

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2617

SENATE FINANCE COMMITTEE
Monday, April 26, 1971
9:00 a.m.

Present: All members.

CSHB 61 COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 61 (supplemental - Health & Welfare) was replaced with SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 61 and reported out of committee with a "do pass" recommendation. Senator Rettig voted no recommendation.

CSHB 66 COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 66 (Supplemental - Voc. Education) was reported out of committee with a unanimous "do pass".

HB 88 HOUSE BILL NO. 88 (Maintenance, flood control projects) was reported out of committee with a majority report of "no recommendation", Senators Koslosky and Butrovich voting "do pass".

HB 365 HOUSE BILL NO. 365 (relating to Public School Foundation) was reported out of committee with a unanimous "do pass".

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

SENATE FINANCE COMMITTEE

April 30, 1971

3:00 p.m.

Present: All members of the Senate Finance Committee except Senators Butrovich, Palmer and Ray.

General: Vice-Chairman Lewis called the meeting to order. Senator Rettig
CSHB 70 requested that COMMITTEE SUBSTITUTE/HOUSE BILL 70 (Appropriating FOR to Dept. of Public Works) be discussed. He stated that this bill appropriates to the Fairbanks Airport the sum of \$200,000 to complete a \$350,000 road. It also appropriated the sum of \$500,000 to the Anchorage International Airport. He noted that \$300,000 is in federal receipts and \$300,000 from fap funds. Senator Hensley asked if there wasn't some problem about fap funds the last time this bill was discussed and Senator Rettig replied that he didn't know of any problem. Senator Rettig moved that they report CSHB 70 out with a "do pass" recommendation. No objection, so ordered.

CSHB 313 The next bill to be discussed was COMMITTEE SUBSTITUTE FOR HOUSE BILL 313 (Administration of Alaska Court System). Senator Koslosky pointed out that the court system people are trying to tie into the percentage of/^{state}employee raises. For example, he said, if the employees for the state get a 5% pay raise then the magistrates will probably get it also. He said he understood some of them are very low paid. Senator Rettig pointed out the real "guts" of the bill are on page two where it says they're not in classified service. It was decided to call in representatives from the Court System to discuss this bill.

[Mr. Steve Agbabba from the Highway Dept. came in.]

CSHB 68 Mr. Agbabba had a few comments to make regarding COMMITTEE SUBSTI-

TUTE FOR HOUSE BILL 68 (Appropriating to Dept. of Highways). He noted that the money that is appropriated in the bill now for the Hyder flood has already been spent. He stated that his department is fearful that this bill will be overlooked by the committee. Senator Lewis asked what the rental payments were spent on and Mr. Agbabba stated we still owe the rental payments. The money that is needed now is money for the new highway complex that opened in Anchorage. Mr. Agbabba stated he would like to have Tom Johnson appear before the committee and it was decided he could appear the next day, May 1st at 3:00 p.m.

[Mr. Reeves and Mr. Morrison from the Court System arrived.]

CSHB 313

Upon the arrival of Mr. Reeves and Mr. Morrison, CSHB 313 was further discussed. Mr. Reeves stated he sent a memorandum to Chairman Butrovich April 27th. He noted that one of the first things he discovered was that all employees in the Court System had been reclassified. In looking at what these people had done and in working with them he found that they do not have the proper classification system to handle the Court System. He said that the lower grades had been upgraded and yet when he tried to get a good man in the upper grades it isn't possible to get one. He stated that a marriage counsellor had been hired in Anchorage who has done a magnificent job. He was hired from out of state and when the Court System people went to personnel and said we would like to pay him \$20,000 a year they said it couldn't be allowed because this man is the same as an Ass't. Psychologist at API. Mr. Reeves feels that personnel keeps wanting to put round people in square pegs. Mr. Reeves said he had tried to explain to a number of people such as Joe Henri, etc., why he would rather have one good man well paid than two men not doing

the job who are lower paid. Mr. Reeves feels there is a serious question as to whether the executive branch can require the judicial branch to follow the same rules.

