

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2583

STATE EQUIPMENT FLEET  
W.C.F. REVOLVING FUND CONCEPTS

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OPERATING RENTAL RATES  
DRY RENTAL REPAIRS  
NON-RENTAL REPAIRS  
ACCIDENT INSURANCE PROCEEDS

EQUIPMENT OPERATING ACCOUNT  
FY 76 \$ 9,346,600

SERVICING  
REPAIR  
FUEL  
FY 76 \$9,346,600

MONTHLY FIXED FEE RATES

EQUIPMENT REPLACEMENT ACCOUNT  
FY 76 \$ 7,700,000

NEW EQUIPMENT  
FY 76 \$7,700,000

SALVAGE VALUE

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



STATE OF ALASKA  
STATE EQUIPMENT FLEET  
TWO METHODS OF VEHICLE REPLACEMENT

LIFE OF VEHICLE YEARS → →

**METHOD I**

VEHICLE IS PURCHASED  
BY USER AGENCY APPROP











	NEW	1	2	3	4	5	6	7
	 \$ 4000	 \$ 3000	 \$ 2000	 \$ 1000	C-00	 \$ 4000		
RESERVE FOR REPLACEMENT	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

REPLACEMENT VEH  
IS PURCHASED BY  
AGENCY APPROPRIATION

**METHOD II**

VEHICLE IS PURCHASED BY  
USER AGENCY APPROPRIATION  
AND TRANSFERRED TO STATE  
EQUIPMENT FLEET (MONTHLY  
REPLACEMENT FIXED FEES  
CHARGED TO USER.

RESERVE FOR REPLACEMENT

		1	2	3	4	5	6	7
	 \$ 4000	 \$ 3000	 \$ 2000	 \$ 1000	C-0-	 \$ 4800		
RESERVE FOR REPLACEMENT	-0-	 \$ 1200	 \$ 2400	 \$ 3600	 \$ 4800	 \$ 4800		

REPLACEMENT VEH.  
NOT PURCHASED BY  
USER AGENCY.

REPLACEMENT VEH.  
IS PURCHASED BY  
STATE EQUIPMENT FLEET.

Tape #: H 76-22

RECORDER LOG

Date: 2-14-76

Beg. #: 2654

9:15 a.m.

End #: H 76-23/0490

General Subject: Pioneer Homes - Budget  
Longevity Bonus Program

Present: Rep. Malone, Hauge, Guy, Guering, Cowser, Atla, Buchholdt

Naughton, Richard Freer, Dep. Comm. of Admin; Frank Sisson,

Admin. Officer, Pioneer Homes; Dick Zimmerman, Analyst; Milt  
Barker, Leg. Finance; Kent Dawson, Bgt. & Mgt.;

Log #	Description
2654	meeting convened 9:15
2673	Freer - Goals of pioneer homes project
2688	curr. activities - Sitka, Fairbanks, Palmer, Anchorage,
2707	→ Kotzebue
2722	↳ Maintenance Budget
2751	↳ Alternative uses
2754	Consideration of raising rates
2758	responsibility for rate setting
2761	rates charged, increase in rates
2792	Administration of pioneer home program
2803	Buchholdt - Anchorage pioneer home (Freer response)
2380	Atla - # people in Palmer
2850	Sisson - normal occupancy, <del>Atla</del> Sitka
2871	Atla - Kotzebue questions
2888	Sisson - response
2907	Atla - facilities figures (Sisson response)
2956	architect
2959	Freer - Kotzebue Pioneer home
2983	date for occupancy
3000	Malone - factors leading to decision that Pioneer Homes in Kotzebue might not be best way to care for elderly (Zimmerman response)

Tape #: H76-27

RECORDER LOG

Date: 9-14-76

Beg. #: \_\_\_\_\_

(2)

End #: \_\_\_\_\_

General Subject: Pioneer Homes - budget

Present: \_\_\_\_\_

Log #	Description
3044	Free - provision of funds, Katzebe (Malone)
3058	Free - desire of legislature for Katzebe home use (Malone)
3070	Hanger - what do people that live there want? (Ala)
3090	Zimmerman - definition of Pioneer Home
3095	Free - design of home
3107	Hanger - reduction in sleeping quarters (Free)
3113	*50,000 / bed cost
3129	Naughton - cost per bed (Free) (Zimmerman)
3153	Cowper - new position requests
3177	Lison - answer on why so many people
3191	Shuring - group home concept
3212	Zimmerman - Newmaker's service budget
3239	Zimmerman -
3243	Malone - review Katzebe home questions at another time
3253	Feb. 5. Lippelman letter
3263	Malone - Future of program in state (Free)
3293	Malone - who's sharing plans for future?
3308	(Free response)

