be involved will benefit. Mr. Abbott said that everyone in the State will benefit in one way or another by the appellate court.

Mr. Morrison said they are not instituting some brand

new program. He said essentially they have the same population only they have a 100 per cent increase in cases. In the past they had an adequate staff and now they do not, Mr. Morrison added.

Mr. Fink asked if the Court System is using the same method of determining maintenance level as the Executive branch.

Mr. Fink asked if they were using a different system than Budget and Management and Mr. Morrison said no. Mr. Morrison said this shows as program increase but he did not feel it is a program increase because they still have the same number of people.

Mr. Fink pointed out that the maintenance level has gone up about \$500,000. Mr. Morrison said essentially this is for two categories -- jury costs which could not be construed as a new program and increased autopsy fees. Mr. Fink said then the remaining \$1,300,000 are new programs. Mr. Morrison said no, they are new positions to maintain existing programs. Mr. Fink said according to this system of budgeting it is actually a program increase. Mr. Morrison said this could be construed that way.

Mr. Reeves said that they would find in the black budget books requests for new positions to supplement the new courts that are being created. He said every time they create a court then they are charged with the responsibility of staffing it, finding a place for location and providing equipment. He felt they would be derelict in their duty if they knew the Supreme Court was creating a new court and they did not provide this.

Mr. Fink asked if they took into consideration in preparing their budget that the Executive branch felt they should cut their budget because of lack of income. Mr. Reeves said they reduced the supplemental to \$1,200,000. He said they had told the Supreme Court they felt this should be taken out. In answer to Mr. Fink, Mr. Reeves said the Court System does ask for a transfer of funds by Executive Order 20 -- they go to Budget and Management and have to justify their shifting. They are allowed to shift within line items but Mr. Reeves said it was his understanding that before they make any substantial line item shifts they must coordinate with Budget and Management. There was a discussion on the salary of an Attorney III position. Recess: The committee recessed at 2:30 p.m. and was called back to order at 3:00 p.m.

Mr. Frank Doogan entered the meeting.

Judicial Council Mr. Doogan spoke on the Judicial Council. He said this Council was created by the State of Alaska. The Council is composed of three lay members appointed by the Governor, three appointed by the Governor, three appointed by the governing body of the Alaska Bar Association and the Chief Justice of the Supreme Court for a total of seven members. Mr. Doogan said before this time the Council has really not been able to get any work done because they had no money. This had been controlled by Chief Justice Nesbitt prior to his retirement and Mr. Doogan pointed out that the Administrative Director under Chief Justice Nesbitt had also been the Executive Secretary for the Council. Mr. Doogan explained the purpose of the Council.

Mr. Doogan said there has been an increase in this budget but it is due primarily to the fact they are asking for one new position for the clerical staff and under code 380, professional fees and services, for the Executive Secretary. Mr. Reeves pointed out that he is no longer the Executive Secretary as Justice Boney felt this was not a good idea. Mr. Doogan said the Executive Secretary has held public hearings in 1970 and this was the first time since statehood the general public has had an opportunity to talk to someone about the court system. This also gave the employees of the judiciary and court system an opportunity to discuss their problems. He said they have found that some internal problems exist. He said these hearings can be on any subject that relates to the administration of justice. Mr. Doogan pointed out that he prepared this budget for the first time this year. He felt the Council could get out on its own and move as the constitution intended. He added that the spectrum of the Council's duties are broad. Mr. Doogan said the Chief Justice only votes in case of a tie. Mr. Doogan said they are "asking the committee to turn the Council lose as the constitution intended". Mr. Doogan said they felt they have to have their own Executive Secretary. Before he was hired and fired by the Chief Justice. Mr. Ditman questioned the big jump in contractual services and Mr. Doogan said \$6,000 is for the Executive Secretaries and there are also studies listed on page 184 of the budget. He said these studies are not all inclusive but he had picked some of them out from

minutes of the Council. Mr. Doogan said SENATE BILL NO. 103 (relating to the Governor's Commission on the Administration of Justice) is a proposal by the Governor to create a 9 or 11 member commission to study problems in relationship of crime and punishment. They have asked for a budget of \$150,000. Mr. Doogan said this work is already within the jurisdiction of the Council. Mr. Doogan said they are required every two years to make recommendations to the legislature.

Mr. Warwick asked Mr. Doogan to outline the prime functions of the Council. Mr. Doogan said the main and most important one is the investigation of studies which exist in the administration of justice. He explained this in detail. Mr. Warwick said in the last couple of years the Court System budget has been of some concern. He wondered if the Council would have anything to do with this. Mr. Doogan said this would be a concern of the Council; however, prior to Chief Justice Nesbitt's retirement they did not even see their own budget. Mr. Warwick said there are a lot of budgetary problems in the Court System and there is also a tremendous backlog of cases. Mr. Doogan said there were four recommendations made to the legislature and some have already been implemented. He said one recommendation was the trial court administrator to see they are efficiently using their time by calendar and case. The second was a coroner public administrator but he said he did not think the legislature acted favorably on this yet. He said acting as a coroner in the City of Anchorage takes up the services of at least one judge. Mr. Doogan said another is the pre-emption of judges. One of the big

problems the State has is land records and Mr. Doogan said they have recommended going to microfilming.

Mr. Doogan said the Council is undertaking a study for the purpose of determining whether or not to recommend that there be a constitutional amendment which would change the number of jurors from 12 to 6. This was discussed by the committee.

Mr. Warwick asked why the backlog of cases has gotten so bad. He said it almost seems people are tying up the courts to try to delay justice. Mr. Doogan said the backlog is because they are understaffed. He said the individual has also become more aware of his rights. Mr. Fink said the Alaska Legal Services are also filing a lot of cases.

Mr. Doogan said this is not really in the jurisdiction of the Judicial Council. Mr. Fink brought up the Stevens Village case and this was briefly discussed.

Mr. Degnan asked why they are considering lowering the number of jurors to 6. Mr. Doogan said he did not want to say what the Council would recommend. They have been asked to check this out because of the increased jury fees.

Mr. Morrison said they are requesting two Legal Secretaries in Anchorage. Mr. Abbott said the present ratio is three professionals to one secretary which is unrealistic.

Recess: The committee recessed for a few minutes for an executive session.

Mr. Hohman said the committee was concerned about the increase in this budget in light of the crunch the state is under. He said they would like to consider the maintenance level as the base and work from there. He said the committee is ready to accept the maintenance level as the base for the

Court System and they were asking for justification of why they should not. Mr. Fink said if this is not their current maintenance level then they want justification for the new maintenance level.

Mr. Reeves had a graph of caseloads which he showed to the committee to try and explain what would happen if they stay at maintenance level. He said they have been told the number of courts is going to increase. Mr. Reeves said the legislature is considering a bill to increase the jurisdiction of the district courts which will increase their caseloads. Mr. Reeves said they tried to project in their budget how to take care of the increased filings. Mr. Reeves said that if they stay at maintenance level and they do not make any provision or any increases the primary result would be that next year they will see another stack of cases that have been delayed.

Mr. Reeves pointed out that in the last 10 years the legislature has made very small increases in the Court System budget. He said he felt it would have been better if they had not asked for one "big bite" but rather moved forward gradually. He said if they would have done this they would have been in a much better position than they are now. Mr. Reeves said the only way to save money is to try to handle the increases more efficiently. He felt by delaying this they would be "digging the hole deeper." Mr. Morrison said what the committee was saying was that they would give the Court System essentially what they had last year. He felt they were not looking at a broad enough picture. He illustrated on the blackboard the

following figures. These reflect the Administration and Court Systems budgets:

	<u>Administration</u>	<u>Court</u>
1960	\$ 414,000	\$1,236,000
1970	\$12,310,000	\$5,073,000
1971	\$13,900,000	\$9,706,000

Mr. Morrison said this is an increase of 3,330 per cent for Administration and 600 per cent for the Court.

Mr. Warwick pointed out in revenue sharing there is \$6,000,000 which should be considered. Mr. Reeves said they could also say that the Court System had produced over \$2,000,000 a year in revenue for the general fund. He pointed out it is not all "out go".

Mr. Reeves said he and his staff are prepared to get any figures the committee may wish to try to substantiate their budget.

Mr. Reeves said he did not feel he could come up with a list of priorities as he would have to go back to the Supreme Court for this. He pointed out that the Chief Justice is in Williamsburg attending a conference.

Mr. Fink said they could explain in a letter the difference in the maintenance level between the original budget and the amended one. Mr. Reeves pointed out that the Supreme Court is going to create new courts. Mr. Wright wanted to know what would happen if they did not have the funds for this.

Mr. Reeves felt the court is not "going to do a futile act".

Mr. Wright pointed out that the district judges have to be appointed by the Governor. Mr. Reeves said they can be appointed for up to one year before confirmation.

Mr. Ditman said if the Supreme Court wanted this money they could go ahead. He said if the legislature had the power to stop them this would not be a true separation of powers.

Mr. Reeves said there is a provision, a legal method by which the Court System could get the money whether the legislature appropriated it or not. He said this is a pretty drastic method and no one has any intention of doing it. He explained this. Mr. Ditman said this has been used by other states.

Mr. Fink said there had been some salary changes in the budget which did not show as reclassifications. He pointed out these were substantial changes. Mr. Reeves said that about two years ago they had asked for the Division of Personnel to make a study of positions for the Court System. He said the Administration people had agreed that traditionally the judicial system was lower in pay. He said this does not show as reclassifications probably because the whole system was reclassified.

Mr. Fink asked for a breakout of jury fees. He wanted to know what was paid last year and what was paid so far this year and what they anticipate. Mr. Morrison had these figures and gave them to Mr. Fink.

Mr. Wright pointed out that Mr. Reeves salary was comparable to a commissioner's salary and wanted to know why since this is the case his deputy was not comparable to a salary paid for a deputy commissioner. This was discussed. Mr. Warwick wanted to know why if Mr. Reeves had a salary comparable to a commissioner he did not have the right to establish a list of priorities. Mr. Reeves went over the duties of his office.