Mr. Reeves pointed^{out}/that the first section of this bill deals with the magistrates. A few years ago when they created the district judges they were, in effect, known as magistrates. They it was said, we're going to make you a district judge but we're still going to have a magistrate in different section. While the Supreme Court gets their pay in salary, these magistrates have never been technically in the Court System. This is a hardship on these people because they have essentially no benefits. There was a state pay raise last year and the magistrates were not entitled to this because they don't fall into any of these categories. Mr. Reeves stated that in the overall picture, they're trying to train these people and have the money to increase their education as well as salaries. He noted that the first part of the bill simply makes it clear for him to do this with these magistrates. Senator Hensley asked where the Court System is going to tie into increases provided for state employees in CSHB 313 if that will give any latitude to increase the pay of the magistrates based on the workload of these magistrates. He stated that some magistrates get \$185 a month and based on workload some should get more. Mr. Reeves said the second sentence of this bill was added just because last year it was said magistrates were not entitled to any benefits. He didn't think it was fair. He said that through the years magistrates have been provided pretty much on a voluntary basis and he was just trying to make it statutory. Senator Koslosky noted that magistrates get different salaries depending on their areas and the hours they work. Mr. Reeves said

that right now this is true but what he would like to do is train good people and put a base in so a person doesn't take it as a part-time job but could be trained to administer the needs of the people and have a base salary to provide for a family, etc. Senator Koslosky asked if these magistrates do other things like record, etc., and if so if they get to keep recording fees. Mr. Reeves said that every fee goes into the State of Alaska general fund.

Senator Hensley moved that they report CSHB 313 out with a "do pass" recommendation. No objection, so ordered.

CSHB 226

COMMITTEE SUBSTITUTE FOR HOUSE BILL 226 (Appropriating to Alaska Court System) was discussed. Mr. Reeves stated he felt one of the biggest problems we have in the U. S. today is the lack of respect for law and order. He noted that probably half of the population in the State of Alaska has the magistrate as its only evidence of law. Therefore, these people should be educated and trained to do their jobs effectively and have a decent salary. Senator Lewis asked where these magistrates are hired and Mr. Reeves replied they are hired by the magistrate supervisor who goes into the various villages and talks to the city councils and gets qualified people who are then given a background check. These people are not hired from outside.

Senator Lewis asked about the Anchorage court facility remodeling and Mr. Reeves stated that rather than move into a temporary building ^{and} / build a court room which would later have to be torn down it was decided to move some of the employees to temporary quarters and build the court room in the court building which would, in the long run, save money. He noted that this work already has been started. The basement of the Voyager has been rented for the

temporary quarters of office employees.

Senator Lewis asked about jury fees and Mr. Reeves replied that after the '70-'71 budget was passed there was a bill passed to raise the jury fees. He said they told them there was no money provided for the increase so a resolution was passed last year instructing the Court System to come in and get a supplemental for \$10.00 to \$21.00 on jury fees. Senator Lewis asked if this would keep them going until June 30 and Mr. Reeves replied yes. Senator Rettig moved that they report CSHB 226 out with a "do pass" recommendation. No objection, so ordered.

HB 219

HOUSE BILL 219 (Appropriating the full proceeds of general obligation bonds authorized by the voters) was discussed. It was decided to ask Commissioner Thomas and Mr. Issac from the Department of Education to appear before the committee and discuss the \$20,000,000 bond issue, etc. It was requested by Senator Lewis that they prepare a breakdown as to where the money they want is going and what is to actually be used this year. A meeting was set up for May 1, 3:00 p.m.

Adjourned: The meeting adjourned at 5:15 p.m.

SENATE FINANCE COMMITTEE

May 1, 1971

3:25 p.m.

Present: All members except Senators Butrovich, Palmer, and Ray.
Commissioner Easley of the Department of Public Works was also present.

HB 219
General: Vice-Chairman Lewis called the meeting to order stating that the first item up for discussion was HOUSE BILL NO. 219, appropriating the full proceeds of general obligation bonds authorized by the voters. He stated that they needed documentation on exactly what was going to be done with the \$10 million and why it was needed. He wanted to know how the land freeze was related to our construction. Mr. Easley told him that right now it is killing construction by the state. What has to be done before any construction can be accomplished is that an application has to be filled out and submitted to the BIA which would call for determination of land for airport purposes, normally a 20 year lease. The BIA reviews the permit and then sends it to the Bureau of Land Management. He said there was no problem at all in getting the village concurrence up to now. The problem is getting BLM to act on it in time to get construction started. The problem, he said, lies not in Anchorage, but in Washington D.C. The way things are now, he said, the BLM is blaming the BIA, the BIA is blaming the state, and the state is blaming BLM.

