

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2540

2541

AFTER RECESS
3:50 p.m.

Present: All members. Mr. Richard Bradley, Division of Supply, and Mr. Bob Leshner were also present.

HB 764 Chairman Hohman called the meeting to order and the committee considered House Bill No. 764 (Appropriating \$123,100 to the Department of Administration). This bill is to furnish trailers as a result of the fire at the Juneau Community College Building.

Mr. Hohman asked the size of the trailers. Mr. Bradley said they are 24 by 60 feet (three double units). He said that two of these trailers will be used by Personnel and one will be used by the Department of Revenue. He explained that originally the third trailer had been planned for the Retirement Section. However, Miss Hackwood picked up space in the Legion Hall and the third trailer is now planned to be used by Revenue.

Mr. Hohman asked about the transportation cost and Mr. Bradley said this is \$2,430 a unit from Seattle. He added that the total cost would be \$115,700.

The committee discussed the fiscal note and attached material (see bill file). Mr. Wright asked what the \$4,700 cost in code 100 is for. Mr. Leshner said this is overtime which resulted from the fire. Mr. Fink asked if this was compensable loss, insurance wise. Mr. Bradley answered no.

The committee continued discussion of the material that had been presented. This material was difficult to read and the Chairman requested that the committee be furnished a clearer copy of the information. Mr. Bradley and Mr. Leshner left the meeting and the bill was returned to file.

SB 279 Chairman Hohman said the committee would consider Senate Bill No. 279 (G. O. Bond for \$3,500,000 for Hill-Burton hospital fund). He moved and asked unanimous consent that SB 279 pass from committee with a do pass recommendation. No objection, so ordered.

HB 531 The committee then considered House Bill No. 531 (an act relating to the international airports revenue bonds). A committee substitute for this bill had been

prepared. Mr. Hogan explained that the substitute had been prepared because there had been a number of amendments and tracing the language of the international airport revenue and construction fund statutes had become extremely difficult.

Mr. Hohman moved and asked unanimous consent that Committee Substitute for House Bill 531 be adopted in lieu of House Bill 531 and that it do pass. No objection, so ordered.

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

HOUSE FINANCE COMMITTEE

May 16, 1972

8:35 A. M.

Present: All members, Commissioner of Public Works George Easley, and Commissioner of Highways Bruce Campbell.

HB 514 Chairman Hohman called the meeting to order and stated that the committee had questions of Commissioner Easley regarding the change in language in HOUSE BILL 514 (General Obligation Bonds in the amount of \$12,000,000 for airports). The proposed language change would designate that the funding was for "trunk and secondary" airports.

Commissioner Easley stated that it was originally intended to use the funds for trunk and secondary airports. In answer to a question from Representative Warwick, Commissioner Easley stated it would not be necessary to utilize any of the general obligation bond funds for Anchorage and Fairbanks International Airports unless House Bill 531 (International Airport Revenue bonds) did not pass. He stated that House Bill 531 would provide sufficient funds for the needs at the international airports which included terminal expansion at Anchorage, resurfacing the runway at Fairbanks, access roads and security fencing requirements, and the new North/South runway at Anchorage.

Representative Wright stated that his concern was that if the law specified that the G. O. bonds were for trunk and secondary airport construction only, the doors would be closed to use these funds in the urban areas if they were needed. Commissioner Easley stated that the effect of the language change was merely to separate the general obligation bonds from the revenue bonds.

Representative Warwick asked what the disadvantage would be in leaving the original language in the bill. Commissioner Easley stated there would be no disadvantage as long as everyone understood what the money was for.

In answer to a question from Chairman Hohman, Commissioner Easley stated that the revenue from the international airports would be approximately \$2.75 million. He stated that this gave the state an airport bonding ratio of 2.75 to one, which he said was healthy. In answer to a question from Representative Warwick, Commissioner Easley stated that the establishment of a working capital fund for the Dept. of Public Works would cut their expenses and enhance the bonding position.

SB 280

Chairman Hohman stated the committee would take up SENATE BILL 280 (\$6 Million G. O. Bonds for Highway Construction). He asked Commissioner Campbell how the funding would relate to the Capital Improvements Program.

Commissioner Campbell stated the \$6 million would be used as matching money for federal aid to highway funds to take the state through the fall of 1973. This program relates back to the Five-Year Highway Plan for this calendar year and next year. The monies cannot be tied to any particular projects.

Mr. Warwick asked whether the issuance of the pipeline permit had any effect on federal funds. Mr. Campbell said they had just gotten word the other day that the U.S. Congress had cut the \$52 million for Highways back to \$36 million, which means they cut off 1/3 of Alaska's allotment.

Mr. Hohman asked about the Alaska Assistance \$20 million a year. Mr. Campbell said that all federal regulations and obligations held to that and so the federal Office of Budget and Management wouldn't let them use it.

[Mr. Campbell left the meeting at this time.]

Mr. Hohman moved and asked unanimous consent that SB 280 be passed from Committee with a "Do Pass" recommendation. No objection, so ordered.

CSHB 514

Chairman Hohman brought COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 514 (General obligation bonds; \$12,000,000; capital improvements for airports) up for consideration. He said the CS changes 12 to 24 and carries the State Affairs Committee amendment on trunk and secondary airports.

Mr. Fink thought they shouldn't limit bonds to trunk and secondary airports. He didn't know what was gained by it.

Mr. Hohman thought that it should be limited to trunk and secondary airports because he thought that if something came up at the International Airports there was no way it wouldn't be treated.

There was some discussion on this before it came to a vote. The voting was as follows: four "Do Pass"; two "Do not Pass" (Mr. Fink and Mr. Wright); and one "No Recommendation" (Mr. Warwick).

RECESS

Meeting recessed at 9:20 a.m.

AFTER RECESS
9:35 a.m.

PRESENT All members. Commissioner Max Brewer, Department of Environmental Conservation, was also present.

SB 277am Chairman Hohman called the meeting back to order and stated that SENATE BILL NO. 277 amended (An Act providing for the issuance of general obligation bonds in the amount of \$33 million for the purpose of paying the cost of capital improvements for water supply and sewerage systems) would be under discussion. He asked Commissioner Brewer to tell them what projects were intended for in the original bill and what the amendment would do.

Dr. Brewer believed that copies of the projects for which they had bond issue or bond elections had been held had been distributed to the Committee earlier. He said that it would provide the local share of the proposed projects. Dr. Brewer went through the list with the Committee. The total was \$16.4 million. At the time the list was made up, there were proposed projects where the bond issues had not been held. He went over those. The total for this was \$7.0 million, so there would be \$23.4 million in State matching grants for water and sewer. In addition to these funds, when the federal government approves a project submitted by the local area, they may not have the funds to provide for construction during the fiscal year that the approval is given. In the bill authorizing the state contribution there is a clause allowing for the state to loan a federal share of approved projects to get them off the ground. These loans will be repaid when the local community receives its federal grant. This money is available for additional state 25% match. The request in the Governor's budget was \$28 million. After the Governor's budget was introduced the City of Anchorage proposed a water supply program estimated to cost about \$16 million over all and the construction was hopefully to at least be initiated within the next year and a half or two. The state portion of that would be \$4 million. This was proposed as an amendment and accepted as such in the SB 277.

Mr. Hohman asked what the \$16 was for. Dr. Brewer explained that the \$16 million was the total cost of the proposed water supply program for Anchorage, and that \$4. million would be the state match and that the \$4 million was added to the \$28 million in the Governor's budget.

Dr. Brewer explained that the City of Anchorage Water Supply addition came about as the result of an announcement by the Geological Survey that from a water resources standpoint, they felt the City of Anchorage would have a shortage by 1975 or 1976 using all of the existing sources available. Dr. Brewer said there was some question in his mind as to the estimate of 1975 or 1976. He thought it might be possible without some modification of the existing system to eliminate water wastage due to keeping taps open in the winter. This comment was based on the prospect that if there is an overdraw from the wells, there will be a compression of the water level, and this would mean a very marked reduction in the amount of water available.

He said that the study has caused the City to become anxious about getting initial studies underway and pre-engineering. The estimated cost of this was \$200,000 and they have approached the state to provide 25% of those costs. Mr. Sharp was called the other day about this money and he felt it could be provided under the bill as it exists at the present time. Dr. Brewer said there was some questions as to whether or not this was actually possible. He said they were having it researched by the Attorney General's Office to see where they stood in that regard.

Dr. Brewer stated that in addition they felt more information was required on the selection of Ship Creek for development, whether it was one large dam or three small ones. He felt the information should include a very close look into the earthquake situation and the past record of earthquake activities in the area before any drilling is accomplished or any pre-engineering.

Mr. Hohman asked what the federal share would be, and Dr. Brewer said that in that regard it was variable, but it would be at least 40% or \$6.4 million. Depending upon which agency that the federal assistance was received from, it could be 50% or \$8 million. Dr. Brewer felt it was doubtful if it would exceed \$8 million, therefore, the local share would range between \$4 million and \$5.6 million.

Mr. Hohman asked how Anchorage would come up with its share, and Dr. Brewer's assumption was that it would be a bond issue. Mr. Fink agreed with that.

Mr. Hohman asked whether the availability of this funding would insure adequate water supply by 1975. Dr. Brewer said not necessarily by 1975. It was his "horseback" estimate that they were looking at a good three years before the actual construction of the dam itself. He thought they would have to add to that approximately one year for the services that appear to be required and completion of design. His guess was that they would probably be looking for completion sometime in late 1976 or early 1977.

Mr. Hohman asked about the \$1 million. Dr. Brewer answered that would be in addition to the Village Safe Water Act money to provide for water, sewer, and some washing facilities plus a community laundry and in some cases a community shower in some of the smaller villages. This was in addition to the \$3 million previously placed on a bond issue. He said they had a request for an amendment to the Village Safe Water Act to allow greater flexibility. The present law as passed was based very closely on the Village Safe Water Demonstration Project by the federal government which was designed to provide innovative thinking to develop new systems that might be applicable in the villages. He said there were two sets of programs at the present time. One was at Wainwright, and the other in Barrow.

Dr. Brewer said that one of the problems with the \$3 million bond issue was that no administrative back-up was provided for in the program. He suggested that perhaps the demonstration project approach was not the best for the villages inasmuch as approximately 1/3 of the cost was going for consulting engineers to obtain arctic training in water and sewage disposal matters. He said that some of these consultants' proposals didn't appear to take environmental situations into consideration. There was an additional aspect of the program which he felt important. That was that upon completion of a project there had to be some way to provide maintenance and operation of the program. This wasn't true under the demonstration projects because at the end of one year after completion of construction they would turn over the project to the local community.

Mr. Hohman asked of any of the money for the Village Safe Water Act had been spent. Dr. Brewer said no.

Mr. Hohman thought that something simple might be done with the \$3 million Village Safe Water Act money. He said the money had been available for three years now and nothing had been done. He said the sewage problem was constant and he didn't think that they should need a sophisticated treatment plant right away when just a little help would be better than what they have now.

Dr. Brewer said the village demonstration project was set up to provide sewage treatment facilities that met state and federal water quality standards. He admitted when such projects were set up in small villages certain aspects make it very difficult. He said that they would like to be able to go into a small community of 50 to 100 people and provide something on the order of the monomatic flush. This gives treatment but does give residual waste that, if dropped into waters of the state, it will not meet federal standards. However, it would be a very large leap in the direction of doing so. He believed that it was important to improve water and sewage standards in the villages even if the improvements didn't meet "down south" standards.

RECESS

Meeting recessed at 10:15 a.m.

HOUSE FINANCE COMMITTEE

May 17, 1972

3:45 P.M.

PRESENT All members except Representatives Warwick, Haugen, and Wright. Senator Don Young was also present.

SB 270 Chairman Hohman called the meeting to order and stated that SENATE BILL NO. 270 (An Act relating to Motor Vehicle registration) was under consideration. He asked Sen. Young to testify.

Sen. Young said this bill was introduced because of an incident that happened last summer and was continuing to happen. That is the ruling that all vehicles in all Alaska will be registered by size, weight, and useage. Sen. Young said they didn't argue the concept of identification. They thought that was right and just, and they were willing to pay the first initial registration fee, but from then on would pay tab for these vehicles. They base this on the fact that the roads were built and maintained by local fees and the State was not actually participating on upkeep of these roads. Sen. Young said that if the roads were upkeep by the State, they would be willing to pay registration year after year.

Sen. Young went on to say they had had testimony from the logging industry which builds its own roads. They had been opposed to the bill at first because of misunderstanding, but now had no opposition to it. He added that the Commissioner of Public Safety had no objection to it.

Mr. Fink asked about revenue sharing maintenance, and Sen. Young said that many of the villages didn't receive revenue sharing and they still had to pay this registration.

Sen. Young didn't believe the bill would cost the State. In fact, he believed that it would save money in terms of the harrasment that it would save State Troopers.

Mr. Fink pointed out that the fiscal note didn't say how much would be lost in existing license fees. Sen. Young said all of the vehicles would be registered once.

[Mr. Wright arrived.]

Mr. Fink objected to the bill because it didn't talk about revenue sharing and other types of monies that flow in.

Mr. Ditman moved that the bill be passed out of Committee with "No Recommendation", and the motion carried 4:1 with Mr. Fink voting "Do Not Pass".

HFCS
SB 211

Chairman Hohman brought HOUSE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 211 (An Act providing for an Alaska longevity bonus) up for consideration.

The Committee made two changes in the CS before them. One was on page one and said "A person who is 65 years of age or over and domiciled in the territory on or before January 1, 1937 and maintained continuous domicile in the territory or state may qualify for a bonus". On page 5 they added the words "and has been so for at least 30 years" to the definition of continuous domicile. The Committee decided to have the Committee Substitute retyped.

SB 149

Chairman Hohman brought SENATE BILL NO. 149 (An Act relating to license and tag fees) up for consideration.

The Committee decided to keep resident fees the same. Mr. Fink suggested using Mr. Hilliker's (Dept. of Fish & Game) thinking on non-resident fees.

Mr. Hohman noted that Representative Specking had done some work on the bill, and suggested \$75 for the black bear, \$150 for the blue bear, and \$100 for the moose. Mr. Hohman moved those figures. No objection so ordered. He then moved that Mr. Hilliker's figures be accepted for the rest of the bill. No objection, so ordered.

Mr. Hohman moved that SB 149 amended be put out of Committee with a "Do Pass" recommendation. No objection, so ordered.

HB 640

Chairman Hohman brought HOUSE BILL NO. 640 (General Obligation Bonds - acquiring/constructing/equipping 13 state secondary schools -- \$19,500,000) up for discussion.

There was some discussion on this bill, but no action was taken as they were expecting a letter from the Governor's office.

HB 554

Chairman Hohman brought HOUSE BILL NO. 554 (General obligation bonds, \$30,000,000, for capital improvements for civic, convention and community recreation centers) up for discussion.

The Committee decided to work on a Committee Substitute which would reduce the amount from \$30,000,000 to \$24,000,000 and would add "dome stadiums" to civic, convention and community recreation centers.

ADJOURN

Meeting adjourned at 5:20 P.M.

HOUSE FINANCE COMMITTEE

May 23, 1972

9:45 a.m.

PRESENT All members.

SCR 34

Chairman Hohman called the meeting to order and brought SENATE CONCURRENT RESOLUTION NO. 34 (Requesting a Legislative Council study of the Cook Inlet king salmon resources) up for consideration.

Mr. Fink moved that they amend the bill on page 1, line 25 by inserting "within the limits of its appropriation" after "Legislative Council". No objection, so ordered.

Mr. Fink then moved that SCR 34 amended be put out of committee with a "Do Pass" recommendation. The motion carried 5:2 with Representatives Warwick and Haugen voting "No Recommendation".