Mr. Reeves said they are no more than a service organization. He said he could not tell the judges what to do on the bench. He said he directs and advises them in the direction that he felt they should go. Mr. Warwick said if they had a flat sum of money could Mr. Reeves tell them where it would go.

Mr. Reeves answered yes. This was discussed.

Mr. Reeves said this is the package they have presented and this is what they think it will take to run the Alaska Court System. He said he could not come up with a list of priorities. He would have to ask the Supreme Court as they are the ones who administer justice.

Mr. Fink said the committee position is to accept the program maintenance level as the top figure, but for the Court to give the committee their "best pitch" to go above maintenance.

Mr. Reeves said what they are showing as new positions could be shown as a requirement to maintain the maintenance level. He said he felt all of these new positions are people they have to have to take care of caseloads. Mr. Reeves said last year they created five new Superior Court judges. Mr. Fink pointed out this was partially funded last year. Mr. Reeves said they are just beginning to feel the impact of this.

Mr. Fink said this is not new and last year the finance committee approved money for this.

Mr. Morrison said he thought the committee's approach is valid in many cases of the Executive branch where they could control their programs. He did not feel this was true in the court

system as they have no control over the number of cases.

He ended by saying "justice delayed is justice denied".

Adjournment: The meeting adjourned at 4:30 p.m.

AFTER RECESS

3:20 p.m.

Present: All members except Messrs. Ditman and Haugen. Dr. Freedman, Commissioner McGinnis, Mr. Anderegg, Mr. Iverson, Mr. Thorn-Thompson and Mr. Lang from the Department of Health and Welfare were also present.

DEPT. OF HEALTH AND WELFARE

Division of Public Health
Public Health Nursing

Chairman Hohman called the meeting to order and explained the committee would continue with the discussion of the Division of Public Health. He turned the chair over to Mr. Degnan. Dr. Freedman distributed information on Nursing Services (see pages 472 - 476.)

Mr. Fink asked what the difference is between reallocation as compared to reclassification. Mr. Iverson explained reallocation is when the Division of Personnel does a complete study of a whole class of positions as opposed to reclassification which is for one position.

In answer to a question, Mr. Thorn-Thompson explained that the salary for the Chief of Nursing is \$22,536. Mr. Fink asked if the field nurses are usually II's or III's and Mr. Thorn-Thompson said the only III would be their Assistant Chief. Dr. Freedman said that I's, II's and III's are field nurses.

Mr. Fink asked if nurses are paid overtime in the bush areas. Dr. Freedman said no. They may get time off on a compensatory basis. Mr. Thorn-Thompson said they try to give them one full day off for each week end worked. Mr. Fink asked if this has caused any problems. Mr. Thorn-Thompson said out of the entire staff they have only one nurse who has objected to this arrangement.

Dr. Freedman said the Division does pay good salaries in comparison with the rest of the United States.

Nurses' Training Dr. Freedman discussed the \$50,000 for Alaska Methodist University. He explained this is the third year of state support. He said AMU has never received the entire \$50,000 in any given year because of the requirements the State has. Mr. Warwick asked how much they had received. Dr. Freedman said last year they received \$32,000. Mr. Warwick asked how much they will receive this year. Dr. Freedman said they are hopeful they will receive the full \$50,000. Dr. Freedman said the initial concept with AMU would put in two-thirds and the State would put in one-third. He said until AMU builds up their staff the State could not approve the one-third ratio. Mr. Warwick asked if the remaining \$18,000 would lapse. Dr. Freedman said it would either lapse or be transferred to some other program. Mr. Iverson said the budget showed this \$50,000 was expended. Mr. Iverson said he would check on this.

Dr. McGinnis said he suspected the year Dr. Freedman had reference to the year before.

Dr. McGinnis said he would try to be objective but felt there were some things the committee should be aware of in connection with this program for nurses. He said in a meeting with the HWE Committee and the Finance Committee there was quite a discussion with regard to relative costs of providing the nursing program elsewhere. He said it had been indicated that were the program to shift almost
HCR 23 surely it would require about \$300,000 a year because of things already provided under the present arrangement. He said he realized that a resolution had been placed concerning this matter

(HOUSE CONCURRENT RESOLUTION NO. 23 -- relating to nursing education in Alaska) and he felt he would be remiss if he did not give his opinion on this. He said there appears to be a very unintentional error in the Resolution (referring to "the Board of Trustees of Alaska Methodist University have decided to drop the four-year baccalaureate nursing program"). He said this was a conditional decision. He said it is more factual that the decision was made that in order to continue this program it would take some additional resources and in any event the decision would not be made until May. He said he should point out this comes in the life of the institution when they are between strong leadership. Dr. McGinnis said there is a statute which prohibits offering nursing education until it has been accredited. He said any new program would require quite a bit of lead time or else be in conflict of the law. He said it is very difficult for a program to be picked up and moved and there would be some standards that would not be transferable. Some plans would need to be worked out in terms of the statute and prohibitions contained in the statutes. He said the institution has received commitment from federal and private agencies to put \$1,500,000 into construction of the college of nursing which over a longer period of time could be transferable but Dr. McGinnis said he suspected that \$500,000 from private sources would not be transferable. Mr. Wright said he had introduced this resolution and was only interested in keeping the program. He said he did not think they would see any great amount of state funding going to any private institution. Dr. McGinnis said he felt it is important that Alaska has a

four year program of nursing some place. If this program is not continued it will be hard to start the machinery over again and Dr. McGinnis said it was his opinion this would be virtually impossible.

Dr. Freedman said the Division for the past three years has been faced with the problem of whether or not to budget this \$50,000. They have decided each year to include this. He said the Division of Public Health is the major employer of nurses and it is too costly to continue getting nurses from outside Alaska.

They feel it is a relatively small investment because at the end of four years they would be able to get a good many nurses.

Mr. Fink asked how they determine how much to give AMU.

Dr. Freedman said this is based on the initial legislation.

This year they were requested to increase this amount because of the increased cost of doing business. Dr. Freedman said they requested \$75,000 in their preliminary budget and then it was cut back to \$50,000. He said if they had certain funds that were unexpended at the end of the year they would be anxious to put them toward the School of Nursing. In answer to Mr. Fink, Mr. Thorn-Thompson said this was a result of legislative action in 1968 authorizing the Division of Public Health to aid AMU. He did not believe there has been any legislative action on this since that time.

There was a discussion on the maintenance level for nursing.

Mr. Iverson said there is a possibility they will get additional funding in the coming year. Mr. Wright asked what would happen to these additional funds. Mr. Lang said that all federal receipts are deposited in the general fund. Mr. Iverson said in the event

they get unprogrammed federal receipts there is the provision they could ask the Governor to expend these in other programs. He said this is done but not in large amounts. Mr. Thorn-Thompson pointed out that these receipts are usually earmarked.

Mr. Wright felt this is a nice device to raise the budget.

Mr. Thorn-Thompson said they have to report quarterly to the federal government. He said their relationship to the federal government is much like the relationship to the state as far as accountability. Mr. Degnan asked what the experience factor has been on federal receipts -- what actually goes back into the general fund. Mr. Lang said the Department of Administration would have the actual federal receipts. Mr. Degnan asked this information be supplied to the committee.

TB Control Dr. Freedman said in the 1950's Alaska had the highest incident of TB of any population in the world. He explained the progress that has been made in regard to TB control. However, Dr. Freedman said they have 80,000 records of Alaskans who had TB or who have TB in the arrested state. He said there is constant followup in these cases and a large number of people receive drugs that they have to take every day for a whole year. He said the federal agency is now withdrawing support and support for this fiscal year was not anticipated. However, the State did receive a grant. He said they do not expect to have another grant next year because the federal government has terminated support in other areas. Dr. Freedman said it is impossible for the state to replace some of the funding that was coming from federal sources. Mr. Thorn-Thompson said there are two parts to this program -- TB Control - General and TB Control - Project.

Dr. Freedman said they deleted two positions which amounted to \$16,800, they reduced travel by \$2,000 and contractual services by \$2,500 which amounted to a total reduction of \$21,300.

Mr. Thorn-Thompson said this is \$21,300 below maintenance level.

Mr. Warwick asked if they could conduct this program within this level. Dr. Freedman said they can conduct this program pretty satisfactorily. He added that it would not be the greatest.

Mr. Warwick asked if they will conduct it within this level.

Mr. Thorn-Thompson said they always try to get more federal money. The chances are very slight but there is a chance there may be lapsed federal money within this area which the state may be eligible for, Mr. Thorn-Thompson added.

Mr. Wright referred back to Nursing. He asked what training they require for a practical nurse. Dr. Freedman said there is a one year requirement. Mr. Wright asked if they require anything above one year. Mr. Thorn-Thompson said not as an LPN. Mr. Wright asked the normal salary for nurses. Mr. Iverson answered range 9 or 10 for practical nurses.

Mr. Wright questioned two separate agencies for Public Health in Fairbanks. Dr. Freedman explained the organization of the Division. Mr. Wright wanted to know why they have two different supervisors in Fairbanks. He felt they could have the same supervisor for the clinic and for the itinerant nurses. Mr. Thorn-Thompson pointed out this is a working supervisor. Mr. Iverson said there is a difference between an institution setting and an itinerant situation. Mr. Hohman entered the meeting.

Community Health Dr. Freedman explained the breakdown of the Community Health program. These are Nutrition, Communicable Diseases,

Immunization Program, Greater Anchorage Area Borough Health Department and Medicare Program. Dr. Freedman briefly discussed these areas (see pages 477 - 479.)