Tape #: H76-22 + H76-23

RECORDER LOG

Date: 9-14-76

Beg. #: \_\_\_\_\_

(3)

End #: \_\_\_\_\_

General Subject: Pioneer Homes - budget

Present: \_\_\_\_\_

Log #	Description
3317	Haugen - cost for service at pioneer home
3337	(Free)
3359	Haugen - ability to pay should be considered
Change Tape H76-23.	
0015	Haugen - how much coming in from residents payments (Free)
0044	Free - rates (Naughton)
0120	Haugen - income survey (Free) (Lisson)
0213	Malone - Longevity Bonus Program
0268	federal revenue sharing (Zimmerman) (Dawson)
0317	Haugen - are federal funds classed as a general receipt (Dawson)
0380	Luy - are bonuses taxable income (Free)
0448	Alaska Plan
0490	

Tape #: H76-23

RECORDER LOG

Date: 2-14-76

Beg. #: 0490

10:45 a.m.

End #: 2394

General Subject: Health & Social Services - budget

Present: Reps. Malone, Haugen, Buchheldt, Cowper, Eruening, Atka, Guy / Francis Williamson, Comm.; Robert Cole, Coord, Office of Alcoholism; Lois Lund, Dep. Comm. for Program Mgt.; Catherine Lloyd, Dep. Commissioner; Sam Gianato, Dir. Social Svcs;

Log #	Description
0490	meeting convened at 10:45 a.m.
0534	Williamson - overall budget & trends
0589	Dept. of H&SS trends (attached sheet)
0709	comments on size of budget
0776	Malone - govern. - tal changes - as the reflected on trend sheet (Williamson)
8	Williamson - Health overview
0838	multi-disciplinary program - alcoholism
0864	state program development (ADOMA)
0890	Div. of Behavioral & Developmental Health
0920	management information system
0968	alcoholism in Alaska
1000	rehabilitation - detoxification centers
1050	Cowper - decentralization of alcoholism office (Williamson)
1066	Cole - regional health program development
1166	Atka - Planning & Development - (fund)
1140	Williamson - Priorities - state program development activities
1176	Guy - rural resource consultants (Cole)
1127	Daughton - alcoholism in Kodiak (Cole)

Beg. #: \_\_\_\_\_

(2)

End #: \_\_\_\_\_

General Subject: Health & Social Services - budget

Present: \_\_\_\_\_

Log #	Description
1245	Atta - rural consultants training (Cole) (Williamson)
1357	Williamson - family planning
1400	Williamson - comments on departmental goals
1437	development of data systems
1452	decentralization
1492	de-institutionalization
1504	prevention & early intervention
1540	programs for aging
1556	umbrella agency efficiency
1573	maximization of federal funds
1610	Title 20 - <del>state</del> <del>state</del> social services
<del>1656</del>	Census of Alaska - additional funds
<del>1658</del>	
1671	per-capita income
1693	programs for aging
1704	information system
1723	reviews
1739	Williamson - program areas
1755	social services
1761	assistance payments
1785	children's services

Tape #: H76-23

RECORDER LOG

Date: 2-14-76

Beg. #: \_\_\_\_\_

(3)

End #: \_\_\_\_\_

General Subject: Health & Social Services - budget

Present:

Log #	Description
1794	Williamson - public assistance area
1804	crisis rate
1824	eligibility determination
1857	computerization
1874	Malone - legislation on alcoholism problem (Williamson)
1897	criminal system
1915	education
1928	Cole - alcoholism information system
2005	Malone - # of hours of alcohol sale (Cole) controls and management strategies - Bethel example
2071	Malone - cause of alcohol problem - ( <del>Williamson</del> Cole)
2118	Williamson
2127	Gianato - Social Services flexible staff guidance
2175	development of data
2190	licensing activities
2195	adoption program
2202	group homes - emergency shelters
2236	Guy - age levels in group homes (Gianato)
2271	Gianato - services in pioneer homes
2285	homemaker services

Tape #: H 76-23

RECORDER LOG

Date: 2-14-76

Beg. #: \_\_\_\_\_

(4)

End #: \_\_\_\_\_

General Subject: Health & Social Services - budget

Present:

Log #	Description
2291	Grants - developing advisory groups, task forces
2310	citizen input - process
2324	Title 20 funds reduced
2341	Haugen - payment of vouchers for providers of care (Grants)
2394	miss

## Outline of Presentation Before House Finance Committee

Saturday, February 14, 1976

### OVERALL DEPARTMENTAL GOALS AND 1977 OBJECTIVES (Not Prioritized)

#### Basically Maintenance Budget for 1977

In the interest of clarity and brevity, I have categorized my presentation to you this morning by service areas. I will summarize our goals and Fiscal Year objectives in Social Services, Alcoholism, Drug Abuse, and Public Assistance Programs as they contribute to the accomplishment of our overall departmental goals: (1) Common data base and systems development; (2) Decentralization; (3) De-institutionalization; (4) Prevention and early intervention; (5) Increased coordination of programs to improve cost effectiveness; (6) Maximization of federal funding; (7) Increased services for the aging; (8) Improved responsiveness to the public; (9) Development of the team concept among departmental staff; (10) Implementation of P.L. 93-641 (the National Health Planning and Resources Development Act of 1974). In some cases, a major service area does not specifically contribute to a particular goal, and therefore has no listing in that category.

#### SOCIAL SERVICES

1. Common data base and system development:

- Simplify and improve foster care and day care billing and payment procedures.
- Develop a manual of operations for staff guidance.
- Improve data collection and analysis for improved planning and evaluation.

2. Decentralization:

Decentralize

- Licensing of day care facilities, foster homes, child caring, institutions and group homes;
- Additional elements of the adoption program;

Strengthen the role authority and accountability of the regional social service managers.

Examine the Division field organizational structure in terms of responsiveness to need and effective delivery of service, and propose improvements.

3. De-institutionalization:

Examine methods for assisting in the establishment and development of group homes and for meeting the need for emergency shelter and care.

4. Prevention and early intervention:

Consideration of the use of homemaker services and more effective use of day care service for child protection situations to assist in solutions to family and parent child relationship problems to avoid family breakdown.

7. Increased services for the aging:

Consider expansion of services to the aged outside of the Pioneer Home and to other adults;

Develop a volunteer program to serve the needs of residents in the Pioneer Homes, thus relieving Social Workers of chore activities.

8. Improved responsiveness to the public:  
Establish an Advisory Group to the Director;  
Establish a Task Force to examine and make recommendations regarding child care, institutions licensing regulations;  
Establish a method for citizen input into development of the FY 1978 Social Services Plan.

### ALCOHOLISM

1. Common data base and system development:  
In cooperation with Drug Abuse and Mental Health, this office will be involved in development and utilization of a management information system which enables the Office of Alcoholism to evaluate and validate the effectiveness of the Alcoholism Grant-in-Aid program as well as its other activities. The Office will implement the data base establishment by the System Analysis of Alcohol Problems Research Project.  
Establish a system designed to report impact and costs of alcohol and alcohol abuse on Alaskan society and interdepartmental agencies. i.e.: Corrections; Public Health; Child Welfare, etc.
2. Decentralization:  
The Office intends to regionalize central office staff, program managers, and health facilities surveyors by transferring those positions to Fairbanks and Anchorage.
3. De-institutionalization:  
The Office will continue funding of detoxification and rehabilitation treatment facilities and halfway house programs in an ongoing effort to present residential alternatives to institutional confinement, correctional and psychiatric facilities.
4. Prevention and early intervention:  
Information, referral, and increased public awareness of alcoholism and its abuse as a controllable disease is provided by community programs. Implementation of the alcoholism prevention plan will place an increasing emphasis on primary prevention in hopes of decreasing future abuse of alcohol.
5. Improved cost effectiveness:  
A provisional organization integration of Alcohol, Drug Abuse, and Mental Health into a functional unit will be attempted. Integration of Alcohol, Drug Abuse, and Mental Health advisory boards is being considered.
6. Maximization of federal funding:  
Recent conversations with NIAAA and LEAA officials indicate the possibility of increased utilization of funding, principally for providing rehabilitation services to prisoners in the criminal justice system.
7. Development of the team concept among departmental staff:  
Integration of Mental Health, Drug Abuse, and Alcoholism staff will provide for increased coordination and exchange of information with audit and fiscal divisions.

DRUG ABUSE

4. Prevention and early intervention:

Prevention efforts have been and will unfortunately continue to be minimal. Several of the prevention approaches are proving to be helpful in reducing juvenile problems in Ketchikan and Petersburg.