HB 815

Chairman Hohman then brought up HOUSE BILL NO. 815 (Appropriating to the Department of Law for a special study of a limited entry fishery). Mr. Ditman said he wasn't ready to put the bill out because he didn't think the cost was valid. He said he wouldn't mind having someone from Fish and Game testify. Mr. Hohman stated they would get further narrative on the bill.

HB 554

Chairman Hohman said they would consider HOUSE BILL NO. 554 (General obligation bonds, \$30,000,000, for capital improvements for civic, convention and community recreation centers).

Mr. Fink reminded the Committee about the Committee Substitute for HB 554 which they had agreed to have drawn up at a prior meeting.

Mr. Fink moved and asked unanimous consent that CS for HB 554 be put out of Committee with a "Do Pass" recommendation. Mr. Warwick objected because he wanted authorization first. [He left.]

Chairman Hohman then brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 640 (General obligation bond - acquiring/constructing/equipping 13 state secondary schools \$19,500,000).

Mr. Hohman moved and asked unanimous consent that CS for HB 640 be put out of Committee with a "Do Pass" Recommendation. The motion failed.

RECESS

Meeting recessed at 10:05 a.m.

HOUSE FINANCE COMMITTEE

May 24, 1972

8:35 a.m.

PRESENT All members except Representatives Degnan and Ditman. Representative Genie Chance was also present.

HEW CS
HB 651

Chairman Hohman called the meeting to order and stated they would discuss the House Health, Education and Welfare Committee Substitute for HOUSE BILL NO. 651 (Alaska Office of Early Childhood Development). He asked Mrs. Chance to begin her testimony.

Mrs. Chance stated that when the bill was first introduced everybody involved with child development was opposed to it, but all of the groups said something was needed. So, her Committee (H.E.&W.) had gotten together with the groups in order to develop a Committee Substitute. All of the groups involved with early childhood development were in on the Committee Substitute. The Commissioner of Health & Welfare and the Commissioner of Education were also in on the development of the Committee Substitute. The U. of A. sent representatives to the meetings because they are trying to develop classes that will train people to work in child development.

Mrs. Chance stated that everyone had agreed that they needed an office of early childhood development, but they had changed the title to a broader one, childhood development. They had decided that the Office of Childhood Development should be a coordinating body and a monitoring and evaluating agency of childhood development. By striking the word "early" they open up potential federal funding sources. They are utilizing the statewide 4 C's in order for the State to qualify for a lot of federal funds that come into the State. There are presently 15 members from all over the State of which they are required to have 1/3 agency people, 1/3 consumers, and 1/3 general public. In order to give the 4 C's staff the funds to do the jobs they are supposed to do, they would be given the name of Child Development and the federal government would come in.

Mrs. Chance stressed that the Office of Child Development was not to receive and disburse funds because then they would not be objective. They are to coordinate public and private plans, help establish priorities and develop standards, etc.

Mrs. Chance emphasized that funds are available from almost every federal department for programs related to child development. If the 4 C's Committee is utilized, these funds can be obtained.

[Mr. Degnan arrived.]

The 4 C's Committee is located under the Governor's Office, and Mrs. Chance said they would propose to leave the Office of Child Development in the Governor's Office because by not being in one of the departments, the federal government couldn't confuse it with the departmental programs.

Mrs. Chance stated that a contract had already been signed for \$30,000 grant for funding of the office by the federal H.E.&W. Department pending passage of the legislation. The rest of the office would be funded through use of Title IV(A) Funds and they would utilize existing funds in the budget for the State match, so no additional State appropriations would be necessary.

It was moved that CS for HB 651 be put out of Committee with a "Do Pass" recommendation. The motion carried 4:2 with Representative Fink voting "Do Not Pass" and Representative Haugen voting "No Recommendation". (Representative Ditman came in later and signed "Do Pass".)

HB 829 Chairman Hohman brought HOUSE BILL NO. 829 (Appropriating \$282,900 to Legislative Affairs Agency) up for consideration.

Mr. Hohman moved that HB 829 be put out of Committee. No objection, so ordered. The vote was four "No Recommendations" and two "Do Not Pass" (Mr. Fink & Mr. Haugen) (Mr. Ditman later signed "No Recommendation".)

HB 32 Chairman Hohman brought up HOUSE BILL NO. 32 (State employees; pay increments for) for discussion.

Mr. Wright, Chairman of the Subcommittee, stated that more work was needed on the bill so Chairman Hohman returned it to subcommittee.

[Mr. Ditman arrived.]

CSHB 480 Chairman Hohman moved and asked unanimous consent that HOUSE BILL NO. 480 (Establishing Office of Administrative Adjudication) be brought up for consideration. The motion failed because there was no fiscal note attached to the bill. The bill was returned to subcommittee.

HB 801 Chairman Hohman brought HOUSE BILL NO. 801 (Courtroom facilities in rural areas of the state) up for discussion.

Mr. Hohman thought the existing regulations were broad enough so that if they wanted to convert existing buildings, they could do it. It was his opinion the bill was unnecessary. Mr. Wright felt the same. Chairman Hohman returned HB 801 to the subcommittee.

CSHB 640 Chairman Hohman moved and asked unanimous consent that Committee Substitute for HOUSE BILL NO. 640 (GJB - acquiring/constructing/equipping 13 state secondary schools -- \$19,500,000) be brought

up for discussion. Mr. Wright objected. Upon voting the motion failed 4:3 with Representatives Hohman, Ditman, and Degnan voting "Do Pass".

ADJOURN Meeting adjourned at 9:15 a.m.

HOUSE FINANCE COMMITTEE

May 31, 1972

8:40 a.m.

PRESENT: All members. Representative Barber was also present.

The committee considered COMMITTEE SUBSTITUTE for HOUSE BILL NO. 815 (An Act appropriating \$75,000 to the Department of Law for a special study of a limited entry fishery; and providing for an effective date). Mr. Ditman moved that CSHB 815 be passed from committee "do pass". Mr. Haugen objected. The question was called for: Representatives Wright, Hohman, Fink, Degnan and Warwick voted "no recommendation"; Representative Haugen voted "do not pass"; Mr. Ditman voted "do pass"; and so the bill was reported out.

HCR 28 The committee then considered HOUSE CONCURRENT RESOLUTION NO. 28 (Relating to leases from the Alaska State Housing Authority). Mr. Wright stated that he wished to amend HCR 28 as follows:

Page 1 Line 23

Add a new line 23, "Pioneers Home addition, Department of Administration, Fairbanks, Alaska".

Mr. Wright then moved that HCR 28 as amended be passed from committee with individual recommendations. Members signing the Majority Report were Hohman, Haugen, Ditman, Wright and Warwick; members not concurring in the Majority Report were Mr. Fink with "do not pass" and Mr. Degnan with "no recommendation"; and so the bill was passed from committee.

[Representative Barber left the meeting.]

HB 640 Representative Degnan moved and asked unanimous consent that HOUSE BILL NO. 640 (An Act providing for the issuance of general obligation bonds in the amount of \$19,500,000 for the purpose of paying the cost of acquiring, constructing and equipping 13 state secondary schools; and providing for an effective date) be passed from committee with a "do pass". Mr. Wright objected, and stated that he wished the Commissioner of the Department of Education to speak before the committee to answer several questions. Mr. Degnan withdrew his previous motion and moved that HB 640 be passed from committee with individual recommendations. Mr. Wright and Mr. Fink objected. The question was

called for: those in favor of passing the bill from committee were Representatives Degnan, Ditman and Hohman; those opposed were Representatives Wright, Haugen, Fink and Warwick; and the bill was sent back to file.

RECESS: There being a Free Conference Committee meeting at 9:00 a.m., Chairman Hohman declared the meeting recessed.

HOUSE FINANCE COMMITTEE

June 2, 1972

2:10 p.m.

PRESENT: All members. Mr. Allen Frank of the press was also present.

Chairman Hohman called the meeting to order and stated that the purpose of the meeting was to discuss SENATE BILL NO. 211 (An Act providing for an Alaska longevity bonus; and providing for an effective date).

Before taking action on the bill, the committee held a brief Executive Session. Mr. Frank left the meeting at this time.

SB 211 The committee then resumed discussion on SB 211 at 2:20 p.m. Mr. Hohman moved that the bill be passed from committee. Those in favor of his motion were Representatives Ditman, Degnan, Wright, Warwick and Hohman. The motion carried. The bill was passed from committee with the following votes: Representatives Ditman, Wright, and Haugen - do pass; Representative Fink - do not pass; Representatives Degnan, Hohman and Warwick - no recommendation.

HB 764 Mr. Ditman moved that HOUSE BILL NO. 764 (An Act appropriating to the Department of Administration; and providing for an effective date) be passed from committee with the following amendment:

Page 1 Line 9: Delete the sum \$123,100 and insert in its place \$112,200.

The question was called for: those in favor of moving the bill out of committee were Representatives Haugen, Hohman, Wright, Warwick and Ditman. The bill was passed from committee with the following votes: Representatives Hohman, Warwick, Haugen, Ditman, and Wright - do pass; Representatives Degnan and Fink - no recommendation.

SB 298 Representative Wright moved that the committee pass out SENATE BILL NO. 298 (State matching funds for the construction of sports facilities). Mr. Degnan objected. Consideration of the bill was delayed until a later meeting due to a meeting of the Free Conference Committee members.

The meeting recessed at 2:30 p.m.

HOUSE FINANCE COMMITTEE

June 5, 1972

9:45 a.m.

PRESENT Mr. Hohman, Mr. Degnan, and Mr. Ditman were present. Also present from the Department of Environmental Conservation were Dr. Max Brewer and Mr. James Anderegg.

HB 719 Chairman Hohman called the meeting to order and said HOUSE BILL NO. 719 (Facilities for safe water/hygenic sewage/solid waste disposal in villages) would be under discussion. He asked Dr. Brewer for his comments.

Dr. Brewer stated the existing legislation was based on the federal government's sewage and water demonstration projects for the villages. He said that as such, the program has great emphasis on innovation and new approaches and new designs as projected by different architectural and engineering contractors. In fact, this is one of the corner stones of the federal program. Unfortunately, in using this approach, much of the money goes to the architect or engineer. In fact, he thought it was approximately 1/3 of the money. In addition, it provides for an often-times non-functioning facility that is not appropriate to either the environment or to the resources of the community.

In the case of the federal program, they will operate it, provide operator training, materials, and parks for the first year. At the end of that year, they walk away and it is up to the village to operate the facility. The two projects under construction at the present time are at Wainwright and Emmonak. The one at Wainwright will be a \$600,000 project and will not operate on a 24 hour basis. But even then, Dr. Brewer's horseback estimate is on the order of \$80,000 for operational costs. His department estimated there wasn't more than \$10,000 in that village that could be provided for such an operation. In fact, it would cost each family over \$1,000 per year. They feel that facility will cease operation shortly after the federal government ceases to provide for the operation and materials. This would be quite similar to what happened at Dillingham in 1965 and 1966 where they had a new sewage plant, and the people ceased operation because they couldn't afford it. The plant has remained idle since then.

Dr. Brewer felt that if they continued to follow that approach, they would be providing nothing but a source of frustration to the villages, and would actually be rendering the intent of the existing Alaska statutes void.

Dr. Brewer said there were many types of water and sewage facilities, most of them designed by someone sitting down south and imagining what the conditions might be in the arctic and sub-arctic. He said that as the existing statute is written, there is money for construction and construction loans, but nothing for administration or the continuous operation of the facilities. This provides certain other problems. The Act now states that the facilities must have running water and sewage collection systems. Dr. Brewer felt that in some of the smaller villages that this may not be the way to go. He thought they should have simple to operate, inexpensive chemical disposal systems, much like the type used on airplanes.

Dr. Brewer said that using the \$3 million available, they estimate that under the existing law they would be able to get probably six facilities in six villages. He pointed out there are close to 600 villages that are without reasonable facilities at the present time. In the proposed bonding issue for this year, they would get another \$1 million which would allow for two more facilities. Dr. Brewer didn't think this would really get into the problem.

Dr. Brewer said the proposed legislation provides for flexibility to provide good and economic facilities to fit the environment that is found in the individual villages.

Dr. Brewer said that under the changes they have made in the bill, Mr. Swanson indicated that several villages could be provided for at as little as \$50,000 per village. This would mean a vastly improved program for health, and anything they do in the area of sewage disposal is an environmental plus.

Mr. Hohman asked if Dr. Brewer felt the \$1 million Senate amendment to provide additional money for the Village Safe Water Act was necessary. Dr. Brewer was very much in favor of it, particular from the standpoint that bond issues are every other year. He said it would certainly be tight as far as funds go, and it depended on just how much the PHS had available for the housing program and how the money is used. He said at the present time, it appears that PHS may use resources available to them for quite large projects and that they are not able to spend over a very wide area. The implication is that they expect the state or somebody else to pick up the water and sewage.

Recess Meeting recessed at 10:00 a.m.

HOUSE FINANCE COMMITTEE

June 5, 1972

12:15 p.m.

PRESENT All members.

Chairman Hohman called the meeting to order and gave the members copies of a list of bills which he had prepared for presentation to the Committee as a package. He said the list reflected some concerns of both Houses. Mr. Hohman asked if there were any bills not on the list that anyone felt should be there. (See page 662 for the list of bills).

CSHB 609 While the list was being studied, Mr. Fink asked about the CS for HB 609 (GOB -- paying cost of capital improvements for University of Alaska). Mr. Hohman said the CS took out the \$1.5 million on line 12, page 2, and left in the \$950,000 and the \$550,000 on lines 18 and 19.

Mr. Fink moved to amend the CS for HB 609 to \$15 million for the U. of A. with no designation of monies. No objection, so ordered.

CSHB 554 Mr. Fink asked to see the draft of the Finance CS for HB 554. After he had looked it over, he commented it was acceptable as far as he was concerned.

SCR 19 Mr. Hohman again asked if there were other bills the committee would like to add to the list. Mr. Warwick said he would like to see SENATE CONCURRENT RESOLUTION NO. 19 (Relating to a law center and law school in Alaska) be included. Mr. Fink said he felt that HOUSE BILL NO. 782 (Alaska business license tax on national banks and state banks, trust companies and savings and loan associations) should also be passed from committee. Mr. Fink briefly explained HB 782.

HB 782

Mr. Hohman moved and asked unanimous consent that the list that had been distributed as well as SCR 19 and HB 782 pass from committee. Mr. Fink and Mr. Wright objected. Mr. Fink said there were 7 bills on the list that he was opposed to.

HCSCS
SB 298

Mr. Wright explained his proposed amendments to SENATE BILL NO. 298 (State matching funds for the construction of sports facilities). This was to delete "spectator orientor" on page 1, lines 12 and 22, and on page 3, line 6; and on page 3, line 10 deleting "minor".

HB 755

The committee then discussed HOUSE BILL NO. 755 (Granting authority for transfer of money from general fund to general obligation bond construction fund). There was one amendment on line 15 after "state bond committee" to add "with approval of the Legislative Budget and Audit Committee".

The question was called on Mr. Hohman's motion, and the motion failed 3:4 (Mr. Fink, Mr. Haugen, Mr. Wright, and Mr. Warwick voted no).

Recess Meeting recessed at 1:15 p.m.

AFTER RECESS
June 5, 1972
4:55 p.m.

PRESENT: All members. Representative Banfield and Mr. Joe LaRocca of the press were also present.

Chairman Hohman called the meeting to order.