Greater Anchorage Area Health Department

Mr. Fink referred to page 652 of the budget. He said originally they had asked for \$300,000 under code 700. \$30,000 was the program increase and Mr. Fink wanted to know where this \$30,000 would come from. Mr. Thorn-Thompson said the distribution will be left to the GAABHD. Mr. Wright noted the 1970-71 Authorized was \$250,000 and wanted to know how they got from \$250,000 to \$270,000 (which is shown as program maintenance). Dr. Freedman said this year the Health Department asked for \$450,000. He said they were in no position to provide this. He said they are trying to establish a formula base for determining how much the state can provide. Mr. Lang said this is an 8 per cent increase over the authorized last year. Mr. Wright did not feel this was an explanation -- he wanted to know how they arrived at the 8 per cent increase. Mr. Thorn-Thompson said the allocation is very much in line with previous allocations. He said they did not take their request and arbitrarily cut it in half. He noted that last year legislative action increased the amount for Retarded Children. Mr. Fink said the state used to operate the health office in Anchorage. Dr. Freedman said he believed the State gave them \$125,000 the first year they became independent. The State is still providing many services in Anchorage. He said they do have an 8 per cent figure which is an increase of \$20,000. He said this did not satisfy all their needs but the Division felt it was the best they could do. Mr. Wright reiterated that what he was asking was how they arrived at the \$20,000 increase in program maintenance.

Medicare Program Dr. Freedman spoke briefly on the Medicare Program.

Mr. Warwick wanted to know how they increase the quality of care.

Dr. Freedman said they send out a Nutritionist to work with the dietitians and help improve the diets of people on Medicare.

Mr. Warwick said there is no Nutritionist in this budget but

Dr. Freedman said this is under contractual services.

Dr. Freedman said they also send out a physician who is on contract. They send in their sanitarian who inspects for sanitary aspects. Mr. Warwick questioned the \$76,000 in federal receipts and Mr. Lang said this amount is locked in. Mr. Warwick asked what the attitude of the hospital is when the state sends in people to make recommendations. Dr. Freedman said they "are delighted". It is one of the few times they get free advise, and Mr. Thorn-Thompson said the hospitals are grateful to have medicare patients.

Mr. Fink said he had a general question. He wanted to know how the lines are delineated -- how they determine what the Division of Public Health does and what the U.S. Public Health Service does. Dr. Freedman said they look at the statutes which requires responsibility for protecting health. Dr. Freedman said this is a type of marital relationship. Mr. Fink asked if the Public Health Service was expanding. Dr. Freedman said they have expanded slowly over the years; however, last year they had cut back in the number of positions they were allowed to recruit. Mr. Fink asked if there was a clear delineation between the State and the U.S.P.H.S. Mr. Thorn-Thompson said the USPHS supplies the physicians and the State does not. He said this is something that is clear cut. He said the State supplies nurses in the field.

The USPHS responsibility ends with natives except for certain emergency situations. Mr. Fink said then the State of Alaska has legal responsibility and the Federal Government has the same responsibility to natives and there is an overlap. He asked if the State budget was going up because the federal budget had been cut. Dr. Freedman said he did not think this is the case to any significant extent. Year by year they have added on more joint activities where they can share the staff. He spoke briefly of a dental project in which the State had \$11,000 and combined with a federal project it was very successful. They had concentrated on dental service for about 800 youngsters in 6 or 8 villages.

Dr. McGinnis referred back to Mr. Wright's query on the Greater Anchorage Area Health Department. He gave an explanation of how the budget for the Health Department had grown. He said they had cut their request down to \$270,000.

Mr. Wright did not feel this was the answer to what he had asked. He wanted to know how they had got from \$250,000 to \$270,000 and called this maintenance. There was a brief discussion on this and the meeting recessed at 4:55 p.m.

**PUBLIC HEALTH NURSING SERVICES
ALASKA - 1970 - 71**

Under the direction of the regional health officer, regional nursing supervisor or case-responsible physician, the public health nurse provides and promotes comprehensive (preventive and curative) nursing services to families on a community wide basis.

Services are given in: homes, health centers, schools, clinics.

COMMUNICABLE DISEASES

Public health nurse participates in disease control activities through general preventive measures, early identification of disease, provision of care, and supervision to reduce effects of disease.

Examples of Service:

1. Immunizes specific age groups against: Diphtheria, Tetanus, Whooping Cough, Smallpox, Measles, Rubella, typhoid, Influenza (PRN).
2. Instructs families, school authorities, community groups on prevention of spread of contagious diseases.
3. Investigates sources and spread of diseases on epidemiological basis.
4. Treats respiratory conditions, infectious skin diseases and other communicable disease according to physician's recommendations or Medical Standing Orders. (MSO). Examples: Impetigo, "Pink Eye", Diarrheas of early childhood, etc.
5. Collects specimens for bacteriological examination: blood, feces, etc.
6. Interviews and counsels VD patient and contacts; treats according to physician's recommendations or MSO.

TUBERCULOSIS

Public Health Nurses assists with:

1. Case-finding)
2. Supervision) TB cases, contacts and suspects.
3. Follow-up)
4. Surveillance) Previously infected population.

Examples of Service:

1. Chest X-ray Community Surveys: Planning, organization.
2. Tuberculin Tests: Negative pre-school and school children annually; other age groups as indicated.
3. Sputum and urine collection for bacteriological examination.
4. Refers for medical care; prepares hospitalization papers.
5. Chest Clinics: organizing; participating.
6. Chemotherapy and chemoprophylaxis: home supervision; distribution anti-TB drugs.

MATERNITY CARE:

Public health nurses helps to: 1. evaluate condition of prenatal patient for need for special care and assists with plans for attaining it, 2. prepare the patient and family to deal with physical, emotional, and social changes incident childbearing.

Examples of Service:

1. Prenatal health appraisal and supervision:
 - Health history; patient's complaints
 - Nurse's observations
 - Weight: gain
 - Blood pressure) Only in villages
 - Hemoglobin) with no immedi-
 - Urine tests: sugar, albumin) ate medical
 - Fetal heart beat check.) care.
2. Refers and reports to physician.
3. Prenatal counselling: patient and family.
4. Delivery: if patient unable to reach hospital or no midwife in village.
5. Post-partum follow-up.
6. Family planning counselling: parents.
7. Parent's Classes

INFANT AND CHILD HEALTH PROMOTION

Public health nurse assists the parents keep the well child well and promotes the highest possible level of his complete well-being by means of individual counselling, Child Health Nursing Conferences and group instruction.

Examples of Service

1. Child health conferences: Health appraisal: Health history
Parent's observations
Growth record
Physical inspection
Tuberculin test

Referral to physician.

Counselling mother on child's health and growth and development.

Immunizations

2. Home visit - instruction on care of infant and preschool children.
Instruction in infant bathing, formula preparation, etc.

SCHOOL HEALTH SERVICES

Public health nurse gives school health nursing services which aid in attaining and maintaining student's optimum fitness to learn. Through these services she also increases the student's understanding of health and health problems.

Examples of Service:

1. Health assessment: Cumulative health record
Health history; student's complaints
Teacher observations
Physical inspection; dental screening
Tuberculin testing
Vision screening
Hearing screening
Physical examination (assists physician)
2. Counsels pupils, teachers, parents and others on student's health problem and assists them plan for appropriate care.
3. Reinforces and supplements teacher's health education activities by assisting with materials or suggested content.
4. Providing or arranging for care of injuries, and of emergency or continuing illness.

CRIPPLED CHILDREN'S SERVICES

Public health nurse helps to locate and restore Alaska's handicapped children to as nearly a normal life as medical science can accomplish so they may develop to their maximum potential and become a useful and productive member of society.

Examples of Service:

1. Case-finding through home, school and Child Health Conferences.
2. Referrals for service: Eye, E.N.T., Orthopedic, Pediatric clinics.
3. C.C.S. clinics: organizing; participating.
4. Follow-up nursing service after diagnostic procedures and treatment.

CHILD STUDY CENTER

Public health nurse assists with:

1. Locating children suspected of mental retardation.
2. Referrals to Child Study Center for developmental evaluation.
3. Multi-discipline case conference - participant.
4. Assistance to parents in accepting child and limitations.
5. Counselling parents on self-help training of MR child.
6. Stimulation of community interest in mental retardation.

COMMUNICATIVE DISORDERS

Public health nurse helps to identify children with speech, hearing and language disfunctions, and assists the individual attain his full potential in good communication.

Examples of Service:

1. Auditory threshold tests on children who failed screening test.
2. Refers to private, state or federal program for care.
3. Follow-up audiograms after otological surgery.
4. Instructing families on preventing acute and chronic otitis media.

ACUTE AND CHRONIC DISEASES IN CHILDREN AND ADULTS

Public health nurse aids in the detection of families with acute and chronic illnesses and encourages individuals to seek prompt and adequate care, or renders direct care according to MSO in absence of immediate medical treatment. Assists with follow-up of medical recommendations through interpretation and encouragement to family.

MENTAL HEALTH - MENTAL DISORDERS - ALCOHOLISM - DRUG ABUSE

The public health nurse assists with case-finding, referral for evaluation, hospital arrangements, emergency handling and treatment of acute conditions and patient-family support, including supervising home care of the ill patient.

Public health nurse works on an individual, group and community wide basis to assure use of all available measures to prevent mental disorder or emotional malfunction, including alcoholism and drug abuse.

HEALTH EDUCATION

Public health nurse uses health education techniques and materials in all personal contacts and community health activities. Among her various tools are films, slides, pamphlets, posters, demonstration kits, etc.

Every individual or family problem, however minor, has its teachable moments. Health education is directed toward defined problems that families recognize and toward a specific course of action that they see as reasonable and possible.

Community health education is directed toward the health needs of the community, what the community perceives as their health needs, the community's level of understanding, and their readiness for group health education in relation to their health problems.

March 11, 1971

COMMUNITY HEALTH BUDGET

I. Nutrition

Many Alaskans do not get the right food. Bad results:

Inability to work because of low blood iron;

Reduced resistance to illness;

Vision loss from dietary vitamin deficiencies;

Loss of teeth and cavities.

In Alaska, there is a less choice of food at a higher cost.

At the White House Conference on Food and Nutrition, Alaska was cited as one of four most deficient areas in the United States in diet.

Program in Community Health designed to let people know how they can get more nutritious diet at a cost they can afford. State program gives guidance to consumers and suppliers to effect better diet for all Alaskans.

II. Communicable Diseases

The Department of Health and Welfare is responsible for controlling outbreaks that threaten people's health. Protection of health is aided by a Federal Epidemic Intelligence Surveillance Officer, who receives word whenever there is an outbreak and advises as to its control.