5. Increased coordination of Programs to increase cost effectiveness:

The Office of Drug Abuse has implemented one major management program each year for the past three years, in the areas of client information, resource identification, grants management, program evaluation, and technical help to local providers.

6. Maximization of federal funding:

This year, through the national Institute of Drug Abuse, funds have been provided to develop and implement a training system for program personnel in the areas they identify: ie: local people actually providing services; a financial management information system which will help both managers and service delivery personnel to better use and distribute grant funds.

PUBLIC ASSISTANCE PROGRAMS

1. Common data base and systems development:

The Governor's review committee suggests that extensive data processing systems will reduce expenditures through error rate reductions. (Note: see 1/75 - 6/75 error rate listing attached.)

2. Decentralization:

A program of regionalization creates two new regions (Bethel & Nome) in order to move decision making from the 22 districts to 5 regions, thus reducing agency caused errors through more comprehensive decisions. Overall error reduction will reduce expenditures from the State General Fund.

6. Maximization of federal funding:

Error reductions will minimize federal sanctions which would withhold funds.

7. Increased services for the aging:

Implementation of Title XIX - Certified Home Health Agencies.

8. Improved responsiveness to the public:

Service response should be increased through more timely and accurate eligibility determinations and benefit authorization decisions in cash, food, and medical assistance programs. The food stamp program will increase client responsiveness through an intensive outreach program.

9. Development of the team concept among departmental staff:

The Division of Public Assistance has established a coordinated staff development program.

## Introduction

We have received several questions and comments from concerned individuals and organizations about the statewide change in public assistance administration of the AFDC, Food Stamps, Adult Assistance and General Relief programs.

This paper is intended to explain the position of the State agency, Health & Social Services, and to address the concerns most often raised regarding the change from the current full operation of 22 offices to Centralized Decision Making in 5 offices across the state.

## What Is Really Going On?

In the summer of '75, agency managers proposed that Alaska implement Centralized Decision Making (CDM) in five regional offices statewide, for all public assistance ("welfare") programs.

After the proposal was circulated to field offices for input, it was decided to proceed with the necessary reorganization beginning in the Southcentral Region, headquartered in Anchorage.

By July 1, 1976, the following changes will be made:

- (1) Two new regional offices will be established (in Nome and Bethel); the 3 current regions are in Fairbanks, Anchorage and Juneau;
- (2) Decisions on who is eligible, and for how much assistance, will be made in these 5 regional offices only, instead of in all 22 district offices;

- (3) The role and responsibilities of Eligibility Workers in the field offices will change to include obtaining applications, and verification documents, program outreach activities, home visits and Fee Agent program coordination;
- (4) Eligibility benefits will only be decided on by Benefit Specialists trained in their particular program, in the 5 regional offices. These positions will come from reclassifications of current staff or transfer/reclass actions of vacant positions as appropriate.

Basically, this is a shift of responsibility for financial decisions from 70 "generalist" workers in 22 offices, to approximately 18 in 5 offices.

What Do These Changes Mean To  
Recipients and Clients?

At first, there will probably be no overall change in the time required to make decisions and deliver the appropriate cash, food or medical assistance to individuals or families. Within a year however, it is expected that benefits for most programs will be provided at the time of the eligibility decision, thereby eliminating the two to five week delay that occurs under the current system.

Better program information will be made available to most clients however, through personal contacts with field workers, who will be able to make more home visits and will also begin handling the village Fee Agent's problems and conduct outreach activities.

Better decisions will also be made on cases, which should nearly eliminate confusing changes in benefit amounts that occur presently when errors are made.

### What Will Happen To Agency Staff?

There are no terminations, lay-offs, pay cuts or involuntary transfers of current staff anticipated anywhere in Alaska due to CDM.

Eligibility workers in District Offices will still be needed in public assistance, however, they will spend more time informing clients and the general public about assistance programs and will be involved in application and verification actions.

Accordingly, policy interpretations for the eight programs, benefit decisions and authorizations, maintenance of case files and other specialized and <sup>time-</sup>consuming work will no longer be the responsibility of EW's.

The new benefit specialists jobs in the five regional centers will be made available to current staff through reclassifications and transfers of vacant positions in the districts.

### How Will The New Central Decision Making System Work In Each Region?

The concept is simple and efficient and initial tests and pilot projects indicate that it works.

Clients will contact Eligibility Workers or Fee Agents, or come in to the regional offices to make application. Workers so contacted will check over the applications for completeness and obtain all the verification documents possible at that time.