The Chairman explained that during the day's earlier Finance Committee meeting, committee members had considered a composite list which reflected concerns of many people in the legislature and the Governor. Mr. Hohman said that individual committee members' interests were incorporated into the list, and since the earlier meeting two more additions had been made: SENATE BILL NO. 389 (An Act relating to compensation of district judges; and providing for an effective date) and SENATE BILL NO. 118 (An Act relating to the Office of Child Advocacy).

Mr. Hohman stated that he felt that the passage of the package of bills (see attachments) would expedite the work of the legislature and hasten adjournment. He said there was opposition within the committee regarding the package, but Chairman Hohman maintains that the passage of the package would constitute a major step towards adjournment.

Chairman Hohman stated that he would take the bills to the Chief Clerk's desk. He added that the bills bear the signatures of three committee members with "do pass" recommendations. He informed the committee that the bills' Committee Reports would be available on the Chief Clerk's desk for remaining members' signatures and recommendations.

Mr. Fink stated that such action was in violation of committee rules.

Mr. Warwick moved that all the bills on the list be tabled.

ADJOURN: Chairman Hohman declared the meeting adjourned at 5:05 p.m.

- HB 32 An Act relating to pay increments for state employees.
- HB 552 An Act creating a Department of Community and Regional Development.
- HB 554 An Act providing for the issuance of General Obligation bonds in the amount of \$30,000,000 for the purpose of paying the cost of capital improvements under AS 43.18.300 for civic, convention, and community recreation centers.
- HB 609 An Act providing for the issuance of General Obligation bonds in the amount of \$40,050,000 for the purpose of paying the cost of capital improvements for the University of Alaska.
- HB 640 An Act providing for the issuance of General Obligation bonds in the amount of \$19,500,000 for the purpose of paying the cost of acquiring, constructing and equipping 13 state secondary schools.
- HB 719 An Act relating to facilities for safe water and hygienic sewage and solid waste disposal in villages.
- HB 733 An Act establishing a self-insurance fund, providing for its administration.
- HB 755 An Act granting authority for the transfer of
am money from the general fund to general obligation bond construction funds.
- HB 782 An Act relating to the Alaska business license tax on national banks and state banks, trust companies and savings and loan associations.
- CSSB 118 An Act relating to the Office of Child Advocacy.
am
- CSSB 236 An Act establishing a food service and nutrition
am education program for children.
- SB 277 An Act providing for the issuance of general
am obligation bonds in the amount of \$33 million for the purpose of paying the cost of capital improvements for water supply and sewerage systems.
- SB 278 An Act providing for the issuance of general
am obligation bonds in the amount of \$20,000,000 for the purpose of paying the cost of capital improvements for flood control and small boat harbor projects.

- CSSB 298 An Act providing state matching funds for the
am construction of sports facilities;
- SB 389 An Act relating to compensation of district
am judges.
- SB 400 An Act creating ad Advisory Board on Drug
Abuse.
- SB 421 An Act relating to bilingual education.
- SB 424 An Act relating to the establishment of the
Alaska Native language center at the University
of Alaska.
- SCR 19 Relating to the establishment of a law center,
including a law school in Alaska.

HOUSE FINANCE COMMITTEE

June 7, 1972

9:32 a.m.

PRESENT Mr. Hohman, Mr. Ditman, Mr. Degnan, Mr. Miller, Mr. Fink, Mr. Haugen, Mr. Warwick, and Mr. Bowman (who arrived late). Mr. Joe LaRocca and Mr. Steve Weiner were also present.

HB 83 Chairman Hohman called the meeting to order and stated they would consider the package of bills which he had prepared for the Committee on Monday. In addition, he brought HOUSE BILL NO. 83 (Relating to disposition of state land in certain situations) up for consideration.

Mr. Hohman moved and asked unanimous consent that HB 83 be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink voted against the motion. HB 83 went out with the following recommendations: Representatives Hohman, Warwick, Ditman, Miller, Degnan, and Bowman voting "Do Pass"; Mr. Haugen voting "No Recommendation"; and Mr. Fink voting "Do Not Pass".

CSHB 32am Mr. Hohman moved and asked unanimous consent that CS HOUSE BILL NO. 32 am (Pay increments for state employees) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink, Mr. Haugen, and Mr. Warwick voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Ditman, Degnan, Miller, and Bowman voting "Do Pass"; Representatives Warwick, Haugen, and Fink voting "Do Not Pass".

HB 552 Mr. Hohman moved and asked unanimous consent that HOUSE BILL NO. 552 (Creating a Department of Community and Regional Development) be passed from Committee. The question was called: Mr. Fink, Mr. Haugen, and Mr. Warwick voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Ditman, Degnan, Miller, and Bowman voting "Do Pass"; Mr. Warwick voting "No Recommendation"; and Mr. Haugen and Mr. Fink voting "Do Not Pass".

CSHB 554 Mr. Hohman moved and asked unanimous consent that CS HOUSE BILL NO. 554 (General obligation bonds \$30,000,000 capital improvements for civic, convention, rec. centers). The question was called: No objection, so ordered. The bill went out with the following recommendations: Representatives Ditman, Warwick, Bowman, Haugen, Fink, and Miller voting "Do Pass"; and Mr. Hohman and Mr. Degnan voting "No Recommendation".

CSHB 609 Mr. Hohman moved and asked unanimous that CS for HOUSE BILL NO. 609 (GOB - Capital improvements to the U. of A.) at \$15 million undesignated, be passed from Committee. The question was called: No objection, so ordered. The bill went out with the following recommendations: Representatives Hohman, Haugen, Warwick, Fink, Miller, Ditman, and Bowman voting "Do Pass"; and Mr. Degnan voting "No Recommendation".

- CSHB 640 Mr. Hohman moved and asked unanimous consent that CS HOUSE BILL NO. 640 (Fin) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink and Mr. Hohman voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Ditman, Degnan, Miller and Bowman voting "Do Pass"; Mr. Warwick voting "No Recommendation"; and Mr. Haugen and Mr. Fink voting "Do Not Pass".
- HB 719 Mr. Hohman moved and asked unanimous consent that HOUSE BILL NO. 719 (Facilities for safe water & hygienic sewage and solid waste disposals in villages) be passed from Committee. Mr. Fink objected. The question was called: Mr. Warwick, Mr. Fink, and Mr. Haugen voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Degnan, Miller, and Bowman voting "Do Pass"; Mr. Warwick voting "No Recommendation"; and Mr. Haugen and Mr. Fink voting "Do Not Pass".
- HB 733 Mr. Hohman moved and asked unanimous consent that HOUSE BILL NO. 733 (Establishing a self-insurance fund) be passed from Committee. Mr. Fink objected. The question was called: Representatives Warwick, Fink, and Haugen voted against the motion. The bill went out with the following recommendations: Representatives Ditman, Degnan, Miller, and Bowman voting "Do Pass"; Mr. Warwick and Mr. Hohman voted "No Recommendation"; and Mr. Haugen and Mr. Fink voted "Do Not Pass".
- HB 755am Mr. Hohman moved and asked unanimous consent that HOUSE BILL NO. 755 (Granting authority for transfer of money from general fund to general obligation bond construction fund) be passed from Committee. The question was called: there was no objection, so ordered. The bill went out with the following recommendations: Representatives Hohman, Ditman, Degnan, Warwick, Fink, and Bowman voting "Do Pass"; and Mr. Haugen and Mr. Miller voting "No Recommendation".
- HB 782 Mr. Hohman moved and asked unanimous consent that HOUSE BILL NO. 782 (Relating to Alaska Business License tax) be passed from Committee. Mr. Haugen objected. The question was called: Mr. Haugen voted against the motion. The bill went out with the following recommendations: Representatives Fink, Warwick, Miller, and Bowman voting "Do Pass"; Representatives Hohman, Ditman, and Degnan voting "No Recommendation"; and Mr. Haugen voting "Do Not Pass".
- CSSB 118am Mr. Hohman moved CS for SENATE BILL NO. 118 amended (An Act relating to the Office of Child Advocacy) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink, Mr. Haugen, and Mr. Warwick voted against the motion. The bill went from Committee with the following recommendations: Representatives Hohman, Miller, and Bowman voting "Do Pass"; Mr. Degnan and Mr. Ditman voting "No Recommendation"; Representatives Warwick, Haugen, and Fink voting "Do Not Pass".

- CSSB 236am Mr. Hohman moved and asked unanimous consent that CS for SENATE BILL NO. 236 amended (An Act establishing a food service and nutrition education program for children) be passed from Committee. Mr. Fink objected. The question was called and Mr. Fink, Mr. Haugen, and Mr. Warwick voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Degnan, Miller, and Bowman voting "Do Pass"; Mr. Ditman voted "No Recommendation"; and Mr. Warwick, Mr. Fink, and Mr. Haugen voted "Do Not Pass".
- SB 277am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 277 am (Issuance of G.O. bonds for paying the cost of capital improvements for water supply and sewerage systems) be passed from Committee. The The question was called: No objection, so ordered. The bill went out with the following recommendations: "Do Pass" from all members present.
- SB 278am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO 278 am (Issuance of general obligation bonds for the purpose of paying the cost of capital improvements for flood control and small boat harbor projects) be passed from Committee. The question was called: No objection, so ordered. The bill went out with a unanimous "Do Pass".
- HCS for
CSSB 298 Mr. Hohman moved that HCS for CS for SENATE BILL NO. 298 (State matching funds for the construction of sports facilities). The question was called: there was no objection, so ordered. The bill went out with the following recommendations: Representatives Haugen, Fink, Bowman, Warwick, and Ditman voting "Do Pass"; and Representatives Miller, Degnan, and Hohman voting "No Recommendation".
- SB 400 Mr. Hohman moved that SENATE BILL NO. 400 (Creating an Advisory Board on Drug Abuse) be passed from Committee with unanimous consent. Mr. Fink objected. The question was called: Mr. Warwick, Mr. Fink, and Mr. Haugen voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Ditman, Degnan, and Bowman voting "Do Pass"; Mr. Miller voting "No Recommendation"; and Representatives Haugen, Fink, and Warwick voting "Do Not Pass".
- SB 421 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 421 (An Act relating to bilingual education) be passed from Committee. Mr. Fink objected. The question was called: Mr. Warwick, Mr. Fink, and Mr. Haugen voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Miller, Bowman, Degnan voting "Do Pass"; Mr. Ditman voting "No Recommendation"; and Mr. Warwick, Mr. Haugen, and Mr. Fink voting "Do Not Pass".
- SB 424 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 424 (Relating to the establishment of the Alaska Native language center, U of A) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink, Mr. Haugen, and Mr. Warwick voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Miller, Bowman, and Degnan voting "Do Pass"; Mr. Ditman voting "No Recommendation"; and Mr. Warwick, Mr. Haugen, and Mr. Fink voting "Do Not Pass".

SCR 19 Mr. Hohman moved and asked unanimous consent that SENATE CONCURRENT RESOLUTION NO. 19 (Relating to the establishment of a law center, including a law school in Alaska) be passed from Committee. The question was called for: No objection, so ordered. The bill went out of Committee with a unanimous "Do Pass" recommendation.

SB 389am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 289 amended (Compensation of district judges) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink voted against the motion. The bill went out with the following recommendations: Representatives Hohman, Haugen, Bowman, and Degnan voting "Do Pass"; and Representatives Ditman, Warwick, Fink, and Miller voting "No Recommendation".

ADJOURN Meeting adjourned at 10:15 a.m.

HOUSE FINANCE COMMITTEE

June 8, 1972

8:45 a.m.

PRESENT All members except Mr. Wright. Mr. Joe LaRocca was also present.

Chairman Hohman called the meeting to order.

SB 337 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 337 (Agricultural and industrial fairs) be passed from Committee. Mr. Fink objected.

Mr. Hohman said it was his understanding that this bill would permit them to expend what was already in the budget. Mr. Fink didn't think they needed the bill in order to expend the money. Mr. Warwick thought the whole purpose was to get the amount up to \$25,000. Mr. Fink agreed.

The question was called; and the motion failed.

SB 28 am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 28 (Violent Crimes Compensation Board) amended be passed from Committee. Mr. Warwick objected, then removed his objection. Mr. Fink objected, and said he thought somebody was just trying to introduce some so-called model legislation.

[Mr. Bowman left the meeting.]

Mr. Hohman referred to the fiscal note and the lengthy Judiciary Committee's report.

The question was called: Mr. Degnan, Mr. Miller, and Mr. Hohman were in favor of the motion; and the motion failed.

[Mr. Bowman rearrived.]

SCR 27 Mr. Hohman moved and asked unanimous consent that SENATE CONCURRENT RESOLUTION NO. 27 (Requesting establishment of a comprehensive salmon rehabilitation and restoration program in Cook Inlet watershed) be passed from Committee. Mr. Fink objected, and then withdrew his objection. Mr. Warwick objected, and then also withdrew his objection.

The question was called: There was no objection to passing the bill from Committee. The resolution went out with everyone signing "Do Pass" except Mr. Warwick who signed "No Recommendation".

- CSSB 422 Mr. Hohman moved and asked unanimous consent for Committee Substitute for SENATE BILL NO. 422 (Appropriating to S.O.S. for bilingual education) to be passed from Committee. Mr. Fink objected. Mr. Hohman said they had already passed the authorization, this was just the funding. The question was called: Mr. Warwick, Mr. Haugen, and Mr. Fink voted against the motion; and the motion carried. The Resolution went out with Representatives Hohman, Degnan, Bowman, Ditman, and Miller signing "Do Pass", and Representatives Warwick, Haugen, and Fink signing "Do Not Pass".
- CSSB 423 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 423 (Appropriating to the University of Alaska Center for Northern Education for the creation of the Alaska Native language center and implemmentation of its program and providing for an effective date) be passed from Committee. Mr. Fink objected. The question was called: Mr. Fink, Mr. Haugen, and Mr. Warwick voted against, the motion; and the motion carried. The bill went out with Representatives Hohman, Miller, Ditman, Bowman, and Degnan voting "Do Pass", and Representatives Warwick, Haugen, and Fink voting "Do Not Pass".
- CSSB 211 Mr. Hohman told the Committee that when they had reported out the Committee Substitute for SENATE BILL NO. 211 (Providing for an Alaska Longevity Bonus), the wrong recommendation had been checked, and they had inadvertently reported out the House Health, Education and Welfare Committee Substitute instead of the House Finance Committee Substitute. He said he would check with the Rules Chairman to find the procedure they should go through in order to get their own Committee Substitute to the floor.
- ADJOURN Meeting adjourned at 9:15 a.m.

HOUSE FINANCE COMMITTEE

June 8, 1972

4:00 p.m.

PRESENT All members. Mr. Steve Weiner was also present.

CSHB 609

Chairman Hohman called the meeting to order and said they would be considering the proposed Committee Substitute for HOUSE BILL NO. 609 (An Act providing for the issuance of general obligation bonds in the amount of \$33,050,000 for the purpose of paying the cost of capital improvements for the U of A; and providing for an effective date").

Mr. Hohman passed out copies of the Committee Substitute and said it was the original Legislative Council bill minus those items which will, in all probability, appear in the budget bill so the total is reduced from its original level to about \$33,050,000. In addition, page 2, line 10, was changed to read "(6) \$750,000 - Kuskokwim Community College, Bethel".

Mr. Hohman moved and asked unanimous consent that this be introduced on the floor as a Finance Committee Substitute to HB 609, and that a Committee Report be carried with it.

Mr. Fink objected. There was some discussion on the matter. Mr. Hohman withdrew his motion and moved that the Finance Committee adopt a Committee Substitute which would delete \$350,000 for Central Governance, University System, Planning Revolving Fund; and reduce the total to \$32,700,000 and appropriate corresponding changes throughout the bill, leaving in itemized construction listings.