Each month, there are notices of outbreaks throughout the State. There have been many outbreaks of hepatitis in the past year, including an epidemic with over 90 cases at Eilison Air Force Base, and cases at Unalaska, Bethel, Beaver, Tanana, on the North Slope, and among drug users in Anchorage.

There have been numerous outbreaks of food poisoning, with 20 cases of Shigellosis in Juneau in October, cases in Anchorage and Fairbanks.

There were 143 cases of measles in the State in 1970, including Petersburg, Ketchikan, Anchorage and Fairbanks.

The State, in protecting the health of its citizens, investigates each outbreak and advises what measures should be taken.

III. Immunization Program

This is a program to give shots to protect everyone, but especially children, against preventable diseases. Alaska has been outstandingly successful in its campaign to protect children against German measles, as a way of protecting pregnant women from this disease. When a pregnant woman gets German measles, she may give birth to a deformed child. Two such children were born in early 1970. To avoid this, the Community Health program has given over 50,000 shots to children, so that it is fourth in the Nation with 82% of its children protected.

Over 7,000 shots have been given against measles. Shots protect youngsters also against diphtheria, tetanus, and whooping cough. Oral polio vaccine also has been widely distributed.

This program is paid completely by Federal funds.

IV. Greater Anchorage Area Borough Health Department

For the past six years, the State of Alaska has contracted with the Greater Anchorage Area Borough Health Department for assumption of some

State responsibilities for health in return for an appropriation to the Health Department. The GAAB Health Department actually provides service for nearly half the population of Alaska. The Health Department has steadily expanded the services it has offered to its people; however, the State contribution has been increases only 28% in the past six years.

The grant to GAAB includes also monies to pay the salaries of teachers of handicapped children under the ACCA and ARCA programs.

V. Medicare Program

The Community Health Program is responsible for certifying hospitals, laboratories, etc., authorized to provide services for the nearly 7,000 elderly Alaskans covered by Medicare. Alaska has 21 hospitals with 969 beds which have been certified by the Medicare Program as providers who meet the Federal requirements. Each facility has to be visited and studied to ascertain if the Federal requirements have been met.

The program is entirely paid for by Federal funds and the Federal Government sets the requirements for the program in the Social Security Act.

AFTER RECESS

5:00 p.m.

Environmental Health Mr. Anderegg, Director, Division of Environmental Health, posted an Alaskan map on the wall so the members could see how the division was broken down into districts and how many employees in each district. He said it was subdivided into three regions. Mr. Anderegg said when he came here two years ago, he was one of two engineers in the whole division and now they have been able to increase this but the work continues to grow. The mail from the other states, he remarked, was mushrooming out of all proportion. People feel that because most of the state is federal land, they should have some say about what is happening here even though they do not live here.

In discussing pollution problems, he mentioned the number of cruise ships that are increasing each year, campers, tourists in general, etc., that are arriving year around, all of which are contributing to a need for expanded services on environmental protection.

Mr. Anderegg talked about the two engineers that are presently on the staff that both have petroleum engineering backgrounds. These two people are most valuable and he feels they are now on top of the Valdez terminal and his division feels it will be proper to issue a permit after the hearing at the end of this month. It is not a foregone conclusion, of course, but he is hopeful.

Mr. Anderegg referred to the \$10 million voted by the last legislature (\$2 million in general funds and \$8 million through GO bonds) for the State's share of participation in the community water supply and disposal system.

This is based on the federal statute which states that if the state provides 25 percent of the funding, the federal will provide 50 percent, and the balance must be paid by the municipality. He said

administration of this program, including the provision of advice and guidance to municipal applicants is providing to be difficult because of the small environmental engineering staff available to participate. Mr. Anderegg said the Environmental Health general budget had been made separate before his time because of the federal funds.

He said to qualify for these funds they had to write a huge book on their proposed planning program and it is a fantastic amount of work but he felt it was worthwhile if only because of the grant money the money they will be receiving. Thus far, they have received from \$5 to \$6 million, and the President of the United States has requested \$2 billion for the next year. The present request for Alaska now before Congress is \$1.2 million and this should go to \$3-4 million, according to Mr. Anderegg. He said the Federal Water Quality Improvement Office does send people up here to help draft the state plan.

Mr. Anderegg read to the committee a statement on the Federal Clean Air Amendments of 1970, which has accelerated the requirement for state implementation plans in the air pollution control field. Plans and a set of air quality control standards must be developed within nine months or the federal government will step in and assume the responsibility. He discussed the industrial developments such as the new refinery proposed for Fairbanks, pulp mill for Juneau, etc., and how all of these require plan review and operational surveillance to protect Alaska's clean air environment.

In the radiation protection area, he described various problems such as the new micro-wave oven which has potential for leaking harmful radiation around defective door seals and could be very damaging,

for example, to a cardiac patient wearing a heart pacemaker. He said there is a high turn over in X-ray technicians in Alaska and they have to keep checking equipment for defects, etc. He referred to the Snettisham tunnel project, Skagway ore-loading facility, Prince of Wales -- all of these need constant surveillance for employee exposure to dust and other environmental occupational exposures.

Mr. Anderegg stated that a recent national survey showed that at least one-third of the persons in the U.S. are receiving water of questionable quality from public sources and therefore it is reasonable to assume that with the remote rural systems, this would be true in Alaska.

He said one of the major activities that is new to the department will be participating in the Village Safe Water Act.

Planning, he felt, had been neglected in all program areas, and as it stands now they move from one crisis to another, but he wants to see the division in a position to prepare long range goals for environmental improvement, and also to have personnel trained in the event of earthquakes, floods, etc. He stressed that his division is committed to the preservation of Alaska's clean air, water and land environment.

In answer to Mr. Degnan, he said the type of training for emergencies is to have people in key areas aware of the type of chlorination that can be used to purify water after an earthquake, and all of the various measures that must be taken immediately following a disaster. Mr. Fink noted that on page 500 of the workbook, the division shows federal receipts for Comprehensive PH grant, Water Resources Planning Air Pollution and Solid Waste, and yet in the revised budget these figures were knocked out. He wanted to know why. Mr. Anderegg said

when the budgets were revised downwards, the federal grants were adjusted likewise and in the case of the Air Pollution and Solid Waste grant, these figures were not firm so they were deleted. He said in the case of the \$20,000 for Water Resources Planning, his office is working on the paper work and they are hoping to increase the amount they will receive on that. Mr. Fink said he still didn't understand why they left it out and Mr. Lang said that it is a new program and they have been asked to delete anything that wasn't considered program maintenance.

Mr. Wright questioned the advisability of having two offices in Southeast, he felt Mr. Anderegg should be able to run the state operation as well as the regional. Mr. Anderegg said he had done it for awhile but he cannot do a good job for the whole state if he is also involved in running a regional office. His job is to supervise all of the state, and he said that even though he is an engineer, it has developed to a point where he does mostly administrative work. The position of Environmental Research Engineer in the Alaska Water Lab, Fairbanks (page 507, workbook) was questioned and Mr. Anderegg said this position was held by Joe Alter who had been with the Territorial and State government for over 25 years. He is working out of a federal office where they give him space, but his job is funded by the state. He is mainly concerned with the North Slope and works with oil people from all over the United States on environmental programs on the slope. He had been designated to be the coordinator on this work by the former Commissioner of Health and Welfare, Joseph Betite. Mr. Alter has developed a North Slope treatise that sets out guidelines that have been mailed out to every oil company in the country, dealing with air pollution, garbage

disposal, etc.

He cited a major problem on the slope is getting rid of garbage, waste, etc., because it will "live" forever on the tundra. Some oil companies actually airfreight their garbage back to Fairbanks in Hercules. Mr. Alter recently held a seminar in Anchorage which attracted 200 oil people from throughout the country. In this way they are getting the thinking of these people but as yet, they don't have all the answers.

Mr. Hohman asked about the Village Safe Water Act, and wondered how much money had been requested. Mr. Anderegg said he had asked for \$500,000 for this. Mr. Hohman said as he understood the state's position, they were watching the pilot program at Emmonak before proceeding into other villages. Mr. Anderegg said that was partially so. They have discussed the possibility with the federal of the state designing the facilities. They are looking for an administrative way to getting around the legal requirement of putting up the 15 percent and Byron Mallot of Local Affairs is checking into this now for Mr. Anderegg. He was not sure whose responsibility this would ultimately be and mentioned it might fall into Division of Buildings. Mr. Hohman said it was his understanding that the Economic Development Administration was holding off. Mr. Anderegg said one of the federal requirements for this is that it must be in a self-contained building. Mr. Anderegg felt that with a little extra effort the Village Safe Water Act could encompass toilets, showers, washer, and other such kinds of facilities. The federal people say it has to be a watering point where people come with buckets to pick up the water. Mr. Hohman said they are going into office space, in addition to

the other functions that Mr. Anderegg had mentioned. Mr. Anderegg said he had been told it would be a self-contained building and was not aware they were going to expand this. Mr. Hohman said to his knowledge it was going to be. Mr. Anderegg thought it would be a good idea to have a health center in the same building. Mr. Anderegg said one of the guidelines from the federal is that they must be able to demonstrate this project elsewhere and he used Browerville as what he felt would be a unique community to do this demonstration but Merritt Mitchell, the man that is the head of the Economic Development Administration did not agree with him. Mr. Hohman's concern was that they would not see anything accomplished. He felt EDA was backing off because they did not want to get involved and meanwhile the state is waiting for the federal to do something. He did not feel this was consistent with legislative intent or consistent with the will of the voters. Mr. Anderegg asked Mr. Hohman if he had seen indications that EDA was not going ahead with this pilot project and Mr. Hohman told him that Representative Martin Moore had met with the federal people recently at Emmonak and they are definitely holding back but he did not know why. Mr. Anderegg assured Mr. Hohman he would get a first hand report on this by early next week and give the committee an up-to-date account of it. Mr. Hohman requested that Representative Moore also be supplied with a copy of this report. Mr. Wright complimented Mr. Anderegg on his presentation to the committee but emphasized that did not mean he agreed with it. Dr. McGinnis told the committee he was not yet sure what the Governor would do about creating the new Environmental Department; but

whatever the decision, his people would cooperate fully on whatever the arrangement.