The applications will go to Regional Offices Benefit Specialists for an eligibility decision and authorization of benefits for appropriate amount.

Each Benefit Specialist will be trained and experienced in dealing with only one or two of the eight assistance programs, so they will be able to make rapid, accurate decisions.

If further information is needed, specific requests will quickly be made of field staff, or an appropriate agency (i.e., Department of Labor for unemployment benefit information).

New forms and communication procedures are being designed and tested to speed up each step of this complicated process.

#### What's Behind This Reorganization?

The current organization, and the systems it supports, has become so unwieldy in recent years it approaches the ridiculous.

On one hand the state is trying to efficiently manage six standard assistance programs and two emergency relief programs statewide from 22 offices; and yet, program regulations and procedures have become so complex, and change so frequently, several staff specialists are required to stay on top of each single program. Obviously, it is absolutely impossible, and grossly unfair as well, to expect one or two village workers to accurately and quickly interpret, understand, apply and administer eight programs. There is simply no way to continue under the present system and stay within responsible limits of performance.

In January 1976, a special efficiency task force for the Governor analyzed available data and found the following:

If the Division of Public Assistance continues with the status quo, it will distribute erroneous benefits to clients in the amount of \$ 1.8 million next year. The Federal government will then impose a penalty on the state for inadequate work accuracy of \$ 200,000, and it will go on this way indefinitely if drastic and effective measures are not taken.

In addition to the loss of taxpayers' money to ineligible or overpaid clients, there are enormous administrative problems inherent in the current system.

For example, it is very difficult and expensive to supervise and train staff in 22 widely scattered locations, with very different caseloads and problems. Even harder is the task of retaining and updating worker knowledge and understanding and monitoring their performance and problems in any effective or timely fashion.

Turnover among eligibility workers is now running about 30% per year. This further complicates all the above problems, on both the local and state level.

One district office has had six people fill one eligibility position <sup>in the past</sup> over four years and the position was left vacant for 23 months during that same period.

In another office, a winter storm inundated the building, destroying the district cases files and food stamp supply, and all client records that had been painstakingly compiled over a period of years.

Each Eligibility Worker in Alaska authorizes and administers an average of \$754,000 each year with \$48 million being the total for the state.

Clearly, there must be a better way of operating these massive programs that will be as precise, consistent and responsive as the limited administrative funds will allow.

Centralized Decision Making through five regional centers is one of the improvements to the overall system that must be accomplished as soon as possible.

Other changes to the system have also been proposed, dealing with verification of client circumstances, recoupment of erroneously distributed benefits, child support enforcement, and an overhaul of the computer support system. However, experience over the past seven years, since 1968, has clearly demonstrated the need for program specialists to make eligibility and benefit decisions from locations that have good communications and where local populations provide a base of qualified persons who are familiar with government administration *to fill these technical positions.*

The alternative is to spend millions of dollars expanding state government staff <sup>*the number of*</sup> in rural offices where adequate support would still be unavailable from the necessary informational and supervisory <sup>*specialists*</sup> resources.

If you have a requirement for further information, please contact:

Division of Public Assistance

Larry Sullivan, Director

Pouch H 07

Juneau, Alaska 99811

DEPARTMENT OF HEALTH & SOCIAL SERVICES TRENDS 1971-1977

	FY 1971	FY 1972	FY 1973	FY 1974	FY 1975	FY 1976 with Suppl. Funding	FY 1977 Gov. Request
Authorized Positions	1,346	1,521	1,618	1,733	1,722	1,647	1,738
Occupied positions (includes temporaries)	1,306	1,495	1,673	1,691	1,655	1,598	
Expenditures: Total- (\$ Millions)	47.0	63.2	68.2	73.8	73.9	<u>99.9</u>	111.8
State GF	37.1	51.4	52.1	54.1	51.9	67.8	76.7
Federal	9.4	11.5	15.5	18.9	21.1	28.3	30.0
Other	.5	.3	.6	.8	.9	2.8	5.1
Alaska Population <sup>(a)</sup>	307,600	318,600	327,300	340,800	378,600	423,000	443,800
Expenditures per capita <sup>(b)</sup>	152.80	198.40	208.40	216.50	195.20	238.20 <sup>(b)</sup>	251.90
Consumer Price Index (Anchorage) <sup>(c)</sup>	100.0	102.9	106.5	114.6	129.3	142.2	156.4
Constant FY 1971 Expenditures per capita (\$) <sup>(d)</sup>	152.80	192.80	195.70	188.90	151.00	167.50	161.00
Population per occupied Position	235	213	196	201	229	265	