Mr. Wright amended Mr. Hohman's motion to put in the amount of \$35 million for the University with no strings attached. The question was called on Mr. Wright's amendment: Mr. Wright, Mr. Fink, and Mr. Warwick were in favor of the motion; Mr. Degnan, Mr. Ditman, Mr. Hohman, Mr. Bowman, and Mr. Miller were against the motion; Mr. Haugen abstained from voting; and the motion failed.

Mr. Haugen amended Mr. Hohman's motion to \$20 million lump sum for the University. The question was called on Mr. Haugen's amendment: Mr. Warwick, Mr. Haugen, Mr. Wright, and Mr. Fink voted in favor of the motion; and the motion failed.

The question was called on the main motion: Mr. Degnan, Mr. Ditman, Mr. Hohman, Mr. Bowman, and Mr. Miller were in favor of the motion; Mr. Warwick and Mr. Wright gave no recommendation; Mr. Haugen and Mr. Fink were against the motion; and the motion carried.

ADJOURN Meeting adjourned at 5:00 p.m.

HOUSE FINANCE COMMITTEE

June 9, 1972

8:45 a.m.

PRESENT All members. Mr. Steve Weiner and Mr. Joe LaRocca were also present.

CSHB 480 Chairman Hohman called the meeting to order and stated they would consider Committee Substitute for HOUSE BILL NO. 480 (An Act establishing the Office of Administrative Adjudication). Mr. Hohman explained that the Committee had already released this bill to the floor, but that it had been brought back for a more accurate fiscal note with the promise it would be returned.

Mr. Wright moved that it be passed out with individual recommendations.

Mr. Hohman stated that Mr. Hogan had suggested they include in the Committee Report language that the impact in this bill would be \$150,000. This figure is the result of Mike Rose's investigation. Mr. Wright said he wouldn't take Mr. Rose's figure over the Court System's figure.

The question was called on Mr. Wright's motion: Mr. Haugen and Mr. Fink voted against the motion; and the motion carried. The members signed as follows: Mr. Hohman, Mr. Warwick, Mr. Bowman, Mr. Ditman, and Mr. Wright signed "No Recommendation"; Mr. Miller signed "Do Pass"; and Mr. Haugen and Mr. Fink signed "Do Not Pass".

CSHB 609 Mr. Hohman brought Committee Substitute for HOUSE BILL NO.
(Finance) 609 (An Act providing for the issuance of general obligation bonds for the purpose of paying the cost of capital improvements for the University of Alaska) up for consideration.

Mr. Wright suggested they maintain the language on page 2, lines 24 through 28. Mr. Hohman said that would, in effect, raise the total to \$34,200,000. Mr. Wright moved his suggestion, and asked unanimous consent. Mr. Fink objected. The question was called: Mr. Fink voted against it; and the motion carried.

Mr. Warwick moved they incorporate the language from the 1970 University Bond Issue, which was also line itemed, which says, "The specific use of proceeds of such bonds shall be determined by the Governor in accordance with the following general terms and conditions." This was to go on page 1, line 25. He asked unanimous consent for his motion. There was no objection, so ordered.

Mr. Warwick moved that the figure be increased to \$119,700 on page 2, line 26. He asked unanimous consent. No objection, so ordered.

Mr. Hohman moved and asked unanimous consent that the Committee Substitute for HOUSE BILL NO. 609 pass from Committee. Mr. Fink objected. The question was called: Mr. Fink and Mr. Haugen voted against the motion; and the motion carried. The Committee Report was signed as follows: Mr. Hohman, Mr. Bowman, Mr. Miller, Mr. Ditman, and Mr. Degnan voting "Do Pass"; Mr. Wright and Mr. Warwick voting "No Recommendation"; and Mr. Haugen and Mr. Fink voting "Do Not Pass".

HB 798 Mr. Hohman brought HOUSE BILL NO. 798 (An Act appropriating to the Alaska court system for the purchase of certain parcels of real property in the City of Anchorage) up for consideration.

Mr. Wright moved they pass HB 798 from Committee, and asked unanimous consent. No objection, so ordered. The Committee Report was signed as follows: Mr. Warwick, Mr. Bowman, Mr. Miller, Mr. Wright, and Mr. Ditman voting "Do Pass"; and Mr. Hohman, Mr. Haugen, Mr. Degnan, and Mr. Fink voting "No Recommendation".

HB 506 Mr. Hohman brought HOUSE BILL NO. 506 (An Act making a supplemental appropriation to the Alaska Educational Broadcasting Commission) up for consideration.

Mr. Warwick moved and asked unanimous consent that HB 506 be passed from Committee. No objection, so ordered. The Committee Report was signed as follows: Mr. Hohman, Mr. Warwick, Mr. Fink, Mr. Bowman, Mr. Miller, Mr. Wright, and Mr. Degnan voting "Do Pass"; and Mr. Haugen and Mr. Ditman voting "No Recommendation".

ADJOURN Meeting adjourned at 9:10 a.m.

HOUSE FINANCE COMMITTEE
June 10, 1972
8:45 a.m.

Present: All members except Mr. Degnan. Mr. Joe Henri and Mr. Dick Freer, Department of Administration, were also present.

HCR 4 Chairman Hohman called the meeting to order for a discussion of HOUSE CONCURRENT RESOLUTION NO. 4 (relating to leasing of space from Alaska State Housing Authority).

Mr. Henri said that the Finance Committee had requested plans of the buildings included in HCR 4; however, they do not have a revolving fund for the Department of Public Works to do this type of work. Mr. Henri said to do schematics and the siting it would cost about \$553,000. Mr. Wright asked why it would cost so much. Mr. Henri answered that this is what they feel it will cost and pointed out that the University of Alaska has a \$350,000 revolving fund for this type of work.

Mr. Warwick asked if they could tie the projects down to the capital costs included in the fiscal note. Mr. Henri said that he could not represent that \$54 million is a precise figure. He said he would prefer to come back with the plans first.

In answer to Mr. Wright, Mr. Henri said that ASHA is "just a vehicle in this -- this resolution has little to do with ASHA."

Mr. Fink asked about the Juneau Court Building. He said that because space would be available for other state agencies in this building it should cut down on the space needs in HCR 4. Mr. Henri said this is somewhat true. He noted that they will take about 24,000 square feet in the Juneau Court Building for use by other agencies. Mr. Wright questioned this figure. Mr. Wright asked what the Administration is planning on putting in this building. Mr. Henri answered they are thinking about putting Environmental Conservation in this building. Mr. Wright felt that the committee should have something from the Administration in writing on their plans for utilization of the other half of the Court Building.

Mr. Warwick asked about tying this down to the \$54 million figure. Mr. Henri said he would like to see a 20 percent margin of deviation. He said without schematics it would be difficult to tie this down.

Mr. Henri suggested the following amendment:

"These buildings shall be of moderate and reasonable construction, structurally sound and utilitarian. Their construction costs shall be commensurate with the cost of similar buildings in the locale at the time these buildings are bid. The net square footage for these buildings shall be approximately: "
He said then each buildings would be listed with the net square footage.

Mr. Henri pointed out that each year the State spends millions of dollars for rent. By buying the buildings at the end of a certain period the State will own them. He also added that the rent for many buildings being leased by the State is going up at a very high rate.

Mr. Degnan entered the meeting.

The committee questioned how the State would get out of its long term leases. Mr. Wright asked about the McKay Building in Anchorage. Mr. Henri said they can move out of the McKay Building even though it has a lease -- none of the leases are legal because the State cannot enter into long term leases.

Mr. Fink asked if HCR 4 passes when would they start building. Mr. Henri said his goal is to have these under contract before the pipeline started. Mr. Fink said then they would have to be under contract this year. Discussion followed.

Mr. Wright asked what the latest position is on the parking area for the Juneau Court Building. Mr. Henri said they had met with the City and Borough of Juneau Planning Commission and they are in a zone that requires parking. He said he did not know if the Commission would authorize them to build without parking. Mr. Henri said that he felt the State should have to do what private citizens do. Mr. Wright said he would like to have the Administration's position in writing on this.

Representative Chance entered the meeting.

In answer to Mr. Bowman, Mr. Henri that with a 5 percent inflation figure the State would be making money in

1989 -- with a 10 percent inflation figure they would be breaking even in 1979. Mr. Bowman said since there is not enough money for planning would Mr. Henri agree to tie this to funding for the planning monies and the approval of the Budget and Audit Committee before they move ahead. He suggested that the plans and schematics could be presented to Budget and Audit. Mr. Henri said he was "completely agreeable" to this. Mr. Hohman asked what this would mean in terms of time. Mr. Henri said they would proceed "lickety-split". He said by going through Budget and Audit they would not sell the bonds until they had approval. Mr. Henri said this was one of the problems with the Court Building. He said they had already sold the bond and it was "really a little too late" to change this when the Legislature decided to go for a less figure. Mr. Hohman asked if it would take 6 to 8 months to develop the plans. Mr. Henri said yes. Mr. Hohman said then the Legislature would be in session again and they could approve the buildings. Mr. Henri said he would like to get started right away. Mr. Bowman suggested the Administration establish a priority list. Mr. Wright said they might be able to "go" with the smaller buildings and then wait until next spring on the larger buildings. Mr. Henri agreed to furnish the committee with a list of buildings they could plan for quickly and a list of buildings that would not be done until the Legislature convenes next year.

Mr. Henri and Mr. Freer left the meeting.

SB 28am Mr. Hohman said the committee would consider SENATE BILL NO. 28 am (an Act establishing a Violent Crimes Compensation Board). Mr. Hohman moved and asked unanimous consent that SB 28am pass from committee. Mr. Fink objected. However, there were 5 members in favor of passing the bill from committee (Mr. Fink and Mr. Haugen were opposed). So SB 28am passed from committee with 7 "no recommendation" votes and 2 "do not pass" (Mr. Fink and Mr. Haugen voting "do not pass").

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

HOUSE FINANCE COMMITTEE

June 13, 1972

1:20 p.m.

PRESENT All members. Commissioner Frederick P. McGinnis, Department of Health and Social Services, and the following members of his staff were present: Mr. Sullivan and Mr. Wydale. Mr. Steve Weiner was also present.

SB 337 Chairman Hohman called the meeting to order, and said that the first item on the agenda was consideration of SENATE BILL NO. 337 (Relating to agricultural and industrial fairs).

Mr. Hohman moved and asked unanimous consent that SB 337 be passed from Committee. Mr. Fink objected. Mr. Hohman explained that the bill provides for operation and maintenance of the fairs. It increases the amount from \$10,000 to \$25,000 for the large fairs, and from \$3,000 to \$8,000 for the smaller fairs.

The question was called: Mr. Fink voted against the motion; and the bill went out of Committee with a majority voting No Recommendation.

CSSB 56
am Mr. Hohman then brought SENATE BILL NO. 56 (Relating to medical assistance for needy persons) up for consideration. He moved and asked unanimous consent that it be passed from Committee. Mr. Fink objected.

Mr. Hohman passed out two pieces of information--one was from the Alaska hospital association, and the other was a memo from Mr. McGinnis to Sen. Butrovich. Mr. Hohman then read them the House HEW Committee amendment.

Mr. Wright thought they should keep all of the bill except page 3, line 7, making them subject to requirements of federal laws and regulations.

Mr. McGinnis said that at the House HEW Committee they had suggested they say "if required by federal law" on page 3, line 7 with regard to percentage. He said they had found that there were those that felt that the 75% meant the hospital could receive only 75% of the bill. He said this was not the case. It was his understanding that the percentage related to not charging more than 75% of that which is charged by the providers in the prevailing level.

Mr. Wright asked about eliminating that line completely. Mr. McGinnis said it wouldn't concern his Department, but that it was put there because of a concern by the Hospital Association.

Mr. Wright thought the hospitals should be entitled to full cost of care. Mr. McGinnis agreed, but said he didn't want to see the rate increased enough to capitalize new buildings in the future. They felt there were other ways new buildings could be taken care of.

Mr. Haugen asked how they determined who was needy and who was able to pay. Mr. McGinnis said they have specifically defined those who qualify to be under MEDICAID. Mr. Wydale said there was just one mandatory group that must be included--that was the categorically needy. The medically needy will be in the definition of General Relief, Medical, and will be covered under that.

Mr. Ditman pointed out that when they put in "medically needy" they were talking about state funds, but when they stayed in "categorically needy" they were staying in federal funds.

RECESS Meeting recessed at 2:00 p.m.

AFTER RECESS
2:45 p.m.

Present: All members except Mr. Warwick. The same representatives from the Dept. of Health and Social Services.
CSSB 56 The committee continued their discussion of COMMITTEE
am SUBSTITUTE FOR SENATE BILL NO. 56 am (Relating to medical assistance for needy persons).

Mr. Wright's proposed amendment was discussed. This was to delete "Subject to requirements of federal law or regulation," from page 3, lines 7 and 8. Commissioner McGinnis told the committee that they had received a detailed critique of this paragraph from Region X. Mr. Wright said that if federal law supercedes state law he would rather take this chance than leave it to the discretion of the Department (Health & Social Services).

Representative Randolph entered the meeting.

Mr. Wright asked if "medically needy" was included in the bill, what would the Department's definition be. Mr. McGinnis said he thought this was a general term -- almost everybody in one sense could be medically needy.

Mr. Wright asked the income level of an average family of four that would be eligible for assistance. Mr. McGinnis said they felt a family of four with an income of under \$6,000 "would be a bare minimum". Mr. Wright said he felt this should be included in the legislation -- he felt they should tie it down and next year if it is inadequate then they can do something about it.

Mr. Miller said the way he read the bill only people covered under Titles I, IV, X and XIV are eligible. Mr. Wright said he knew people who were gainfully employed who were receiving assistance. He said he did not know if this was the Department's position but felt there were cases where this was happening. He felt they should amend the bill to limit it to people with a certain income and that they should define "medically needy". He felt the Legislature should define this term rather than the Department.

Mr. Wright said that the Commissioner had indicated earlier that this bill would provide a savings to the State. Mr. McGinnis said he did not mean to imply this but felt it would be a savings by providing a more favorable match.

Mr. Wright requested the Department to prepare a committee substitute which would include the definition of "medically needy" and also to prepare a report on the number of families of four in the State with an income of \$6,000 per year and under.

Mr. Hohman said this bill would be returned to subcommittee and would be brought up at a subsequent meeting.

HCSSB 48 The committee then discussed HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 48 (an Act relating to health and comprehensive community services program).

Representative Chance explained HB 224 had been incorporated into this bill. She explained that this will provide one more step in providing more direct services to communities for money spent on social services. Mrs. Chance read endorsements on this by the Medical Society, Medical Association (Yukon-Kuskowim), AFN, etc. She also added that the Secretary of HEW had also given his endorsement of this concept. Mr. Wright requested copies of these endorsements for the Finance Committee's file.

Mr. Wright questioned how this concept would affect Anchorage and in particular day care centers. Mrs. Chance said this legislation will enable decisions on priorities to be made at a local level. Discussion followed.

Recess: The meeting recessed at 3:34 p.m. and Chairman Hohman announced that the committee would continue discussion at 8:30 a.m. the following day (Wed., June 14).

HOUSE FINANCE COMMITTEE

June 14, 1972

8:45 a.m.

PRESENT All members except Mr. Ditman. Commissioner Frederick P. McGinnis, Department of Health and Social Services, and the following members of his staff were present: Mr. Harris, Mr. Lang, Mr. Sullivan, and Mr. Wydale. Mr. Joe LaRocca was also present.

HCSSB 48 Chairman Hohman called the meeting to order, and stated that the first item on the agenda was House Committee Substitute for SENATE BILL NO. 48 (An Act relating to health and comprehensive community services programs).