Mr. Warwick asked for a breakdown on the \$2,000,000 for sewer grants and Mr. Anderegg said they had developed a list of projects beyond the \$10,000,000 for this year which has a fairly definite figure.

Mr. Fink requested that the committee be supplied with copies of this.

Mr. Warwick again asked about the \$2,000,000 and Mr. Anderegg said the \$10 million figure is the grouping together of the \$2 million appropriated plus the \$8 million bond money. He said the additional \$3 million in the bond issue was for the Village Safe Water Act.

Mr. Warwick wanted to know what it was to be used for, and

Mr. Anderegg said for sewage treatment projects first. They have to maintain the match to keep the federal program.

Mr. Anderegg said it is complicated to get going, these municipalities must submit a plan and then obtain the state and federal matching and sometimes they say they're ready to go when they are not. In answer to Mr. Warwick's earlier question, Mr. Anderegg listed the following projects as approximate figures:

Anchorage	\$650,000	--	sewer
North Pole	56,000		"
Soldotna	182,500		
Homer	130,000		
Lameda	275,000		
Juneau	290,000		(Mendenhall valley)
Sitka	275,000		water project
Klawock	60,000		
Kake	60,000		

Saxman	7,500	(small project that will fit in)
Palmer	9,500	

Mr. Warwick discussed the Lameda situation with Mr. Anderegg and Mr. Anderegg assured him the state was doing all they could to help in this area.

Mr. Anderegg noted that on the amount for Sitka, that Sitka had just recently failed to vote favorably on its bond issue so they would probably lose the above listed money. The state offer holds good for six months so if they are not ready to go by then, they lose it.

Mr. Fink asked that the committee be provided with copies of the proposed plans for the use of these funds. Dr. McGinnis said he would supply these but they must be aware that the Governor has not yet seen this and there could be changes since it had not been approved.

Mr. Fink wanted to know what kind of supervision was given by the department on those projects that did not fall into these federal plans. Mr. Anderegg emphasized that they look into every water system of any municipal project, regardless of who is funding it. It is required by statute.

Mr. Fink wondered if the state worked on the design of those projects that they are financially involved in and Mr. Anderegg said absolutely.

There being no further questions the meeting adjourned at 6:15 p.m.

HOUSE FINANCE COMMITTEE

March 15, 1971

2:15 p.m.

Present: All members. Frederick P. McGinnis, Commissioner; James F. McClain, Administrative Officer; V. L. Iverson, Director, Division of Administrative Services; Stanley P. Harris, Director, Division of Public Welfare; Roy Pagenkopf; Frieda Borchick, Division of Public Welfare; Department of Health & Welfare. Walt Norem, Budget Analyst, Division of Budget & Management.

Public
Welfare

Mr. Hohman called the meeting to order and Dr. McGinnis stated the department has covered a good number of the basic programs in the Public Welfare division, and the budget represents a realistic appraisal. Dr. McGinnis continued by saying he would like to stress that over a number of years Public Welfare has faced supplemental problems because of the nature of the locked-in caseloads, which are mandated by the legislature for certain programs. The mandatory programs develop a spending pattern over which the department has no control. If the programs are not funded, Dr. McGinnis felt it should be noted so that next year it will be a matter of understanding as to why the cuts occurred. If the department does fulfill the legislated programs, they may exceed the budget and request a supplemental. Dr. McGinnis then introduced Mr. Harris, Mr. Pagenkopf, and Frieda Borchick from the Division of Public Welfare.

Mr. Harris stated that throughout the nation welfare cases are up. In Alaska there has been a 20% rise in welfare, and 1 out of 20 people are on the rolls. The many reasons for this rise include a U. S. Supreme Court decision on suits brought under OEO, the increase in

divorce and desertion, and unemployment is up 25%. Mr. Harris distributed copies of Application for Assistance and Declaration of Need forms and a report on divorce statistics (see department file). Mr. Harris referred to the revised Governor's allowance, which shows the budget detail and explained the programs as follows: Program Administration - A total request of \$2,637,500. Mr. Degnan asked if they had a listing of the cuts in Personnel Services and Mr. Harris said yes, it had been provided to the committee. Mr. Wright asked why the travel has not gone down in accordance with the decrease in personnel requested and the answer was the eliminated positions did not travel. Mr. Warwick questioned the reclassifications and noted the Director, the Social Service Coordinator and a Social Worker have been reclassified. Mr. Harris said the three mentioned were reclassified by the Division of Personnel. Mr. Warwick said he could not see the need for a director in every department and asked if this was necessary. Mr. Harris said he was the only Director of Public Welfare. Mr. Wright asked if there was much turnover in the division and Mr. Harris said there had been quite a bit in the last three years. Quite a few employees have terminated to go south, and Mr. Harris said when he arrived three years ago, Frieda Borchick was the only employee in the department.

Dr. McGinnis noted a report had been distributed showing the positions deleted with the exception of the Division of Corrections. This will be provided shortly to complete the report.

Mr. Degnan asked how the administrative structure came about and if it was patterned after another agency. Mr. Harris said a federal group came up in 1965 and suggested the reorganization which applies

today. Mr. Harris added that at that time there were only 5 offices, where now there are 17. Mr. Haugen stated this is the main problem, the increases in the offices and the increases in the budget. The staffing chart shows a tremendous increase, which Mr. Haugen said must be curtailed. He added it is a top-heavy organization, with high salaries. Mr. Harris said the federal government recommends 60 cases per social worker, whereas in Alaska they are running 120 cases per social worker. It would be desirable to follow the federal government's recommendation, but it is not possible with no increase in staff. Mr. Fink noted the Social Worker V in Bethel and asked his duties. Mr. Harris said he supervises the Social Workers in the lower ranges, who, in turn, supervise the 19 Human Services Aides. Mr. Wright said there are two Project Coordinators in this area also, but Mr. Harris said the Aides have just completed training and need constant supervision. In answer to questions from Mr. Haugen, Mr. Harris said the BIA does welfare service in this area also (Bethel), and cases that are eligible for state help get state aid while cases not eligible for state aid get help from the BIA. The eligibility factors for the state fall under the specific programs listed. An unemployed person does not get aid from the state, but does from the BIA. Medical help would be provided by the U. S. Public Health Service. Mr. Wright asked if there was enough work for all the employees and Mr. Harris said yes, the Aides work in the various villages and the Social Workers work in Bethel. The committee questioned caseload in Bethel and the answer was 445 adult assistance cases and the remaining figures are listed in the information provided the committee. Bethel is also

the highest caseload for food stamps. The Human Service Aides provide assistance in filling out applications for assistance and there is one Aide for every three villages. Mr. Wright then questioned the caseload in Fairbanks and Mr. Harris said 598, plus out-of-state inquiries, court proceedings, general relief, adoptions, and food stamps.

Staff Development - \$194,000 is requested, which is the maintenance level for this budget.

Dr. McGinnis said perhaps it would be helpful if a chart was prepared showing the number of cases and the staff involved. A few cases and a few categories have been isolated, but a master chart would be helpful and Dr. McGinnis said it would be submitted as soon as possible.

Returning to Staff Development, the reclassifications were questioned and Mr. Harris said they had to be submitted with the budget, but actually have already been refused by the Division of Personnel.

Mr. Warwick asked what code 390, other contractual services, covers, and Mr. Harris said this is a contract with the University of Alaska for an integrated social services program to aid in the study of alcoholism. The funds are matched by the federal government.

WIN

The WIN program budget request is \$748,100, of which \$486,100 will be federal funds. Mr. Warwick questioned the decrease in contractual services and Mr. Harris said part of the day-care program has been transferred to the AFDC budget, as explained on page 215. The WIN program originated in 1968 through the federal government. In answer to a question from Mr. Wright, Mr. Harris said the Department of Labor

provides statistics on the progress of the program, but they are not too accurate since it is difficult to determine at times why a person left the program. 380 are enrolled at present, and 675 people were trained in 1970. Mr. Wright questioned the statistical report from the Department of Labor which may not be accurate and Dr. McGinnis said perhaps it would be possible to obtain figures from income tax sources. Mr. Wright felt there should be some back-up on the success of the program. In answer to a question from Mr. Degnan, Mr. Harris said applicants are screened by the Department of Labor and many people wish to enter the program. No one is forced to go who doesn't want to. The program requires 39 weeks to complete. Mr. Haugen requested the Department of Labor forward whatever information they have on the results of the program to the finance committee. Mr. McClain said he is personally convinced it is a successful program, but has not been in operation long enough to pin-point results. They need another year to look at it. It was noted that day-care rates are high and a mother with three or more children is not eligible for the program, which Mr. Wright felt should not be. Mr. Harris said this is not a rigid rule, but every case is considered individually. The ultimate objective is to get the person off the welfare rolls.

Adult Public Assistance - Mr. Pagenkopf said this program covers the aged, blind and disabled, and provides nursing home care if necessary. The nursing home program is governed by the number of beds available, and a number of new ones have just been opened in the state. Patients in nursing homes are considered as caseloads, since a case worker is in charge of assigning them to the home and must make periodic checks, in accordance with federal regulations. Mr. Wright questioned having

case workers permanently assigned to a person who is being taken care of in a home and felt the number of social workers could be reduced. Mr. Fink noted a small percentage of Adult Public Assistance is federal funds and asked if this is true throughout the states. Mr. Harris said most states are on Title 19 and get 50% reimbursement from the federal government. Alaska is lower in all categories than any other state. The federal matching formula is based on per capita income, and in Adult Public Assistance the increase would amount to \$4-1/2 million if Alaska was under Title 19. The various programs and options under Title 19 were discussed and Dr. McGinnis noted he has transmitted information on an analysis of Title 19 to Senator Josephson. The department, however, has not taken an official position since the pending proposals make the outcome so uncertain. Dr. McGinnis said the department could not take a definite stand without knowing the full results to Alaska.