Sen. Lewis asked how they could appropriate money if they don't know they can build there. Mr. Easley stated that if the village gives concurrence there is no problem with BLM and the Secretary of the Interior going along. The time component is the only problem. Sen. Lewis stated that the Dead Horse program concerns him quite a bit. He noted that \$13 billion in capital improvement money

went into Dead Horse. Commissioner Easley stated that most of the oil companies were flying directly to their own air fields and not to Dead Horse. He stated that there were two scheduled flights daily through Wien. It was his feeling that as long as they were going to be landing at least twice a day they should extend the landing strip. But even that is not in this years program, he said. He said he had spoken with Mr. Rivers about his plans for Service City. Mr. Rivers had been on his way to Washington and the state is holding off its plans pending his decision. He added that if the Slope goes in 72 there will have to be an airport up there. Sen. Lewis commented that if the state didn't provide one, the oil companies would. Mr. Easley felt that was right, but pointed out that FAA was saying they couldn't put navigation equipment on private airports. Sen. Hensley asked why Dead Horse wasn't in the memorandum and was told they didn't want to program funds for it specifically, because they weren't sure they wanted to spend it there. He pointed out that there was \$1.6 million in Contingency and Planning. Sen. Rettig said they were trying to confine the appropriation to what they are going to see built in the next twelve months. Mr. Easley stated it would be extremely difficult to see any of this built within the next 12 months. They are expecting to spend the bulk of the money in 1972. Sen. Koslosky asked how long it would take to get federal funds and was told that it didn't take long, but they had to have FAA approval. It was decided that Commissioner Easley would prepare more comprehensive documentation than he had previously submitted, and reappear before the committee on Monday afternoon.

CSHB 71

Sen. Rettig stated that he wanted to ask Mr. Easley about COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 71, Department of Public Works Appropriation. The appropriation is for \$7,000, and Sen. Rettig is particularly interested in this money which goes to the Alaska /railroad during the tourist season. He explained that Whittier wanted the schedule of the train to appear on Friday. This was because it had proved impossible to change the ferry schedule to appear on Friday. The House Finance Committee had said this would be o.k. Otherwise, it was impossible for the people who travel there to get there on a weekend.

Mr. Easley stated that this service would start in May. The ferry had provided it last year, but the schedule had been changed and this is what caused the problem. He said that the train carries automobiles and people. He said that the \$7,000 takes care of about 70 trips. Sen. Rettig moved that they report HB 71 out with a do pass recommendation. The motion carried with Sen. Lewis voting no recommendation.

CS HB 68

Mr. Easley left and Mr. Tom Johnson of the Department of Highways was present to speak on COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 68, Department of Highways--Supplemental. He gave the members copies of a narrative justification and detailed documentation supporting the department's supplemental request. He went through these page by page and concluded by saying that \$1,156,000 would be used for Anchorage and Fairbanks, \$249,700 for ASHA, and \$114,000 for the Hyder Flood. Thus, there is a total of \$1,519,700.

HB 219

Getting back to HB 219, where a lot of the projects are tied in with the Department of Highways, Mr. Johnson stated that \$5.5 million was included in the 1970 maintenance level figure. He said that these bonds were authorized, but the money was not appropriated.

With that money, they would build projects as listed in the bill. Sen. Lewis asked if they would need all of the money and Mr. Johnson said yes. He said they were hoping to get all of the projects going this summer. All of their plans were ready, but they were holding back construction because of non-authorization of funds. Sen. Lewis asked what the \$160,000 unallocated was for and was told that this covered the cost of selling bonds, etc. Sen. Rettig asked if the Juneau complex was to be relocated and was told that it would be out by Salmon Creek, across from Sunny Point. Sen. Rettig asked how many miles the Juneau-Complex took care of, and was told somewhere near 100miles.

Mr. Johnson left and Commissioner McGinnis of the Department of Health and Welfare arrived. He stated that he was speaking towards Section 5 which was for \$2,100,000 in 1970 to the Dept. of Health and Welfare. He stated they had submitted a breakdown of utilization which is essentially the figures submitted with the original authorization last year. It does combine several of the summer ones to come up with a consolidated project. He went through the memorandum which cited the different projects and their breakdowns. There was some discussion and it concluded with Sen. Lewis asking the Commissioner for copies of the breakdowns and operational costs of the projects to be delivered to the committee the following day.