Mr. Wright said he didn't agree with the inclusion of HOUSE BILL NO. 224 (An Act creating a comprehensive community services program) in SB 48. Mr. Wright moved that HCSSB 48 be held in committee. The question was called: Mr. Wright, Mr. Warwick, Mr. Fink, and Mr. Haugen voted in favor of the motion; the vote was 4 to 4; and the bill was held in Committee.

Mrs. Chance recommended a technical amendment for page 7, line 16, to set up a Community Service Fund.

Mr. McGinnis explained the reason for the new fiscal note. He said that it made two changes: it removed any capital projects proposed for FY 73 and FY 74, with the thought that in future years those would be regular appropriation line items; and if the bill was enacted in FY 73, they abolished the minimum required staff to implement the bill, showing half from the General Fund, and half from the Federal Government.

Mr. McGinnis stressed that the new fiscal note represented the Department's position, and that the first fiscal note should be marked void.

Mr. McGinnis also said that the position paper submitted the day before was in error. He said the last sentence should be eliminated.

Mr. McGinnis stated there was a difference of opinion as to whether HB 224 and SB 48 should be combined. Although they were related, he said that HB 224 envisioned a substantial development of what presumably would be welfare programs for families and childrens' services. He thought there could be serious questions as to whether the combination of the two bills into one bill would meet the constitutional requirement that one topic be covered in one bill. He realized that it

was a matter of interpretation. Mr. McGinnis said they saw two identifiable programs and projects: one was the nature and functions of a health planning agency as a statewide agency, and the other was to determine the nature of social services to apply to appropriate and eligible communities.

Mr. McGinnis pointed out that the combination of the two bills into one put the Department into a difficult position because they would certainly like to support HB 224, but it was hard to support SB 48 because the Comprehensive Health Advisory Council voted that it be rejected. This puts the Department in the unique position of wanting to support half of the bill without being able to support the other half.

Mr. McGinnis stated that with the technical amendment that Mrs. Chance had suggested they make, they could support HB 224. The reason they couldn't support it before was because they were frightened that if it was an open matter, the funds talked about in HB 224 could open the whole departmental budget and there would be fighting and squabbling from every community and non-profit organization in the State.

Mr. Warwick asked in what way the amendment would stop that. Mr. McGinnis said it would set up a Community Service Fund and the money they were talking about would be in that fund (page 7, line 16). Otherwise, he said that it would be open to every conceivable kind of service.

Mrs. Chance gave the Committee some background on HB 48. She said the bill had been recommended by members of the Health Advisory Council in prior years. Previous Commissioner of the Department of Health and Welfare opposed it, presumably because it removes statutory requirement that the Commissioner serve as chairman of his own advisory group. The present Commissioner, however, has no objection to it at all. Mrs. Chance explained that the present CHAC, at their last meeting decided that the bill was no longer necessary. That decision was made by the majority of the Council. Many of the members not concurring with the majority decision thought the decision was based on the fact that the present Commissioner is cooperative, and thus was merely an expression of approval of the Commissioner. They thought it had been an emotional decision. Their objection was that if they didn't get the change now, while the Commissioner was a cooperative one, they would never get it.

Mr. Warwick asked Mr. McGinnis why he was opposed to the original HB 48. Mr. McGinnis didn't feel there should be discrimination against the governmental members of the body being chairman. He thought that on page 1, line 18, they should delete

PROPOSED LANGUAGE CHANGES FOR SB 56

The following changes to the language of the Medicaid Bill should be considered:

Sec. 47.07.010 Purpose - First sentence changed to read "It is declared as a matter of public concern that the eligible persons of the state receive uniform and adequate medical care."

Sec. 47.07.020 Eligible Persons - Replace this paragraph with "A resident of the state who is eligible to receive financial assistance under Titles I (Old Age Assistance (OAA)), IV (Aid to Families with Dependent Children (AFDC)), X (Aid to the Blind (AB)), XIV (Aid to the Permanently and Totally Disabled (APTD)), or XVI (the combined program for Aid to the Aged, Blind, and Disabled (AABD)) of the Social Security Act as these programs are administered by the state including persons now in nursing homes who, if they left the nursing home, would be eligible, is also considered eligible to receive medical assistance under Title XIX. Receipt of medical assistance under the chapter is considered to be an additional benefit to these individuals and does not affect other assistance payments, federal or state, for which the recipient is eligible.

the word "non-governmental". He saw another problem on page 3, line 4, where it says "advise and consult with the department". He didn't think the word "department" should be used to replace "Commissioner of Health and Social Services". He explained that in effect, that could mean setting up two health authorities.

Mr. Warwick asked who had been pushing the bill. Mr. McGinnis said that some of the doctors in Anchorage some years ago felt the Commissioner should be removed as chairman of the Council. He said that the Department certainly had no objection to that, but that the CHAC had voted not to support the bill.

CSSB 56 am Chairman Hohman stated they would move on to SENATE BILL NO. 56 (Relating to Medical Assistance for Needy Persons) and continue their discussion of it at the point they had left off the day before.

Mr. McGinnis passed out the following information:

Page 1, Line 27 - Add after word laboratory "and X-Ray," Federal title for these services.

Page 2, Line 1 - Change word "six" to number "21" to conform to Federal regulation. Will not change Department's current implementation plan.

Page 2, Line 10 - Replace the phrase "supervise the administration of" with "administer." Clarification only.

Mr. Wright asked Mr. McGinnis to bring the Committee up to date on what he anticipated on the federal level.

Mr. McGinnis replied there were 12 bills pending on the federal level which related to health insurance. The best word they have is that none of those bills will pass. He said that FY 73 and FY 74 would probably not see any major changes in national health insurance policies. However he thought that something would pass in FY 75.

Mr. Warwick asked for a description of an eligible person under the bill in terms of the "man on the street". Mr. McGinnis said that a single individual who made up to \$250 a month would be eligible--\$300 for a married couple, \$350 for a family of 3, \$400 for a family of 4.

Mr. Warwick asked who set the figures. Mr. McGinnis said they were set in the State Plan for welfare. Mr. Harris said it was mandated that they set it with O.E.O. guidelines in the state, but that it was basically a state decision.

Mr. McGinnis stated that at the present time, the whole program (general relief medical - nursing homes) is funded 100% by the State of Alaska. The cost is about \$7 or \$8 million.

Mr. Warwick asked whether there was a state plan yet. Mr. McGinnis said there was a state plan for the present program, but not for MEDICAID. The reason there isn't one for MEDICAID is that it has to be based on the legislation, and the legislation hasn't been passed yet.

Mr. Warwick asked if they could make the legislation effective upon concurrence of the legislature on the state plan. Mr. McGinnis said they probably could, but it would change the effective date and the target date.

Mr. Warwick noted that the Department would save \$3 to \$4 million with the implementation of MEDICAID. He asked if that

meant they could cut that amount from their budget. Mr. Lang pointed out that would change the funding from the State General Fund to the Federal Funds. Mr. McGinnis said that as far as he was concerned, they were willing to live with \$3 to \$4 million less if MEDICAID was adopted. He added that was with the understanding that the Free Conference Committee didn't cut their budget \$3 or \$4 million below the House's recommended figure, and then another \$3 or \$4 below that because of MEDICAID.

Mr. Bowman asked whether on the revised language on eligible persons there were other programs than Title IV that a person would be involved in that would qualify them for medical assistance. Mr. McGinnis said there was a residual general relief medical program that was not under the MEDICAID program. These people would continue to be covered by the State. Mr. McGinnis reminded the Committee that any change in coverage would be by legislative action.

Mr. Bowman asked how MEDICAID related to those presently being served by U.S. Public Health Service. Mr. McGinnis said they estimated 15% native crossover.

Sen. Josephson explained that in some states with MEDICAID where large Indian populations exist, a 15% cross-over has been the experience. Mr. McGinnis said that the Indian Health Service also gave 15% as their official figure.

Mr. Wright asked Mr. McGinnis for a breakdown of the cost related to the package that had been sent to Mr. Glen Vernon.

Mr. Wright also wanted to know how \$4 million could be utilized if it was left in their budget if MEDICAID was adopted.

Mr. McGinnis passed out copies of a Telegram from Mr. Bob Jones, Region X, May we, 1972. (See page 685.)

RECESS Meeting recessed at 10:00 a.m.

TELEGRAM

RE: Medicaid, Title XIX

Sec. 47.07.070
Amendment: CSSB 56

FROM BOB JONES, REGION X, MAY 23, 1972

The entire section is misleading in using the preface, "Subject to requirements of federal law and regulations" followed by certain provisions which are clearly in conflict with existing law and regulations. Since no regulatory change is contemplated in the near future, such language may invite confusion and misinterpretation. Therefore, we recommend elimination of the section and resting on present federal statute and regulation. However, if the proposed section must be included, the term "providers of service" should be clarified by specifying reimbursement for e.g. in-patient hospital services, out-patient services, and/or whatever is desired. Comments on specific provisions follow:

1. The reference "patient care" is acceptable provided it is restricted to care rendered patients in the Title XIX program.
2. Medicaid will recognize the cost of bad debts of its program recipients. It will not recognize charity and credit losses.
3. "Preservation, improvement, and expansion . . ." This, too, is clearly not permitted as an allowable cost under the current regulations.
4. The Medicaid program recognizes as part of cost the appropriate portion of interest and depreciation.

Bob Jones, Region X, Seattle
State Representative for Medical Services
Department of Health, Education and Welfare

June 14, 1972
2:15 p.m.

Present: All members and Representative Naughton.

SB 334 Chairman Hohman called the meeting to order and said the committee would consider SENATE BILL NO. 334 (relating to number of members on Board of Directors; S.O.S.).

Mr. Degnan said one of the basic problems is to get representation from the rural areas and they hope by expansion of the number of members on the Board of Directors this will solve the problem. Mr. Warwick and Mr. Wright questioned how this would help solve the problem. Mr. Warwick said he had no objection to this bill but did not understand how expanding from 7 members to 9 members would help in getting a quorum for a meeting.

Mr. Degnan moved and asked unanimous consent that on line 13, "five members" be changed to "six members". This would provide six members to be appointed from rural school areas. Mr. Wright said he would not agree to that. Mr. Fink felt the number of members from rural school was already out of balance and this would make it more so. Discussion followed. The motion on the amendment carried 5 to 4 (Representatives Haugen, Fink, Warwick and Wright voting against it).

Mr. Hohman moved and asked unanimous consent that the bill as amended pass from committee. Mr. Fink objected. Mr. Hohman moved and asked unanimous consent that SB 334 as amended pass from committee with individual recommendations. So SB 334 am passed from committee with 4 "do pass" votes; 3 "no recommendation" votes; and 2 "do not pass" votes; (Representatives Hohman, Bowman, Miller and Degnan voting "do pass"; Representatives Warwick, Ditman and Wright voting "no recommendation"; and Representatives Haugen and Fink voting "do not pass").

CSSB 319 am The committee then considered COMMITTEE SUBSTITUTE FOR SENATE BILL 319 am (an Act relating to an exemption from the tax on transfers or consumption of motor fuel).

Representative Naughton explained the bill and said his suggestion was that a House Committee Substitute be prepared which would include exemption for nonpropulsion use. The committee discussed this in detail.

Mr. Degnan moved and asked unanimous consent that the HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 319 be adopted in lieu of CSSB 319 am. Mr. Fink objected. The motion carried 7 to 2 (Mr. Fink and Mr. Haugen opposed).

Mr. Warwick said he would like to add another amendment. This was to change Sec. 43.40.040. It pertained to the highway tax. Mr. Warwick explained that under the existing law contractors may file for a rebate of 6 cents per gallon on the existing 8 cents a gallon tax for off the highway use. He explained that this was for machinery which was not even capable of being used on the highways. His amendment would be to change this to allow the contractors a rebate of the entire 8 cents. Mr. Miller objected to this amendment. Discussion followed. Mr. Warwick felt this was similar to the tax on motor fuel and felt the contractors should be entitled to an 8 cents a gallon rebate. Mr. Miller disagreed.

Mr. Hohman moved and asked unanimous consent that HCS CSSB 319 pass from committee with the understanding that it would be held until the next morning in committee until research had been gathered on Mr. Warwick's proposed amendment. Mr. Fink objected. Mr. Warwick then related the cost of his amendment based on the fiscal year 70-71.

Recess: The meeting recessed at 3:10 p.m.

HOUSE FINANCE COMMITTEE

June 15, 1972

5:35 p.m.

Present: All members. Representative Martin Moore, Representative Ferguson and Kent Sturgis, news reporter, were also present.

SB 319 Chairman Hohman called the meeting to order and said the committee would consider COMMITTEE SUBSTITUTE FOR SENATE BILL 319. Mr. Hogan explained the results of an 8 cents a gallon rebate (Mr. Warwick's suggested amendment offered on June 14). Mr. Warwick withdrew his amendment.

HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 319 (which was adopted on June 14 by the committee) passed from committee with 3 "do pass" recommendations, 1 "no recommendation", and 5 "do not pass" recommendations. (Messrs. Warwick, Haugen, Fink, Ditman and Wright voting "do not pass"; Messrs. Bowman, Miller and Degnan voting "do pass"; and Mr. Hohman voting "no recommendation").

CSSB 56 am Mr. Hohman moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 56 am (relating to medical assistance for needy persons) be passed from committee. Mr. Wright and Mr. Fink objected.

Mr. Wright said he felt that eligibility should be written into the bill. He felt the recipients should have a monthly eligibility card. Mr. Wright also felt that on page 3, line 7 "subject to requirements of federal law or regulation" should be deleted. The committee discussed this in detail and requested that Mr. Hogan discuss this with the Department of Health and Social Services' consultant, Mr. Wydale. Mr. Hogan left the meeting to check on these proposed amendments.

HCR 4 The committee discussed HOUSE CONCURRENT RESOLUTION NO. 4 (relating to leasing of space from ASHA). The committee discussed a letter from Commissioner Henri, dated June 11, on HCR 4.

Mr. Hohman moved and asked unanimous consent for the adoption of a proposed amendment which read:

Page 2, line 5, add "AND BE IT FURTHER RESOLVED: Before the Alaska State Housing Authority sells its evidences of indebtedness for the purpose of financing the construction of the above-named projects, as to each, site, schematic plans, and the dollar amount of the indebtedness must be approved by the Legislative Budget and Audit Committee."

There was no objection, so the amendment was adopted.

Mr. Hohman moved and asked unanimous consent for the adoption of the amendment as follows:

Page 2, line 1 and "In Kenai: Combined Court and Office Building". There was no objection, so this amendment was adopted.

Mr. Warwick moved an amendment to include the net square footage and cost of each building, and allowing a 10% variance, but not to exceed the total amount. The motion carried 5 to 4 (Messrs. Miller, Bowman, Hohman and Ditman voting no).

Mr. Degnan moved to rescind the committee's action on Mr. Warwick's amendment. The motion carried 5 to 4 (Messrs. Fink, Wright, Warwick and Haugen voting no) and the action was rescinded.

Mr. Hohman moved an amendment on page 2, line 5 which was to add "Pioneer Home, Bethel, Alaska). The motion failed 3 to 5 (Messrs. Hohman, Ditman and Degnan voting yes, and Mr. Haugen abstained).

Mr. Hohman moved and asked unanimous consent that HCR 4 as amendment be passed from committee. Mr. Fink and Mr. Warwick objected. The motion failed 4 to 5 (Messrs. Hohman, Bowman, Miller and Degnan voting yes).

Mr. Warwick moved they rescind their action on failing to moved HCR 4 out of finance.

Mr. Ditman moved the motion be laid on the table. The motion failed 2 to 7.

The question on the motion to rescind, failed 4 to 5.