Recess: Mr. Degnan requested a ten minute recess at 3:40 p.m.

AFTER RECESS
3:55 p.m.

Present: All members with the exception of Mr. Hohman and Mr. Wright. The representatives from the Department of Health & Welfare.

AFDC - Mr. Degnan called the meeting to order and requested information on the AFDC budget. Mr. Harris said maintenance level is requested for travel. Contractual Services included Operation Up-Grade last year, and \$200,000 has been deleted due to the elimination of this program. Operation Up-Grade was to up-grade the standards of the day-care centers and Dr. McGinnis said Mr. Hohman had expressed an interest in this

program and possibly testimony should wait for his return to the meeting. Mr. Degnan said he may continue, and Mr. Hohman could ask questions upon his return. The total program for AFDC is \$8,556,400, of which \$2,771,100 is federal funds. Mr. Fink asked how the program is meeting the needs and Mr. Harris said fine, with the exception of a woman with a small child who receives only \$125/month. A woman with a teenage child receives \$175, and before the cuts in the budgets, the \$125/month payment was recommended to be increased to \$150/month. This covers about 750 cases.

Mr. Wright returned to the meeting at 4:00 p.m.

Mr. Warwick asked what the reduction in travel would do to the program and Mr. Harris said they will get along as best they can with the cuts. The consultant travel in connection with the Up-Grade program has been deleted. Part of the travel was due to the passage of SB 240. In answer to further questions from Mr. Warwick, Mr. Harris said federal receipts will be cut \$150,000 due to the deletion of Operation Up-Grade. Mr. Warwick continued to question Operation Up-Grade, and asked if the \$150,000 grant could not still be received from the federal government and put in another program. Mr. McClain gave a brief history of the program, which benefited eight day-care centers throughout the state. The program had done well, but when the order to cut the budget came through it was decided this program could be eliminated.

Food Stamp Program - Mr. Pagenkopf explained this program was discussed at an earlier meeting. It was a pilot project started in Nome and Teller and has grown considerably. The total caseload through July,

1970, was 5,500 families. The federal government supplies all the food stamps and the state provides the administration, with some reimbursement from both HEW and the Department of Agriculture. The program is purely administrative. The maintenance level on the accounts was read from the revised Governor's allowance and the total request was \$418,300, of which \$128,500 is federal funds. The program is in operation throughout most of the state and the stamps are mailed to rural areas. Eligibility workers determine the eligibility and distribute the stamps. Anchorage and Fairbanks offices provide the stamps, and eligibility workers handle the distribution in rural areas. Mr. Degnan noted there were some complaints in the Nome area on the length of time it took to deliver the food stamps and asked why. Mr. Pagenkopf said the mail delivery is subject to weather, which may cause a delay, and Mr. Harris noted there was a request for an eligibility worker in the Nome office, which was deleted last year. The present staff is unable to handle the workload. Mr. Fink asked the cost of food stamps and Mr. Harris said the amount of the purchase price depends on the number of people in the family and how much income they receive. The family may pay from \$3 to \$98 for \$126 worth of stamps. Mr. Fink questioned who is eligible and Mr. Pagenkopf read the requirements from the pamphlet "Eligibility in Alaska." Mr. Fink continued questioning the income and the number of children needed to qualify for food stamps. In answer to Mr. Warwick's question, Mr. Harris said \$10 million is projected to be spent by the federal government for the food stamp program next year.

General Relief - Mr. Pagenkopf said this is a short-term program for

funds to be used in emergencies. The maintenance level totals \$290,400 for the program. The contractual services account is for fuel oil for emergency situations, and provides for a new federal program of home repair, on a limited basis. These are emergency funds for people who have no other resources of any kind. Mr. Degnan asked if it was patterned after the BIA general assistance program and Mr. Harris said they were similar, but the BIA uses Alaska's Public Welfare standards. Mr. Warwick questioned the high cost of travel last year and Mr. Pagenkopf said formerly if a person came up to Alaska and went on welfare, the state would pay their transportation back south. Due to a recent U. S. Supreme Court ruling, this can no longer be done if a person does not request it. Priorities have been established, and people with children are first on the list. On the bottom of the list are single persons who are employable.

Mr. Haugen left the meeting at 4:45 p.m.

Dr. McGinnis noted the development and technology in medical care will result in higher costs of welfare. A \$40,000 request has been made to the Department of Health & Welfare for a heart transplant, which was denied. These problems will not become less in the future, they will become more, and Dr. McGinnis wondered where to draw the line. To what point is the state responsible.

In answer to further questions from Mr. Warwick, Mr. Harris said rents and utilities are paid for people who are to be evicted due to non-payment of rent. Last year \$18,000 was requested, and Mr. Harris said this, again, related to the recent Supreme Court ruling where the rent was paid for people waiting to be transferred out of the state. This ruling has actually worked in Alaska's favor since the state is losing about three cases to every one coming in. Since there is no

longer residency requirements for states, Alaska loses cases when they leave, say to California, and cannot be returned.

General Relief - Medical - Mr. Harris listed the General Relief - Medical maintenance levels for a total of \$2,329,700. This is also the area where the supplemental is requested. Costs in fiscal year 1971, including the supplemental, come to a total of \$2,732,000. Mr. Wright questioned the high cost and Dr. McGinnis said this is the reason for his opening statement, which covered the fact that the services must be provided but there are not enough funds. Services must be cut. The full cost-of-care legislation amounts to a very substantial figure, and Dr. McGinnis said it might be well for the state to consider building their own state hospital for public health care. Substantial blocks of state money will be committed if the department is obliged to pay the institutions the full cost of care. Mr. Warwick requested the department to go through their budget and pull out the programs which are mandated and the cost involved in carrying out the programs. Areas will either be cut or a supplemental will be requested next year, according to Mr. McClain, and the real problem is just where is the caseload going. The increase in caseload has a very definite effect on programs. Dr. McGinnis noted the very serious jump in February over January welfare figures, and said caseloads had been fairly steady until legislation last year allowed greater benefits.

CWS/JC - Mr. Harris said the Child Welfare Service/Juvenile Code, covers cases where the court places the child in the hands of the welfare office. The decrease in travel is due to the Governor's cut. \$11,000 has been reduced from the maintenance level and the committee

questioned the impact of this cut. Mr. Harris said if it is needed, it will be taken from another account. The program is expected to remain stable, since an effort has been made to place children for adoption. The total request is for \$1,533,700, of which \$100,900 is federal funds.

Dr. McGinnis referred to the institutional placement where the state is required to pay the full cost of care and said the department is in the process of preparing a report, estimating the costs for the year ahead based on the results of a hearing. The report will show the proposed rates and the projected total next year. There will be a hearing covering costs and the institution will propose costs, which the department may reject. The rates will be based on costs of the preceding fiscal year, plus increases for salary increases and cost-of-living adjustments. Each institution will probably have a separate rate, and there are 14 child care institutions and 7 or 8 nursing home care facilities. The department could delete an institution if it is felt they are employing too high a percentage of staff for the services offered or if it is felt they raise their salaries disproportionately.

Mr. Wright requested a report on the savings which would occur if the department did no more hiring, either as replacements on new employees, based on the current year.

Dr. McGinnis commented before closing that Mr. Hohman was interested in Operation Up-Grade and he would be prepared to discuss this at any time with the chairman. The Department of Health & Welfare is a big budget, covering diverse programs and representing a great spread of state services. The reports requested by the committee are being

prepared and will be forwarded to the committee shortly.

Adjourned: The meeting adjourned at 5:30 p.m.

HOUSE FINANCE COMMITTEE MEETING
March 16, 1971
9:05 a.m.

Present: All members except Mr. Degnan. Commissioner Noerenberg, Mr. Vern Roberts, Mr. Ed Huizer, and Mr. Ben Hilliker from the Department of Fish and Game were also present.

DEPARTMENT OF FISH AND GAME Chairman Hohman called the meeting to order and turned the chair over to Mr. Ditman.

General Administration

Office of the Commissioner Mr. Noerenberg said in the Office of the Commissioner they have cut the Planner. This total is now down to \$234,300.

Hatcheries The committee discussed Hatcheries. Mr. Huizer said although this shows as a program increase this is the result of the 1968 bond issue. These funds were obligated three years ago. Mr. Wright said the Governor has cut this budget and if it were reinstated how much would they need. Mr. Noerenberg said this would go from \$186,900 back to \$258,000. This would provide manpower and supporting positions for the new facilities. Mr. Ditman pointed out they are asking for \$22,000 above the original Governor's Allowance. Mr. Noerenberg said this is presently before the Governor and he asked the committee to await the outcome of the decision made by the Governor.

Habitat Mr. Noerenberg said the Governor had recommended this be cut from \$244,900 to \$214,100. The breakdown is as follows:

Personal Services	\$152,550
Travel	21,800
Contractual Services	22,050
Commodities	6,000
Equipment	2,100
Inter-agency Charges	9,600
	<u>\$214,100</u>

Mr. Warwick noted that the personal services maintenance level had decreased by \$2,450. Mr. Blum said that one temporary position for a Clerk Typist I in Juneau has been cut.

Mr. Warwick asked about the cut in contractual services, code 300. Mr. Blum said \$2,350 was cut from code 300 due to a reduction in their activities on the North Slope. He said they felt they could afford a cut for this fiscal year. This was for aircraft charter.

Mr. Haugen asked how the possibility of a Department of Environmental Health would affect this budget. Mr. Noerenberg said they have not been informed of any possible action. However, he added this is an obvious area where there might be some transfers. Mr. Roberts said that if this is transferred there would be a net loss of federal funds of approximately \$150,000 that would not be transferable. Mr. Haugen asked if they couldn't use this same money in one of the sports programs. Mr. Blum said that federal aid money for Fish and Game restoration must be handled through a department of fish and game. Mr. Haugen asked if it could be used in some other area and Mr. Noerenberg said it could be.

Mr. Warwick questioned the reclassification of the Chief, page 145. He noted this amounted to a \$4,300 increase.