Commissioner McGinnis left and Deputy Commissioner Thomas and Mr. Issac from the Department of Education arrived. They gave the members copies of a memorandum on the subject of capital improvements, essentially those projects proposed for funding under the Chapter 170, SLA 1970 bond issue for \$20,300,000. The request for 1970 regional and area schools is \$4,444,000.

They listed the ones they feel there is a pending need for, justified by present enrollments. They went through every contract that is already funded, plus several which may be funded.

Mr. Issac said that they listed 30 projects and the first 21 are technically funded. From there on the projects are not funded and the Department recommends \$1.5 million to handle these plus some contingency. Mr. Thomas stated that the present appropriation is \$3.410 million and it will probably carry them through until next session for the projects already funded. The breakdown is on page 9 of the memorandum. There was some discussion on the different projects.

Adjourned: Meeting adjourned at 5:35 p.m.

SENATE FINANCE COMMITTEE

May 3, 1971

2:00 p.m.

Present: All members except Senators Butrovich, Ray and Palmer.

General: Vice-Chairman Lewis called the meeting to order.

HB 73 am It was moved and unanimous consent was asked that HOUSE BILL NO. 73, amended (appropriating to the Department of Natural Resources, Management of State Lands) be reported out with a "do pass" recommendation. No objection, so ordered.

HB 170 It was moved and unanimous consent was asked that HOUSE BILL NO. 170, (appropriating to reapportionment board) be reported out with a "do pass" recommendation. No objection, so ordered.

HB 413 Senator Koslosky moved and asked unanimous consent that HOUSE BILL NO. 413 (International Airports Revenue bonds; and providing for an effective date) be reported out with a "do pass" recommendation. No objection, so ordered.

CSHB 68 Senator Hensley moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 68 (supplemental appropriations to the Dept. of Highways) be reported out with a "do pass" recommendation. No objection, so ordered.

CSHB 236 ^{am} Senator Koslosky moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 236^{am} (relating to local service roads and trails) be reported out with a "do pass" recommendation. No objection, so ordered.

SENATE FINANCE COMMITTEE

May 9, 1971

1:30 p.m.

Present: All committee members. Also present were Mr. Charney of Budget and Management, Mr. Hunt of Personnel, and Mr. Manning of Legislative Affairs.

Chairman Butrovich called the meeting to order and turned it over
HB 106am to Sen. Lewis who spoke in favor of HOUSE BILL NO. 106am (State employees pay increase). He stated that it appropriated a total of \$3,724,700 for a flat 4% increase. He went over the fiscal note supplied by Budget and Management and said that if they took into consideration that the shift differential would take six months to be incorporated (due to working out new programming), they could put in an amendment which would fund it starting January 1, 1972. There was discussion on this which resulted in the committee deciding they would rather have the increase be retroactive for the six months it takes to set it up.

Sen. Lewis stated that the estimated cost of the shift differential was \$200,000. He moved and asked unanimous consent that the bill be put out with a recommended do pass. No objection, so ordered.

Recess: Meeting recessed at 1:50 p.m.

SENATE FINANCE COMMITTEE
May 8, 1971
9:20 a.m.

PRESENT: All members.

The meeting was called to order by Chairman Butrovich. HOUSE BILL 219 (full proceeds of general obligation bonds authorized by the voters) was the topic of discussion.

Sen. Rettig stated that Commissioner Wohlforth had talked to the sub-committee and said that the amounts as stated are needed and that he needs enough time so that he isn't forced into a desperation sale of bonds which will give him a chance to at least break even. There was a lengthy discussion by the committee and Sen. Rettig finally moved and asked unanimous consent that HB 219 be amended as follows, and reported out otherwise unchanged with a "do pass" recommendation. No objection, so ordered.

Section 1. (The \$12,690,000 amount should be changed to \$4,000,000.)

LEGISLATIVE
INTENT

It was also decided that a letter of LEGISLATIVE INTENT should be written stating that/ ^{in passing} the appropriations in Sections 4 and 7, the Senate Finance Committee intends that the original schedule of projects as described in the attached listing be strictly adhered to and further that any shifting in funds or proposed locations are to be made only with the approval of the Legislative Budget and Audit Committee.

Adjourned: The meeting adjourned at 10:00 a.m.