SB 56 The committee then went back to SENATE BILL NO. 56. Mr. Wydale and Mr. DeMann entered the meeting and discussed Mr. Wright's proposed amendment.

Mr. Wydale did not feel that the chart which determined eligibility should be placed in the bill. He pointed out there were other factors which determined eligibility besides income.

Discussion followed. The committee discussed "reasonable care" and the hospitals reactions to this bill.

Mr. Hohman moved that COMMITTEE SUBSTITUTE FOR SENATE BILL 56 am be passed from committee. This did not include Mr. Wright's amendments. The motion failed 4 to 5 (Messrs. Hohman, Miller, Bowman and Degnan voting yes) and the bill was returned to file.

Adjourn: The meeting adjourned at 7:25 p.m.

HOUSE FINANCE COMMITTEE

June 16, 1972

10:15 a.m.

PRESENT All members.

Chairman Hohman called the meeting to order.

SB 251am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 251 amended (An Act providing for free tuition at state-supported educational institutions for dependents of prisoners of war and those missing in action in South-east Asia) be passed from Committee. Mr. Miller suggested a minor amendment to include tuition "and fees" because sometimes tuition isn't charged. Mr. Fink moved they adopt Mr. Miller's suggestion. There was no objection, so ordered. The question was then called on Mr. Hohman's motion: No objection, so ordered; and the bill went out with a unanimous "Do Pass with attached amendment".

SB 29 am Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 29 am (An Act creating the Alaska Conservation Action Corps) be passed from Committee. Mr. Fink objected. The question was called: Mr. Wright, Mr. Warwick, Mr. Fink, and Mr. Haugen voted against the motion; and the motion carried. The bill was reported out with individual recommendations: Mr. Hohman, Mr. Bowman, Mr. Miller, and Mr. Degnan voted "Do Pass"; Mr. Ditman voted "No Recommendation"; Mr. Warwick, Mr. Haugen, Mr. Fink, and Mr. Wright voted "Do Not Pass".

FCSSB 56 am Mr. Hohman moved and asked unanimous consent that Finance Committee Substitute for SENATE BILL NO. 56 am (An Act relating to medical assistance for needy persons) be passed from Committee. Mr. Wright objected. The question was called: Mr. Fink and Mr. Haugen voted against the motion; and the motion carried. The bill went out with a majority report of "No Recommendation".

SB 1 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO 1 (An Act establishing the Alaska Police Standards Council) be passed from Committee. Mr. Fink objected. He said there were 16 police chiefs that had signed a letter saying they would be in favor of the bill if it were amended.

[Mr. Joe LaRocca arrived.]

Mr. Fink moved that on page 4, line 24 after "EXEMPTIONS." they add "(a)", and that on page 4, between lines 27 and 28 they add a new paragraph to read: "(b) Any municipality with an established police training program may exclude itself from the provisions of this Act by ordinance. The exclusion shall have no effect on eligibility to receive or expend federal or state grants." There was no objection, it was so ordered.

Mr. Wright moved that on page 1, line 22, after "chief administrative officers" they add "or chiefs of police". There was no objection, so ordered.

Mr. Hohman renewed his motion that they pass SENATE BILL NO. 1 amended from Committee. The question was called: Mr. Fink and Mr. Haugen voted against the motion; and the motion carried. The bill went out with a majority report of "No Recommendation".

HCR No. 4 Mr. Hohman brought HOUSE CONCURRENT RESOLUTION NO. 4 (Relating to the leasing of space from the Alaska State Housing Authority) up for discussion. Mr. Degnan moved and asked unanimous consent that on line 6, page 2, they insert Kotzebue Pioneers Home. Mr. Fink objected. Mr. Hohman amended Mr. Degnan's motion to include Bethel Pioneers Home on line 6. Mr. Wright amended Mr. Hohman's motion to include \$28 million for the Anchorage Pioneers Home. Mr. Warwick amended Mr. Wright's motion to include the Fairbanks Court Building.

Mr. Degnan withdrew his motion and moved they incorporate the amount as proposed for pioneer homes in Bethel, Kotzebue, and Anchorage; and additions to the pioneer homes in Fairbanks and Palmer. Mr. Fink objected. Mr. Haugen amended the motion to read "high school for the Prince of Wales area". The question was called on Mr. Haugen's amendment: Mr. Warwick, Mr. Wright, Mr. Haugen, and Mr. Fink voted in favor of the motion; Mr. Ditman abstained from voting; and the motion failed.

Mr. Miller amended Mr. Degnan's motion to exclude everything except the original two pioneer homes for Kotzebue and Bethel. Mr. Fink objected. The question was called on the amendment: Mr. Haugen, Mr. Fink, Mr. Warwick, and Mr. Wright voted against the motion; and the amendment carried. The question was called on the main motion as amended: Mr. Haugen, Mr. Fink, Mr. Warwick, and Mr. Wright voted against the motion; and the motion carried. The bill went out with a majority report of "Do Pass".

SB 330 Mr. Hohman moved and asked unanimous consent that SENATE BILL NO. 330 (An Act relating to liquor licenses at certain airport terminals) in its original form be passed from Committee. He explained that since there was already a CS for SB 33, in order to introduce the original SB 33, they would have to incorporate it into a Finance Committee Substitute. There was no objection to doing this. The bill went out with a majority report of "Do Pass".

SB 325 Mr. Fink brought SENATE BILL NO. 325 (An Act relating to the Teachers' Retirement System) up for consideration. He moved and asked unanimous consent that CS SB 325 be passed from Committee. There was no objection, so it was ordered. The bill went out with a majority report of "No Recommendation".

RECESS Meeting recessed at 11:25 a.m.

HOUSE FINANCE COMMITTEE

June 16, 1972

10:55 p.m.

PRESENT All members.

HB 513 Chairman Hohman called the meeting to order for discussion of HOUSE BILL NO. 513 (General obligation bonds; \$11,500,000 University of Alaska.). He moved to amend that, for purposes of discussion, to \$34,200,000, which was the House figure when the bill left the House. Mr. Fink objected, he thought \$15 million was the right figure. He moved to amend Mr. Hohman's motion to \$15,000,000. The question was called on the amendment: Mr. Warwick, Mr. Wright, Mr. Fink, and Mr. Haugen voted in favor of the motion; and the motion failed.

The question was called on the main motion: Mr. Wright, Mr. Fink, and Mr. Haugen voted against the motion; and the motion carried. There was some discussion on the figure. Mr. Hohman then moved to rescind their previous action on HB 513. There was no objection, it was so ordered.

Mr. Warwick moved the figure \$15,000,000 for HB 513, and asked unanimous consent. Mr. Ditman objected. Mr. Hohman amended the motion to \$11,500,000. Mr. Fink objected. The question was called on the amendment: Mr. Ditman and Mr. Hohman were in favor of the motion; and the motion failed. The question was called on the main motion: the vote was 5:4; and the motion carried.

Chairman Hohman called for an At Ease at 11:12 p.m. They were called back to order at 11:16 p.m. Mr. Ditman explained that the Governor had agreed to approve \$20 million. He moved they rescind their action, and asked unanimous consent. There was no objection, it was so ordered. Mr. Ditman moved they appropriate \$20 million for HB 513. There was no objection, it was so ordered.

ADJOURN Meeting adjourned at 11:20 p.m.

1973 HOUSE OF REPRESENTATIVES BUDGET
(BY DEPARTMENT AND PROGRAM CATEGORY)

DEPARTMENT	PROGRAM CATEGORY									
	<i>Education</i>	<i>Social Services</i>	<i>Health</i>	<i>Natural Resources</i>	<i>Public Protec.</i>	<i>Admn. of Justice</i>	<i>Development</i>	<i>Trans- portation</i>	<i>General Government</i>	<i>TOTALS</i>
Administration		2,319.5					9,904.0		5,780.1	18,003.6
Commerce		34.0			2,905.2		410.3			3,349.5
Economic Development							2,079.2			2,079.2
Education	109,357.1	4,488.5								113,845.6
Environ. Conserv.				1,851.9						1,851.9
Fish and Game				11,205.4			100.0			11,305.4
Governor's Office	866.7	5,509.3		115.0		2,887.5	2,698.9		2,890.4	14,967.8
Health & Soc. Serv.	191.0	35,004.8	16,638.7		45.7	9,119.0			137.6	61,136.8
Highways								22,291.7	6,959.8	29,251.5
Judicial Branch						8,205.2				8,205.2
Labor		8,092.8			1,029.3	321.8				9,443.9
Law					177.0	1,320.1			1,931.0	3,428.1
Legislature									2,972.5	2,972.5
Military Affairs					1,987.2					1,987.2
Natural Resources				8,865.3	424.3		297.7			9,587.3
Public Safety					1,038.7	9,262.3				10,301.0
Public Works								29,170.1	6,058.9	35,229.0
Revenue					197.5		4,458.6		3,263.1	7,919.2
State Operated Schools	35,703.9									35,703.9
University of Alaska	32,417.5									32,417.5
Bond Committee									25,854.0	25,854.0
T O T A L S	178,536.2	55,448.9	16,638.7	22,037.6	7,804.9	31,115.9	19,948.7	51,461.8	55,847.4	438,840.1

VACANCY & TURNOVER BY TOTAL PROGRAMS

	<u>House Total Budget</u>	<u>Personal Services</u>	<u>Less V & T Savings</u>	<u>House Adjusted Budget</u>
Education	\$ 178,536.2	\$ 28,615.0	\$ 12,007.6	\$ 166,528.6
Social Services	55,448.9	15,408.0	1,919.0	53,529.9
Health	16,638.7	9,706.7	1,014.0	15,624.7
Natural Resources	22,037.6	12,658.3	1,659.9	20,377.7
Public Protection	7,804.4	3,837.3	398.2	7,406.2
Administration of Justice	31,115.9	19,491.3	1,634.6	29,481.3
Development	19,948.7	1,789.6	251.8	19,696.9
Transportation	51,461.8	28,577.6	5,275.6	46,186.2
General Government	<u>55,847.4</u>	<u>17,811.9</u>	<u>2,112.2</u>	<u>53,735.2</u>
	\$ 438,839.6	\$ 137,895.7	\$ 26,272.9	\$ 412,566.7

ANCHORAGE
DAILY NEWS

Lawrence S. Fanning
Editor & Publisher, 1967 to 1971

Katherine Fanning, President

Stan Abbott
Executive Editor

Tom Brown
Editorial Page Editor

Tom Gibboney
Managing Editor

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David L. Stein
General Manager

Gary Siver
Circulation Manager

Paul V. Brown
Advertising Manager

30—Sunday, April 30, 1972

The Senate budget

The State Senate Finance Committee completed its work in commendably rapid fashion this year. Unfortunately, as several members of the Democratic minority pointed out in debate before the bill was passed and sent to the State House last week, the Senate budget does not meet the needs of Alaska in several vital areas.

The \$304.1 million authorized by the Senate falls \$7.3 million short of what Governor Egan, who has always budgeted conservatively, considers necessary to meet the state's minimum needs. And it falls about \$10 million short of what the House is expected to authorize.

Sen. John Butrovich, the finance chairman, says, "This is a responsible budget, much more than the one brought out last year." It no doubt seems so from the viewpoint of conservative-dominated Finance Committee. The Senate budget is only nominally higher than last year's maintenance budget, and in a time of financial uncertainty a majority of the committee members no doubt view that as responsible budgeting.

But the conservation of a few million dollars may be less than wise when it is saved at the detriment of the people of the state. And there is little doubt that some of the spending cuts incorporated in the Senate budget would be detrimental.

Perhaps the most alarming trend in the Senate budget is the apparent conclusion by a majority of the Finance Committee members that with the Native land claims bill enacted by Congress, the state can cut back on its programs in the state's rural areas. This is fallacious logic and needs to be seen as such.

The land claims settlement was never envisioned as a substitute for state health and welfare programs. It was a real estate transaction, pure and simple: Congress gave the Natives title to some of the land they had used for centuries and paid them for taking the rest.

In addition, the Natives have not yet received a penny of the settlement money, not even enough to establish the regional corporations required by the act. When payments do begin it will be years

before their effect is felt in any significant way.

As State Sen. Joe Josephson noted in the floor debate, "With or without the settlement by Congress of the Native land claims, we will have a state where in the Native areas 43 per cent of the people live below the poverty level whereas for the state as a whole only nine per cent live below the poverty level . . . Whenever there is a tight money move in Juneau for economy in state budgeting, the first

people who are penalized are Alaska's poor."

Truly responsible budgeting dictates that those most in need of help receive it. We hope the deep cuts in social services will be restored in the inevitable House-Senate free conference committee on the budget.

Another area urgently in need of attention is the University of Alaska budget. The \$19.97 million authorized by the Senate is wholly inadequate. Unless additional funds are forthcoming, university officials estimate, about 100 employees will have to be laid off. The university, it is true, has not always been a model of economic efficiency. But there are encouraging signs the administration is setting its fiscal house in order and it ought to be given the opportunity to do so.

The cuts in the Alaska Department of Environmental Conservation budget are understandable only in the context of the "developer knows best" philosophy, which is still subscribed to by many members of the Senate.

One wholly inexplicable cut was of an administration proposal for a computer model of the North Slope oil reservoir. Such a model would allow the state, at modest costs to determine the most efficient production rates and well spacing for maximum oil recovery. If ever there were an example of false economy, this is it.

Clearly, then, the Senate budget leaves much undone. We expect the House document to be much more realistic in recognizing the legitimate needs of the state. And we hope the more glaring Senate omissions can be corrected in conference.

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4—Monday, May 8, 1972

Short changed

In addition to short-changing the poor and the University of Alaska — problems we have noted here in recent days — the State Senate budget also short-changes Anchorage.

A few samples:

- The Senate budget disallows all new positions at Alaska Psychiatric Institute and provides no staff positions at the Eagle River correction facility, which will open soon.
 - It fails to provide \$129,900 for operating the parking lot at Anchorage International Airport, an expense which would be more than offset by revenue.
 - It eliminates \$15,000 for the Arctic Winter Games to be held here in 1974.
 - It deletes \$556,000 for an educational television station to serve Anchorage, Kenai and the Matanuska Valley.
 - It fails to provide \$50,000 for the Anchorage Transportation Museum, which without the appropriation will be forced to close.
 - A new dormitory for the McLaughlin Youth Center will be inoperable because of an \$83,000 reduction in staff salaries.
 - The new Anchorage-Fairbanks highway will not be properly maintained because the budget deleted \$84,400 to do it.
- These are but a few of the hometown items in the budget which deserve another look when the Senate-House free conference committee on the budget meets.

"Independent in All Things . . . Neutral in None"

FAIRBANKS

Daily News - Miner

Monday, April 24, 1972

Editorials . . . Comment

Misleading budget for UA

The University of Alaska is not in tall clover. Lest we get that idea from a report out of Juneau Friday on the Senate version of the budget listing \$29.6 million for the University's operating funds.

It is a real eye-popper at first glance. Unbelievable at second glance, and, unfortunately, found not to be so at the third glance.

The simple fact is that the Senate version of the budget gives the university \$19.97 million in operating funds from the general fund. This is some \$303,000 less than Gov. Egan had recommended and \$803,000 below the figure the university had set as the lowest figure it could live with.

The report out of Juneau by The Associated Press Friday distorted the picture by lumping federal and other monies into the picture. It takes many dollars more each year to operate the university's state-wide system than those coming from the general fund, but this is acknowledged and normally handled separately.

The key figure in the posture of the university is the money from the general fund. At \$19.97 million, the university will be unable to greatly expand any of its present programs or to get into new, and needed, programs.