Mr. Noerenberg said they have done a lot of reorganization within their department. He said they are trying to bring the level of individuals up to their responsibility. He explained the responsibilities of this position. Mr. Warwick felt that as soon as one person is reclassified then others would feel their jobs should also be. He asked if this

position had already been reclassified. Mr. Noerenberg said no, it is on file. Mr. Warwick said a lot of the upper levels are being reclassified upwards while the lower levels are being reclassified downwards. Mr. Noerenberg did not feel this was true in his department. He said in the Game Divisions they have flexible positions, an employee will start at a range 14 and go upwards to a range 16. When this employee leaves that position drops back down to a range 14. Mr. Warwick noted there is a state employees pay raise in the budget and they are also getting reclassifications. He said that some of the state employees are getting as much as a 50 per cent increase. Mr. Huizer felt the pay raises are related to the cost of living. He said they look at the pay raises and reclassifications as two different things. This was discussed briefly.

COMMERCIAL FISHERIES Mr. Noerenberg said this is the largest division within the Department. Mr. Rickey, the Director of Commercial Fisheries, appeared before the committee. Mr. Ditman noted the amount for the general fund for this is now \$3,692,000.

Mr. Fink requested the Department to provide summary sheets of the new totals.

Mr. Roberts pointed out the cut in this division is not directly related to the program maintenance level. Mr. Roberts said that \$9,300 was related to budgeting positions for this program at step c instead of step d. Three positions had also been deleted and there had been a reduction of overtime.

Mr. Roberts listed the breakdown for this division (these figures were sent to the committee -- see department file).

Recess: The committee recessed at 10:00 a.m.

3/16/71

AFTER RECESS

1:55 p.m.

Present: All members except Mr. Wright. The representatives from the Department of Fish and Game were also present.

COMMERCIAL FISHERIES

Mr. Rickey explained there are three general fund budgets in Commercial Fisheries. These are Research, Management and Test Net Fishing.

Mr. Warwick questioned the sonar equipment on page 205.

Mr. Rickey said this is for enumerating of salmon equipment.

Mr. Hohman left the meeting.

Mr. Warwick asked how many units they have and Mr. Rickey said 7. Mr. Warwick asked if this sonar unit would be cut.

Mr. Rickey said they plan on purchasing it; however, this particular thing may suffer in that something may get a higher priority. Mr. Warwick pointed out this is an increase.

Mr. Warwick referred to page 173, line 8, which is a Fishery Biologist II who is being transferred to Anchorage. Mr. Rickey said this is being done on a temporary basis. This man will be in the Anchorage office and actually doing work in the field. Mr. Rickey said he had to have some introduction to the business. He said they will move the position back to Nome probably at the end of the year.

Mr. Noerenberg said he did not think that any new positions funded by the general fund have remained. They have all been cut.

Mr. Ditman asked what travel had been cut on page 187 of the budget. Mr. Rickey said they had cut \$4,100 out of Management travel associated with new positions. Mr. Ditman asked whether

the outside travel is still in and Mr. Rickey said so far it is. Mr. Rickey said \$9,000 had been deleted from code 300, contractual services. Code 400, commodities, had been reduced \$6,300. Mr. Haugen asked if this cut was related to new positions and Mr. Rickey said yes. Mr. Rickey noted equipment, code 500, was reduced \$6,300.

Mr. Rickey said they anticipate a problem in code 400. He said the Governor's Allowance was a cut of \$40,000 and they are anticipating a price increase which will probably "kill" them. This was reduced below the estimated maintenance level.

Mr. Rickey said they find themselves purchasing these items about a year and a half after the budgets are made up.

They cannot always anticipate the price. Mr. Rickey said this has now been cut from \$100,000 to \$93,700. Mr. Roberts said the estimated maintenance level was \$128,900.

Mr. Warwick questioned the inter-agency charges on page 209.

Mr. Noerenberg said this is the working capital fund. Mr. Warwick asked how the rates were determined. Mr. Noerenberg said this is determined by the cost of owning and operating the equipment. This also includes depreciation of equipment.

Mr. Hohman entered the meeting.

SB 157 Mr. Huizer noted that SENATE BILL NO. 157 abolishes the Department's Working Capital Fund. Mr. Warwick asked why the Department feels this should be repealed. Mr. Roberts said this is a non-workable program as evidenced by five years of operation. Mr. Fink questioned how the rates compare to renting from private companies. Mr. Roberts said they compare very favorably and he discussed the various rates charged by the state and private industry. Mr. Warwick felt that private

enterprise had a lost of cost the state would not have.

Mr. Roberts pointed out that private enterprise is free to charter to whomever comes along. Mr. Warwick asked if the state insure these planes. Mr. Roberts said yes for liability but the state self-insures as far as hull insurance.

Mr. Roberts said that many charter operators refuse to fly law enforcement personnel. He explained this is a problem. Each year during hunting season the Department has certain areas they protect and they are unable to charter a plane.

Mr. Warwick said it seemed that the working capital fund is the best way to take care of this. Mr. Roberts said they do need an accurate cost accounting but he did not feel this is necessarily the best way. Mr. Fink asked them if they do rent from outside and Mr. Roberts said yes.

Research The new total for Research is \$1,050,700. Mr. Rickey said this reflects a reduction through all line items related to new positions. This is a reduction in overtime and a reduction from budgeting at step d to step c. Mr. Rickey said this was recommended by Budget and Management. He said he was afraid of this because many of their people or at the d or f step. Mr. Noerenberg said the c step is the normal method but because of the length of time the Department's employees had been their they had been budgeting at d step. He said he could not say what the justification on this is -- it was the recommendation of Budget and Management.

There was a discussion on the Biometrician. Mr. Warwick asked what the qualifications are for this position. Mr. Royce said

they must have a minimum of a masters degree, preferably in mathematics. In answer to Mr. Warwick, Mr. Royce said one of their Biometricians has a masters degree and the other two have doctorates. In answer to Mr. Degnan, Mr. Royce explained these men conduct biological statistical analysis.

Mr. Ditman asked if the Fishery Biologist V's had been reclassified. Mr. Rickey explained that this reclassification is in their requested reorganization. Mr. Noerenberg said they had put a year and a half into this study on reorganization.

Mr. Warwick asked what the Department's policy is on overtime.

Mr. Noerenberg said their policy is to hold overtime unless it is an emergency. He said as of February 16 the "freeze" was off and he had delegated the authority to grant overtime to the division directors who were to minimize as much as possible.

Mr. Warwick asked about the men in the field. Mr. Noerenberg said the division directors would have to balance out what is needed for overtime against the money they have. Mr. Warwick said then the controlling factor is how much is appropriated.

Mr. Rickey said up to this time there has been no overtime paid -- no permanent employee has received overtime.

Mr. Warwick ask if the directors were free with comp time.

Mr. Noerenberg said this is usually not possible as there is very little free time. Mr. Huizer said that the Department has had trouble adopting the administrations overtime. He said the net result is that they have situations in the field where people are working side by side and one person is receiving overtime and the other is not. Mr. Huizer said they are still debating

this with the administration. Mr. Noerenberg said they have an appeal in regarding the cut-off level for overtime.

Mr. Fink asked what the department did before and Mr. Noerenberg said no overtime was paid. Mr. Huizer said the Department of Fish and Game has field operations and they cannot conform to this policy. He said Public Safety is in the same situation. Mr. Noerenberg said they would like to see their employees paid one range higher in lieu of receiving overtime.

In answer to Mr. Ditman, Mr. Noerenberg said that on page 224 the Fishery Technician V and the Fishery Technician IV are being transferred from the Research Section to Hatchery Services.

Mr. Warwick questioned the need for more travel. Mr. Royce said this is for biometric services and also to try to raise the technical tie-in of programs.

Mr. Warwick asked the reason for the increase in contractual services and Mr. Rickey said this is for code 360, aircraft charter.

Mr. Roberts noted there is further explanation on pages 236 and 237 of the budget.

In answer to Mr. Warwick, Mr. Roberts said the cuts will be a matter of priorities and this will be decided within the division.

Mr. Warwick felt it was difficult to follow line items without knowing where the cuts will be. Mr. Roberts said from the time they prepared the budget it has been cut twice and they have not had an opportunity to go back and reassess their priorities. Mr. Hohman left the meeting.

Mr. Warwick questioned code 900, interagency charges. He noted this is up to \$97,000 which is double the maintenance level.

Mr. Roberts said that the person who put this budget together did not understand how to do it. He said the program increase should have been in the program maintenance.

Mr. Warwick asked what the Resolution is used for and

Mr. Rickey said it is primarily for enforcement activities.

He added this is also used for study, such as king crab study.

Mr. Rickey said that on code 900, he felt the \$97,000 which is the Governor's Allowance is not sufficient. He felt they would have trouble with this.

Commercial Fish

Research-Development Mr. Royce explained this program.

Mr. Fink asked how many people make their primary income off commercial fishing in Alaska. Mr. Rickey said about 18,000 to 20,000 and this includes people working in the fishing industry.

Mr. Fink wanted to know how many Alaskan residents this involved.

Mr. Noerenberg said they did not have this; however, there is a study being done by the University of Alaska which will indicate this.

Mr. Fink asked if they are limited by law to the amount of state matching money. Mr. Roberts said yes, this is included in the appropriation bill.

Recess: There was a recess at 3:30 p.m. and the meeting was called back to order at 3:45 p.m.

Mr. Haugen asked about the stream rehabilitation program.

He said this had been discussed with the board of directors for loggers. This was briefly discussed.

Commercial Fish

Anadromous Mr. Rickey said what is shown in this budget is only the federal portion. He said they have never shown the general fund portion as it would be too confusing.

In answer to Mr. Fink, Mr. Noerenberg said the studies in this program are conducted by their regular employees. He said the research unit has about 35 people and they appear in one of these budgets.

Mr. Noerenberg said they are checked by federal audits. There has to be 90 per cent useage on the project and there is no chance to revert these people to other programs.