Originally, the university submitted budget proposals at three levels, ranging from what it could get by with at its present level as the bottom, which was \$20.8 million to what it would need if the expansion to meet surging enrollment was made, which was a \$34 million figure. What the Senate has offered is 4/5ths of a million less than the "lowest" figure.

The Senate achieved this slice for the most part by restricting funds for out-of-state travel allowances and by lowering raises from 5.5 per cent to 3.75 per cent for university staffers.

It is likely the university can live with the cuts in those areas, although the reduction in raises puts our state university farther behind "comparative schools" in the smaller states when cost of living figures are included.

This will eventually lead to a deterioration in the type of personnel our school can attract. Then, the problem of holding back on the upgrading and expanding of programs will be compounded.

The victim in the long run is the youth of our state. The opportunities provided by his state university will become fewer and fewer with a coinciding decline in the level of instruction.

The House finance version of the budget should be reported sometime this week. The differences—the House is expected to be quite a bit higher—will then be ironed out in a six-member free conference committee.

There is plenty of room for improvement within that committee on the university portion of the budget. The money placed into our higher educational system is among the wisest investments made in the total budget, which will be approximately \$300 million from the general fund.

The tax payer is putting \$19.97 million of his dollars to this effort, not the \$29.6 million one might have thought after hashing over Friday's initial reports.

Had the figure really have been \$29.6 million from the general fund, there likely would have been dancing in the streets out on the campus as that is reasonably near the "high" figure originally entered by the university.

It has been reliably reported that there was no dancing in the streets out on the hill over the weekend. It has further been forecast that continued "bare bones" operation of the university will stagnate operation of our state-wide higher education system.

The possibility of our state hitting a financial roadblock within five years has been widely publicized. But, should we penalize our No. 1 resource, our youth, so severely while we continue to pump millions of dollars into the ever-expanding bureaucracy?

For example, the natural resource management and environmental conservation budget was pegged by the Senate Finance Committee version of the budget at \$22.6 million—higher education at \$19.97 million.

E

D

PROGRAM CATEGORY I: EDUCATION

BUDGET REQUEST UNIT	COMMITTEE ALLOWANCE	ADJUSTED FOR VACANCY & TURNOVER	DEPARTMENT
Financial Support Programs	93,435.6	93,435.6	Education
Tobacco Tax Distribution	1,645.0	1,645.0	Education
Special Education Grants	16.0	16.0	Health & Social Services
Operating Programs for Rural Students	4,945.4	4,963.2	Education
Administration & Support	1,860.0	1,968.3	Education
Non-resident Tuition Pmts.	1,600.0	1,600.0	State Operated Schools
Educ. Admin. & Support	2,686.1	2,686.1	State Operated Schools
Rural Students in SOS	19,180.8	19,180.8	State Operated Schools
Military Students in On-base Schools	12,237.0	12,237.0	State Operated Schools
University of Alaska	32,417.5	32,417.5	Univ. of Alaska
WICHE	125.0	125.0	Governor's Office
AMU Nursing Program	175.0	175.0	Health & Social Services
Student Aid (Scholarship Loan Program)	4,000.0	4,000.0	Education
State Library Network	583.9	603.7	Education
Museums & the Arts	741.7	741.7	Governor's Office
Educational Broadcasting Comm.	403.9	403.9	Education
Adult Basic & Continuing Educ.	2,337.4	2,337.4	Education
		178,536.2	

PROGRAM CATEGORY: EDUCATION
Vacancy & Turnover

V & T Factor	BRU	H. Finance Total Budget	H. Finance Pers. Serv. Budget	Less V & T Savings	H. Finance Adjusted Total Budget	Department
16.14%	Financial Support Programs	93,435.6	-0-	-0-	93,435.6	Ed
16.14	Tobacco Tax Distribution	1,645.0	-0-	-0-	1,645.0	Ed
10.78	Special Education Grants	16.0	-0-	-0-	16.0	HSS
16.14	Operating Programs for Rural Students	4,963.2	1,198.9	193.5	4,769.7	Ed
16.14	Administration & Support	1,968.3	1,510.6	243.8	1,724.5	Ed
45.56	Non-Resident Tuition	1,600.0	-0-	-0-	1,600.0	SOS
45.56	S.O.S. Educational & Administrative Supp.	2,686.1	1,204.1	548.6	2,137.5	SOS
45.56	Rural Students.	19,180.8	13,499.2	6,150.2	13,030.6	SOS
45.56	Military Students	12,237.0	10,450.1	4,761.1	7,475.9	SOS
N/A	University of Alaska	32,417.5	N/A	N/A	32,417.5	U of A
11.51	WICHE	125.0	-0-	-0-	125.0	Gov.
10.78	AMU Nursing Program	175.0	-0-	-0-	175.0	HSS
16.14	Student Aid	4,000.0	27.1	4.4	3,995.6	Ed
16.14	State Library Network	603.7	344.9	55.7	548.0	Ed
11.51	Museums and Arts	741.7	238.3	27.4	714.3	Gov
16.14	Educational Broadcast Commission	403.9	77.5	12.5	391.4	Ed
16.14	Adult Basic Education & Continuing Education	2,337.4	64.3	10.4	2,327.0	Ed
		<u>\$178,536.2</u>	<u>\$28,615.0</u>	<u>\$12,007.6</u>	<u>\$166,528.6</u>	

SENATE/HOUSE COMPARATIVE APPROPRIATIONS

The following are areas of significant differences between House and Senate Finance allowances:

I. Education

A. Operating Programs for Rural Students - Boarding Home Program: The House accepted the Governor's recommended figure; the Senate adopted the FY 72 authorized level for Personal Services but accepted the Governor's figure for Contractual Services.

B. Student Aid - Scholarship Loan Program: The House increased the Governor's recommendation by \$1,000,000; the Senate decreased funding available for loans \$1,000,000 below the Governor's recommendation.

C. State Library Network: The House accepted the Governor's recommendation; the Senate maintained the Governor's recommendation for Personal Services but reduced Grants and other areas.

D. Educational Broadcast Commission: The House increased grants to Bethel and Kotzebue; the Senate disallowed all Grants, and funded other areas at approximately the FY 72 level. (The amount reduced from Grants was transferred to Community College Support.)

E. Adult Basic and Continuing Education - Community College Support: The House approved an increase of \$1,080,000 above the Governor's recommendation to allow reduction of vocational education course tuition to levels comparable with academic courses; the Senate increased the Governor's figure by \$180,000 by reducing Educational Broadcast Commission and Fire Suppression Training.

F. WICHE - Student Aid: The House increased the Governor's recommendation by \$79,200 on the premise that coverage was too restrictive; the Senate increased the Governor's recommendation by \$40,300 to fund currently enrolled students and certified students who will be entering school.

G. Museums and Arts: The House accepted the Governor's recommendation for Museums and Arts; the Senate accepted the maintenance level in some cases, but reduced below maintenance in other areas.

H. AMU Nursing Program: The House accepted the agency's request; the Senate accepted the Governor's recommendation.

I. State Operated Schools: The House adopted a total of \$35,703,900 which is \$969,900 above the Governor's recommendation; the Senate approved a total of \$33,500,000 which is \$1,234,000 below the Governor's recommendation.

J. University of Alaska: The House allowed \$32,417,500 for the University of Alaska, \$2,300,800 above the Governor's recommendation; the Senate allowed \$29,634,300 which is \$482,400 below the Governor's recommendation.

SOC

SVC

PROGRAM CATEGORY II: SOCIAL SERVICES

BUDGET REQUEST UNIT	COMMITTEE ALLOWANCE	ADJUSTED FOR VACANCY & TURNOVER	DEPARTMENT
Office of Aging	217.2	217.6	Health & Soc. Serv.
Pioneers' Homes Adv. Bd.	6.3	6.3	Governor's Office
Pioneer Homes	2,266.5	2,271.5	Administration
Old Age Assist. (APA)	5,688.8	5,689.7	Health & Soc. Serv.
Disabled	8,348.7	8,349.0	Health & Soc. Serv.
Vocational Rehabilit.	2,745.4	2,770.0	Education
Other Emp. Services for Disabled	425.4	425.4	Labor
Family Services	15,510.6	15,566.3	Health & Soc. Serv.
Special Federal Projects	-0-	-0-	Health & Soc. Serv.
General Assistance	1,242.9	1,251.4	Health & Soc. Serv.
Donated Commodities	48.0	48.0	Administration
Vet's Service Council	34.0	34.0	Commerce
Employment Service	1,734.2	1,734.2	Labor
Unemployment Ins. Prog.	1,607.8	1,630.1	Labor
Job Training	2,024.0	2,053.7	Labor
Neighborhood Youth Corps	1,838.9	1,847.0	Governor's Office
WIN (AFDC)	1,033.6	1,033.6	Health & Soc. Serv.
MDTA	246.3	248.4	Labor
Inst. Manpower Training	1,277.3	1,718.5	Education
Manpower Planning	138.9	142.4	Governor's Office
Emergency Employ. Act	3,513.6	3,513.6	Governor's Office
Administ. & Support	1,955.8	2,001.0	Labor
Ad. & Suppt., Div. of Family & Child. Serv.	1,580.0	1,601.5	Health & Social Serv.
Ad. & Suppt., Dept. of Health & Soc. Serv.	1,235.8	<u>1,295.7</u>	Health & Social Serv.
		55,448.9	

AFTER RECESS

5:40 p.m.

PRESENT All members.

SOCIAL
SERVICES

Chairman Hohman called the meeting back to order and stated that they would deal with the budget for Social Services. Mr. Hohman referred to page 320 of the Budget Supplemental. He had questions regarding Family Services--specifically regarding Foster Care payments and Institutional Care payments.

Glen Vernon referred them to page 44 of the short form (page 7 of the Senate Budget Bill). He said that the House figure for Foster Care is \$1,047,000. This is based primarily on having contractual services on the same level as FY 72. The Senate figure is about \$2,000 higher. Essentially the rationale is that Foster Care is not increasing very rapidly. Neither is Institutional Care. Both have extra funds this year that they have been able to divert to other areas. This is why they have reduced below the Governor's recommended and below the agency request. He said he had given them a memorandum on this matter. Mr. Vernon said that because they don't ask for anything in a supplemental for Foster Care or Institutional Care where the amount authorized in 1972 was below what they actually spent in 1971, he is led to believe they are not going to have a very rapid rate of growth. Mr. Vernon thought the Senate amount for Foster Care was adequate.

Mr. Hohman asked about Adoption Service on page 8 of the Senate Bill. (page 48 of the short form). Mr. Vernon said that because of taking vacancy and turnover out, \$56,500 is exactly the same figure as the Senate figure. The rationale in the House is because of the Abortion Law there are practically no children to adopt, so they can't determine whether the increase is valid or not. He said the Senate Budget would allow two new adoption workers in Anchorage.

Mr. Hohman asked about Communicative Disorders (page 10 of the Senate Budget & page 11 of the Health Short Form). The House allows \$161,000 and the Senate allows \$164,000. Mr. Vernon said the reason the House figure is due to allowing existing positions.

Mr. Hohman referred to Line 27 of the Senate Budget Bill where it says Development, Disabilities and Grant Consultation. He noted that the House provided no funding for it. Mr. Vernon said no backup was given in the Senate Budget for this. (page 34 of short form).

Chairman Hohman asked what was indicated for vacancy and turnover in the Social Services budget. Mr. Fink said that 10.7 was what had been used. He said they were talking about changing it to 7.5.

Mr. Vernon guessed that the total vacancy and turnover for the total area of Health and Social Services came to about \$4 million. He went on to say that the Senate didn't use a percentage for vacancy and turnover, but did it on an individual basis.

Mr. Vernon said that the total figure had changed. He referred to Social Services on page 9 of the Budget Bill. He said the total of \$55,048,900 had the vacancy and turnover taken out.

Mr. Warwick asked about the Seward Skill Center. Mr. Fink said that the subsistence income of \$400,000 wasn't in the budget. (Page 6 of the Budget Bill and Page 107 of the Budget Supplement). Mr. Fink noted that page 74 of the short form didn't include the \$400,000. Mr. Hohman thought they should increase MDT Voc. Ed. Labor by \$400,000. Mr. Fink said they should show Legislative Intent that it is to go for the Skill Center Subsidy Payments. Mr. Vernon said that would make the total on page 9 of the Budget Bill \$55,448,900. This would increase the General Fund to \$28,773,700.

Mr. Hohman moved and asked unanimous consent that they close Social Services at \$55,448,900*. No objection, so ordered.

PROGRAM CATEGORY: SOCIAL SERVICES
Vacancy & Turnover

V & T Factor	BRU	H. Finance Total Budget	H. Finance Pers. Serv. Budget	Less V & T Savings	H. Finance Adjusted Total Budget	Department
10.78%	Office of Aging	\$ 217.6	\$ 54.6	\$ 5.9	\$ 211.7	HSS
11.51	Pioneers' Adv. Bd.	6.3	-0-	-0-	6.3	Gov. Off.
9.8	Pioneers' Homes	2,271.5	1,666.7	163.3	2,108.2	Admin.
10.78	Old Age Asst. (APA)	5,689.7	208.2	22.4	5,667.3	HSS
10.78	Disabled	8,349.0	170.5	18.4	8,330.6	HSS
16.14	Vocational Rehab.	2,770.0	1,125.5	181.7	2,588.3	Educ.
13.88	Other Emp. Serv.	425.4	69.2	9.6	415.8	Labor
10.78	Family Services	15,566.3	1,105.3	119.2	15,447.1	HSS
10.78	Spec. Federal Projects	-0-	-0-	-0-	-0-	HSS
10.78	General Asst.	1,251.4	746.1	80.4	1,171.0	HSS
9.80	Donated Commod.	48.0	31.6	3.1	44.9	Admin.
9.85	Vets. Ser. Coun.	34.0	-0-	-0-	34.0	Comm.
13.88	Emp. Service	1,734.2	1,232.3	171.0	1,563.2	Labor
13.88	Unemp. Ins. Program	1,630.1	1,109.7	154.0	1,476.1	Labor
13.88	Job Training	2,053.7	686.6	95.3	1,958.4	Labor
11.51	NYC	1,847.0	1,752.4	201.7	1,645.3	Gov. Off.
10.78	WIN (AFDC)	1,033.6	121.1	13.1	1,020.5	HSS
13.88	MDTA	248.4	217.4	30.2	218.2	Labor
16.14	Inst. Manpower	1,718.5	825.4	133.2	1,585.3	Educ.
11.51	Manpower Planning	142.4	102.5	11.8	130.6	Gov. Off.
11.51	Emergency Employment Act	3,513.6	56.7	6.5	3,507.1	Gov. Off.
13.88	Admin. & Support (Labor)	2,001.0	1,723.7	239.2	1,761.8	Labor
10.78	Admin. & Support (FCS)	1,601.5	1,251.6	134.9	1,466.6	HSS
10.78	Admin. & Support (HSS)	1,295.7	1,150.9	124.1	1,171.6	HSS
		<u>\$55,448.9</u>	<u>\$15,408.0</u>	<u>\$1,919.0</u>	<u>\$53,529.9</u>	

SENATE/HOUSE COMPARATIVE APPROPRIATIONS

A review of the proposed Senate and House appropriation bills indicates the following areas of significant differences:

II. Social Services

A. Vocational Rehabilitation - General Services to Clients:

The House adopted the Governor's recommendation, which was the same as the agency's request; the Senate adopted the maintenance level with a slight increase.

B. Nursing Home Care - OAA: The House accepted the Governor's recommendation; the Senate figure is about \$100,000 higher.

C. Services - All areas: The House accepted the Governor's recommendation for "services" in most cases on the assumption that adequate funding here would allow reductions in nursing home care. The Senate's figures are generally lower in "services", but slightly higher in OAA nursing home care.