Test Net Fishing The Governor's Allowance was \$93,100 but this program after the recent cut is now \$86,500. Mr. Rickey said this is partially financed from receipts for fish. Mr. Fink asked what the \$24,000 is for program receipts and Mr. Noerenberg said this is an estimate of income from the fish caught. This goes into the general fund.

Mr. Degan entered the meeting.

Mr. Degan asked if areas that have commercial fishing can also subsistence fish and Mr. Noerenberg said that all citizens of Alaska may. He said there are some areas in the Artic where no permits are required. He said these regulations vary from area to area. Mr. Haugen did not feel that commercial fishermen needed subsistence licenses.

BOOK II

DIVISION OF GAME Mr. Jones said this division has reverted money to the federal government because they did not have state matching funds. He said \$1,062,000 had been reverted since 1962; however no funds have been reverted since 1968. Mr. Jones said they had been informed by the federal people that since they have

not utilized all of their funds they will be cut back unless they begin utilizing these funds. Mr. Noerenberg said they decided as a Department to deviate above the 8 per cent increase. This went from a 1970-71 Authorized of \$2,164,800 to the Governor's Allowance of \$2,818,900 (this figure remained the same and had not been cut). This increase was based on the threat of losing federal funds, Mr. Noerenberg explained.

Mr. Fink asked if they attempt to spend the entire amount every year. Mr. Noerenberg said they try to keep a reserve. Mr. Fink asked why they keep a reserve. Mr. Jones said they never have authorized expenditures to use as matching funds. Mr. Fink said this really does not cost anything and wondered why it shouldn't be appropriated. Mr. Noerenberg said this present budget is an attempt to use practically all of it. Mr. Fink said this year then they are actually planning on using all this. Mr. Jones said yes, in order to utilize all their federal funds. Mr. Noerenberg said last year they had come in with a request for a regional office building in Fairbanks. He said this required about 10 per cent state general fund and the rest was federal aid. He said this was one attempt to use up their backlog.

Mr. Fink asked if this budget becomes law what balance they anticipate in the fish and game fund in July, 1972. Mr. Jones said this would be difficult to say because they would have another years licenses coming in. He felt this would be somewhere in the neighborhood of \$300,000 to \$400,000. He said they could not anticipate precisely what the appropriation from

the federal government would be.

Mr. Fink questioned the Director's salary (page 333 of the budget). He wanted to know how they could spread this salary.

Mr. Jones said a good part of their personnel are funded partially under Management and partially by federal aid.

Page 333 shows the Management portion. Mr. Jones said they have a good many of their people who are funded entirely by Pitman-Roberts funds.

Mr. Fink said the budget cut has not affected this part of the budget and Mr. Jones said this is right.

Mr. Fink asked if this division wants a reserve. Mr. Jones felt this amount of state funds will soak up all the federal funds. He said they could not play it too close. Mr. Haugen asked if they were protecting themselves against disallowances by the federal auditor. Mr. Jones said this is correct.

He pointed out that some of the federal people are changing and they may interpret the original act in a different manner.

Mr. Fink asked if the Game Biologists were the same pay scale as the Fish Biologists. Mr. Noerenberg said they are not at the moment but they will be when the reorganization takes place. This is assuming that the Division of Personnel agrees to the reorganization.

Mr. Fink said then the overtime cutback by the Department did not affect the Division of Game. Mr. Roberts said this cutback only applied to places covered by the general fund. All federal funds were not cut.

Mr. Roberts said that the total amount for travel is about

\$173,000 but the State's Management share is only \$8,7000.

Mr. Warwick entered the meeting.

The committee again discussed overtime. Mr. Haugen asked what would happen to employees who are traveling. Would they be paid overtime. Mr. Roberts said they would only be paid for hours spent in transit.

Mr. Jones explained the expansion that has taken place in the Division of Game. He said this expansion is primarily an increase in the number of people. It will be an increase in people in outlying districts. They are getting people to do basic survey and inventory while living out in the field. Mr. Jones said this budget picks up additional Biologist III's. He said the increase in travel is for these additional people plus the increased cost of living. Mr. Jones felt this expansion will provide better service to the public.

Mr. Fink asked if the division felt this budget would allow them to do what they wanted or what they felt they could do. Mr. Jones said yes, he did not feel a greater expansion was necessary.

Mr. Degnan asked if they plan on inventorying what is available. Mr. Jones said this is part of it. They take a constant inventory and also harvest information. Mr. Jones said they are learning about the ecology of the polar bear. This is the type of thing they are doing. This was discussed.

Adjournment: The meeting adjourned at 5:05 p.m.

HOUSE FINANCE COMMITTEE

March 17, 1971

9:00 a.m.

Present: All members with the exception of Messrs. Degnan and Wright. Wallace H. Noerenberg, Commissioner; Ben L. Hilliker, Deputy Commissioner, Sport Fish & Game; Edgar J. Huizer, Deputy Commissioner, Commercial Fisheries; Vern Roberts, Director, Division of Administration; Fred Wallenstein, Assistant Director, Division of Protection; Rupert E. Andrews, Director, Division of Sport Fish; Department of Fish and Game.

Dept. of
Fish and
Game

Mr. Hohman called the meeting to order.

Mr. Noerenberg said he had learned at a conference in Portland last week that PL91503 passed at the last session, which provides that the tax on hand guns will be diverted to wildlife program funds. About half of the money will go into the hunter safety program and roughly \$35,000 will come to Alaska, based on population. This must be matched on a 3 to 1 ratio and the money will probably be available on July 1. Mr. Noerenberg said he will go to the Governor for approval of this program. He really didn't know enough about the final figures to talk intelligently about how it will affect this year's budget, Mr. Noerenberg added. He presumed about half will go to the Protection Division and the other half to the Game Division.

Protection - Mr. Noerenberg introduced Fred Wallenstein, Assistant Director of the Protection Division, and noted the new director has not assumed his position yet. Mr. Roberts said the Protection Division's budget is itemized on the revised budget sheet presented to the committee, requesting a total of \$2,368,100. An additional

\$19,000 in a LEA federal grant does not appear in the budget, since it provides for training at the academy for Protection Officers and is included in the Public Safety budget. Mr. Roberts noted the overtime has been cut to reduce the budget, and the figures listed on page 437 of the budget document show estimated overtime payments for ranges 13 to 19. Range 19 will not be included due to the budget reduction now, which will amount to a saving of \$22,000. Mr. Wallenstein added the overtime was computed on the basis of 30 hours per month.

Mr. Warwick questioned contractual services, which includes a charge for rental of a helicopter. Mr. Wallenstein said occasionally helicopters are chartered for situations where a plane could not safely land. Visits are made to camps in high elevation ranges to check on the opening of the hunting season, ascertain that non-residents are purchasing tags and that normal guiding restrictions are followed. Mr. Noerenberg added the helicopter chartering is a very small percentage of their flying charges.

Mr. Warwick noted the decrease in equipment rental and Mr. Roberts said it was a transfer of charges from line 300 to line 900.

Mr. Hohman left the meeting at 9:15 a.m.

Mr. Ditman noted a Resource Pathologist had been requested and Mr. Noerenberg said he would work from the lab facilities at Palmer, provided by the Department of Natural Resources. Mr. Ditman then questioned salaries of temporary employees and Mr. Wallenstein said the stakeout and field crews sign an agreement that they will work hours when needed. Overtime will be paid on a straight time basis, not time and one-half, when the men are in the field on a 12-hour on,

3/17/71

12-hour off basis.

Bounty Payments - have been reduced to one-half of the previous year's level. It is difficult to say if anything will lapse from this fund, but there should be a reduction, according to Mr. Wallenstein. Mr. Noerenberg added the only bounties paid now are on wolves and hair seals, in certain areas.

Sport Fish - Mr. Andrews said there is a considerable increase proposed in this budget due primarily to expanded and new programs, including Inventory & Monitoring, Effects of Logging, and King Salmon Enhancement. Federal funds are received on a 3 to 1 matching basis. Mr. Degan arrived at the meeting at 9:25 a.m.

Mr. Andrews continued by saying there is an on-going program at the North Slope, and there is a request to expand activities there. Mr. Haugen asked why they need anyone on the North Slope with no activity up there, and Mr. Andrews said their division has been responsible for any fishery information, working in conjunction with the oil companies and Alyeska Pipeline Co. There is a tremendous population of commercial and sport fish in that area, with approximately 350 stream crossings of the proposed pipeline.

Seven new positions are requested, of which two are clerical. The division would like to reopen the Sitka office, which was maintained until moving to Juneau in 1969 due to the proposed U.S. Plywood-Champion mill. New studies contemplated include a study of cut-throat and steel-head trout. A new office has been requested for Valdez, which will complete the entire pipeline picture. Mr. Noerenberg said an increase in sports fishing license fees would aid the budget, About 2/3 of the budget is in Personal Services, which only leaves

1/3 for operating funds. Mr. Noerenberg added they are concerned about having funds in F.Y. 1973 and are anxious to see the legislation on licenses passed.

Mr. Andrews noted federal aid is based on population and total land area, and Alaska receives a great proportion of the funds. However, he added, he believes the state has reached a plateau and he did not expect to see any increase. There will be a slight increase because of the excise tax on sport fishing tackle, but not a substantial amount.

Mr. Degnan left the meeting at 9:35 a.m.

Mr. Noerenberg said the capital projects budget includes a hatchery for SE Alaska. Mr. Fink asked if they are doing enough in sport fish and Mr. Andrews said they should be doing more. He would like to add other programs, but there are no funds. Mr. Fink said if more money is needed for tourism, then more money should be given to sport fishing, and Mr. Noerenberg said the estimate is for a \$26 million benefit to the state from fishing.

Mr. Warwick left the meeting at 9:40 a.m.

Mr. Haugen questioned non-resident license fees and it is now \$10, with pending legislation to raise it to \$25. Mr. Andrews said the department would like to go into lake rehabilitation and maintain parks and streams along the highway system. The people are looking for services, but at this point they can't be supplied. Mr. Andrews continued by saying the department has never received general fund money, but has gone through with license fees and federal aid, which is now not enough to cover the programs. Most states live within dedicated funds and matching money, Mr. Andrews added.