D. General Relief - Medical: The House generally accepted the Governor's recommendation; the Senate figures are somewhat lower in such areas as hospitalization, dental care, services, and administration.

E. Payments - AFDC: The House accepted the Governor's recommendation; the Senate adopted somewhat lower figure than either the agency's request or the Governor's recommendation.

F. General Assistance - Food Stamps: The House increased food stamps to near the agency's request; the Senate allowed an inflationary increase over FY 72 Authorized (not including any FY 72 Supplemental).

G. Administration & Support - Family Services: The House allowed all new positions as requested by the agency and recommended by the Governor, but reduced travel; the Senate allowed no new positions.

H. Job Training - Program Support (MTD): The House accepted the agency's request; the Senate allowed the FY 72 Authorized level.

HLTH

PROGRAM CATEGORY III: HEALTH

BUDGET REQUEST UNIT	COMMITTEE ALLOWANCE	ADJUSTED FOR VACANCY & TURNOVER	DEPARTMENT
Public Health	6,121.3	6,192.7	Health & Soc. Serv.
Mental Health	7,762.7	7,762.7	Health & Soc. Serv.
Alcoholism	1,915.5	1,915.5	Health & Soc. Serv.
Drug Abuse	424.9	424.9	Health & Soc. Serv.
Comprehensive Health Planning & Facilities Development	342.9	<u>342.9</u>	Health & Soc. Serv.
		16,638.7	

HEALTH

Chairman Hohman said they would go on to Health which is located on page 119 of the Budget Supplement. Mr. Vernon said the House figure was \$16,638,700 with the vacancy and turnover factor adjusted. Otherwise, the figure is the same as what they had agreed upon before.

Mr. Hohman moved and asked unanimous consent that they close Health at \$16,638,700. No objection, so ordered.

PROGRAM CATEGORY: HEALTH
Vacancy & Turnover

V & T Factor	BRU	H. Finance Total Budget	H. Finance Pers. Serv. Budget	Less V & T Savings	H. Finance Adjusted Total Budget	Department
10.78%	Public Health	6,192.7	3,699.9	366.5	5,826.2	HSS
10.78	Mental Health	7,762.7	5,626.5	606.5	7,156.2	HSS
10.78	Alcoholism	1,915.5	110.6	11.9	1,903.6	HSS
10.78	Drug Abuse	424.9	71.9	7.8	417.1	HSS
10.78	Comp. H. Pl. & Fam. Dev.	342.9	197.8	21.3	321.6	HSS
	TOTALS	<u>16,638.7</u>	<u>9,706.7</u>	<u>1,014.0</u>	<u>15,624.7</u>	

III. Health - Senate/House Comparative Appropriations

A. Public Health - Alaska Native Health Service:

Differences between the Senate and House are largely explained by differences in dealing with vacancy and turnover savings. Both houses allowed all new positions as requested.

B. Public Health - Tuberculosis Control:

The House accepted the agency's request; the Senate adopted the FY 72 authorized level less reallocations of personal services to other elements.

C. Public Health - Community Health:

The House accepted the Governor's recommendation which includes \$50,000 to match for federal funds in expanding a V.D. control program; the Senate adopted the FY 72 level with increases in some areas.

D. Public Health - Environmental Health:

The House allowed new sanitarians in Nome and Kenai; the Senate allowed a new sanitarian in Nome.

E. Public Health - Environmental Health:

The House added \$20,000 to the agency request for child dental care; the Senate adopted a figure between maintenance and request.

F. Public Health - Regional Laboratories:

The House allowed no new positions, but allowed maintenance level in areas other than personal services; the Senate allowed the FY 72 authorized level with additional reductions in some areas.

G. Mental Health - Hope Cottage:

The House allowed funding for Hope Cottage at the requested level; the Senate concurred with the Governor in disallowing this total request.

H. Mental Health - Developmental Disabilities, Grant and Consultation:

The House disallowed this area due to lack of substantiation; the Senate allowed the request.

I. Alcoholism:

The House allowed the agency's request for grants, and accepted a figure slightly above maintenance in other areas; the Senate allowed the Governor's recommendation for grants. No new positions were allowed by either house.

DNR

PROGRAM CATEGORY IV: NATURAL RESOURCES

BUDGET REQUEST UNIT	COMMITTEE ALLOWANCE	ADJUSTED FOR VACANCY & TURNOVER	DEPARTMENT
Sport Fish	1,722.4	1,767.9	Fish & Game
Commercial Fish	3,787.3	3,835.9	Fish & Game
Fish Hatcheries	425.9	425.9	Fish & Game
Game	2,350.0	2,370.0	Fish & Game
Protection	45.2	45.2	Fish & Game
FRED	674.5	674.5	Fish & Game
Admin. & Support	2,040.3	2,086.0	Fish & Game
Fisheries Commissions	97.8	97.8	Governor's Office
Land & Water Management	1,988.2	2,005.8	Natural Resources
COAST Commission	-0-	-0-	Governor's Office
Mineral Resources	1,711.4	1,717.2	Natural Resources
Forest Management	3,002.8	3,005.0	Natural Resources
Environmental Conserv.	1,787.2	1,851.9	Env. Conserv.
Pipeline Const. Monitor.	-0-	-0-	Nat. Res/Env. Consv.
Habitat	-0-	-0-	Fish & Game
Parks & Recreation	1,049.7	1,052.4	Natural Resources
Athletic Commission	17.2	17.2	Governor's Office
Nat. Res. Planning	500.0	775.0	Natural Resources
Adminis. & Support	309.6	309.9	Natural Resources
		22,037.6	

HOUSE FINANCE COMMITTEE

May 4, 1972

8:45 a.m.

PRESENT:

All members with the exception of Mr. Wright.

NATURAL
RESOURCES
MANAGEMENT
& ENVIRON-
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Chairman Hohman called the meeting to order and the committee considered the Natural Resources Management and Environmental Conservation category.

Chairman Hohman moved and asked unanimous consent on the following BRU's which carried with no objections: Commercial Fish; Protection; FRED; Administration & Support; Fisheries Commissions; Land & Water Management; COAST Commission; Mineral Resources; Forest Management; Environmental Conservation; Pipeline Construction Monitoring; Athletic Commission; Natural Resource Planning; and Administration & Support. *

Chairman Hohman moved and asked unanimous consent on the following BRU's which were objected to:

Sport Fish: Mr. Fink objected. Motion carried 4 to 2, with opposing votes by Mr. Fink and Mr. Warwick.

[Representative Wright entered the meeting.]

Fish Hatcheries: Mr. Fink objected. The motion carried 5 to 2. Those opposed were Mr. Fink and Mr. Wright.

Game: Mr. Fink objected. The motion carried 6 to 1.

Habitat: Mr. Fink objected. The motion carried 6 to 1.

Parks and Recreation: Mr. Warwick objected. The motion carried 6 to 1. *

The committee then briefly discussed the Natural Resource Planning budget request unit. Commissioner Charles Herbert, Department of Natural Resources, entered the meeting to explain the Natural Resources Planning budget.

* For Committee Allowance see Page 410 of the minutes.

Commissioner Herbert explained that the budget request was submitted before the Native Land Claims settlement. The Native Land Claims settlement act provided that the federal government would put up \$1.5 million per year for Land Use Planning on a 2 to 1 matching ratio. The state felt this matching ratio was too high, so they decided to keep in effect the Northern Alaskan Planning Study which was on a 2 to 1 matching ratio of state services to federal money. However, the department had just been informed that a 1 to 1 matching ratio is going to be required. The department therefore requests an additional \$100,000 state funds for this year and \$700,000 for FY73.

[Commissioner Herbert then left the meeting.]

Chairman Hohman moved the figure \$775,000 for Natural Resource Planning. No objection, so ordered.

Program Category	Budget Request Unit	Committee Allowance
Natural Resources	Natural Resource Planning	775.0
	Land Use Pl. Unit--500.0	
	Joint State-Fed. --275.0*	
	Nat. Res. and Land Use Pl. Commission	

* \$75,000 is for use in FY72, and the balance is for FY73.

Chairman Hohman then moved for a total figure for the Natural Resources Management and Environmental Conservation category in the amount of \$22,037,600. No objection, so ordered.

RECESS: The meeting recessed at 10:00 a.m.

PROGRAM CATEGORY: NATURAL RESOURCE MANAGEMENT & ENVIRONMENTAL CONSERVATION
 Vacancy & Turnover

V & T Factor	BRU	H. Finance Total Budget	H. Finance Pers. Serv. Budget	Less V & T Savings	H. Finance Adjusted Total Budget	Department
13.83%	Sport Fish	1,767.9	1,238.7	171.3	1,596.6	Fish & Game
13.83	Comm. Fish	3,835.9	2,459.0	340.0	3,495.9	Fish & Game
13.83	Hatcheries	425.9	210.0	29.0	396.9	Fish & Game
13.83	Game	2,370.0	1,509.5	208.8	2,161.2	Fish & Game
13.83	Hunter Safety	45.2	26.9	3.7	41.5	Fish & Game
13.83	FRED	674.5	421.7	58.3	616.2	Fish & Game
17.20	Fish & Game Admin. & Support	2,086.0	1,161.2	199.7	1,886.3	Fish & Game
11.51	Fisheries Commission	97.8	46.5	5.4	92.4	Governor
7.89	Land & Water Management	2,005.8	1,424.7	112.4	1,893.4	Natural Res.
7.89	Mineral Resources	1,717.2	971.8	76.7	1,640.5	Natural Res.
7.89	Forest Management	3,005.0	276.6	21.8	2,983.2	Natural Res.
23.99	Environmental Conservation	1,851.9	1,261.2	302.6	1,549.3	Env. Consv.
7.89	Parks and Recreation	1,052.4	703.8	55.5	996.9	Natural Res.
11.51	Athletic Commission	17.2	-	-	17.2	Governor
7.89	Natural Res. Planning	775.0	685.8	54.1	720.9	Natural Res.
7.89	Natural Res. Admin. & Support	309.9	260.9	20.6	289.3	Natural Res.
TOTAL		22,037.6	12,658.3	1,659.9	20,377.7	

IV. NATURAL RESOURCE MANAGEMENT & ENVIRONMENTAL CONSERVATION
Senate/House Comparative Appropriations

The following paragraphs identify significant differences between the House and Senate versions of the budget:

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The Senate is substantially below the Governor's figure adopted by the House for all programs. In addition, \$140,000 of Interagency Receipts will not be available and should be changed to General Fund. These were FY 72 monies to be used in FY 73; however, Law and Administration will now see that these monies lapse.

DEPARTMENT OF FISH AND GAME

Game - The House is far below the Senate which took the Governor's figure in all cases.

Protection - The House transferred all of this program except Hunter Safety to the Department of Public Safety under the Administration of Justice program category. The actual figures agree except for vacancy and turnover.

Administration & Support - The Senate deleted a Deputy Commissioner from the Commissioner's Office and made other cuts in this element.

Habitat - The House eliminated this program and allowed \$50,000 under capital for purchase of access.

DEPARTMENT OF NATURAL RESOURCES

Land and Water Management - The House version funds four positions not included in the Senate Budget.

Mineral Resources - The House provides an extra \$75,000 for Prudhoe Bay Simulation and an extra \$50,000 for Geological Investigations' use of helicopters.

Forest Management - The Senate figure fails to fully fund the Fire Warden program.

Parks and Recreation - The House has taken the Agency's Request while the Senate essentially took the Governor's figure with further cuts.

Natural Resource Planning - The House provides \$75,000 for FY 72 expenditures, \$500,000 for the Joint Federal-State Commission, and \$200,000 for the State's planning unit. The Senate funds the latter only, to the extent of \$106,000.

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PROGRAM CATEGORY V: PUBLIC PROTECTION

BUDGET REQUEST UNIT	COMMITTEE ALLOWANCE	ADJUSTED FOR VACANCY & TURNOVER	DEPARTMENT
Occupational Safety	1,021.3	1,029.3	Labor
Individual Protection	1,023.0	1,038.7	Public Safety
Consumer Protection	175.0	177.0	Law
Weights & Measures	467.0	476.1	Commerce
Agricultural Inspection	421.0	424.3	Natural Resources
Corporate & Financial Reg.	525.9	537.3	Commerce
Regulation of Public Serv.	1,348.7	1,348.7	Commerce
Alcoholic Bev. Control Bd.	195.1	197.5	Revenue
Regulation & Licensing of Professions	323.9	327.9	Commerce
Admininstration & Support	209.4	215.2	Commerce
Civil Air Patrol	106.0	106.0	Military Affairs
Disaster Planning & Control	501.9	501.9	Military Affairs
Emergency Medical Service Planning	45.7	45.7	Health & Soc. Serv.
Military Preparedness	1,353.6	1,379.3	Military Affairs
Nat. Guard Accident Settlement	-0-	-0-	Administration
		7,804.9	

AFTER RECESS

5:05 p.m.

Present All members

PUBLIC PROTECTION Chairman Hohman stated that the committee would close the PUBLIC PROTECTION budget category.

Mr. Hogan stated that the committee had tentatively adopted the Governor's recommended figures for all elements of Public Protection except three. Changes made by the committee are as follows:

<u>Element</u>	<u>Change from Governor's Recommended</u>
Regulation of Public Service	Added \$15,000 for an additional Field Agent position.
Regulation of Licensing of Professions	Added \$44,600 to fund a Southcentral Licensing Office including two Inspector positions
Disaster Planning and Control	Added \$20,000 for leasing of building space in Anchorage (\$10,000 General Fund; \$10,000 Federal)

Chairman Hohman moved and asked unanimous consent that the figure of \$7,804,900 be accepted for the category PUBLIC PROTECTION.

Mr. Warwick objected; Mr. Warwick removed his objection.
Mr. Fink objected; Mr Fink withdrew his objection.

There being no other objections, the total figure for the category PUBLIC PROTECTION of \$7,804,900 was accepted by the committee.

See the attached chart for a breakdown of this program category.

The committee recessed for five minutes.

PROGRAM CATEGORY: PUBLIC PROTECTION
Vacancy & Turnover

V & T Factor	BRU	H. Finance Total Budget	H. Finance Pers. Serv. Budget	Less V & T Savings	H. Finance Adjusted Total Budget	Department
13.88%	Occupational Safety	1,029.3	774.5	107.5	921.8	Labor
12.02	Individual Protection	1,038.7	521.5	62.7	976.0	Pub. Safety
6.52	Consumer Protection	177.0	133.4	8.7	168.3	Law
9.85	Weights & Measures	476.1	385.0	37.9	438.2	Commerce
7.89	Agricultural Inspection	424.3	275.8	21.8	402.5	Nat. Res.
9.85	Corp. & Financial Reg.	437.3	413.5	40.7	496.6	Commerce
9.85	Reg. of Pub. Service	1,348.7	-0-	-0-	1,348.7	Commerce
9.89	ABC Board	197.0	117.0	11.6	185.4	Revenue
9.85	Reg. & Lic. of Prof.	327.9	173.9	17.1	310.8	Commerce
9.85	Administration & Support	215.2	171.4	16.9	198.3	Commerce
8.33	Civil Air Patrol	106.0	-0-	-0-	106.0	Mil. Aff.
8.33	Disaster Plan. & Control	501.9	-0-	-0-	501.9	Mil. Aff.
10.78	Emerg. Med. Service Plan.	45.7	30.7	3.3	42.4	H. & S.S.
8.33	Military Preparedness	<u>1,379.3</u>	<u>840.6</u>	<u>70.0</u>	<u>1,309.3</u>	Mil. Aff.
		<u>\$7,804.4</u>	<u>\$3,837.3</u>	<u>\$398.2</u>	<u>\$7,406.2</u>	