- (a) 1971-4 from State of Alaska, Department of Labor, Current Population Estimates by Census Division. 1975-7 from State of Alaska, Department of Labor, Trans Alaska Pipeline Project, December 1975. Assumes no gas line construction before 1978. Calendar year figures in these two reports have been averaged year-to-year to match fiscal year dollar expenditures.
- (b) Including supplementals requested.
- (c) U. S. Department of Labor, Bureau of Labor Statistics, 1967=100. Second quarter 1975 figure used for calendar 1975. Calendar year figures have been averaged year-to-year to match fiscal year dollar expenditures. 1976 and 1977 extrapolated at 10% increase annually from FY 1975 figure. The resulting FY index has then been reindexed to FY 1971 dollars.
- (d) Current dollar expenditures per capita divided by the corresponding Consumer Price Index (Anchorage).

241

Tape #: H 76-23

RECORDER LOG

Date: 2-14-76

Beg. #: 2394

1:40 pm

End #: 0420 H76-24

General Subject: NYC Program + Health + Social Serv. Budget

Present: Pepo Malone, Buchholdt, Atta, Hug, Haugen, Cooper, Livingston, Earl Costello, Dir. Manpower Planning; Kent

Dawson, Dir. Bgt + Mgt; Francis Williamson, Comm. HSS; Larry Sullivan, Public Assistance; Lois Ford, Dep. Comm;

Log #	Description
<del>2394</del>	meeting convened at 1:40
2404	Atta - Concerns for NYC program
2410	Costello - Neighborhood youth
2440	pipeline of training funds
2474	600000 transferred from work experience to <del>CETA</del> <sup>CETA</sup> training
2485	Winter Youth Program
2493	Summer youth program
2527	Buchholdt - CETA Title I funds Phillipino manpower training (Costello response)
2600	Costello - "English as a second language" money (Buchholdt)
2628	Haugen - What is NYC program, how does it pay, what projects (Costello)
2640	Winter programs
2647	work done by NYC
2672	Atta - activities of NYC in Barrow
2693	Costello - PEP program
2712	Haugen - CETA funds (Costello)
2716	Costello - budget based on federal programs
2747	Malone - \$8.9 million not total federal receipts
2762	CETA funds

Beg. #: \_\_\_\_\_

End #: \_\_\_\_\_

(2)

General Subject: Health & Social Services, budget

Present: \_\_\_\_\_

Log #	Description
2789	Malone - disagreement on NYC funds
	H+SS
2827	Williamson - Public Assistance
2840	Sullivan - Public Assistance Division budget
2865	goal of division
2871	<del>district offices work</del> regional offices
2881	client error & agency error
2891	error rates
2911	computerization - fiscal accountability
2931	Dresner - why called de-centralization (Sullivan)
2942	net effect on personnel
2956	eligibility decision making
2973	regions
2987	Sullivan - better use of general funds with
	improved error rate
	recoupment
3007	Hanger - error rate (Sullivan)
3030	analysis of application form
3070	Malone - mechanics of carrying out program (Sullivan)
3107	Louche Ross study

Tape #: H 76-23

RECORDER LOG

Date: 2-14-76

Beg. #: \_\_\_\_\_

(3)

End #: \_\_\_\_\_

General Subject: Health & Social Services - budget

Present: \_\_\_\_\_

Log #	Description
3118	Hauger - distribution problems with welfare benefits
3123	Sullivan - cost of administering program
3144	Williamson - food stamp program - concerns of national congress misuse of welfare funds
3181	Hauger - SST program
3187	Williamson -
3201	Guening - reduction of processing time through regions (Sullivan)
3222	fee agents
3233	Sullivan - advantages of computerization
3247	Buchholdt - how are cases closed (Sullivan) monthly reporting
3273	Guy - problems of village fee agents (Sullivan)
3303	Hauger - request for application for -
3308	Guening - integrity of fee agents
3330	Guy -
3335	Guening - # applications from various villages
3343	application
3347	Malone - # checks per month, \$ per month

Tape #: H76-23 + H76-24

RECORDER LOG

Date: 2-14-76

Beg. #: \_\_\_\_\_

(4)

End #: \_\_\_\_\_

General Subject: H & SS - budget

Present:

Log #	Description
3356	<u>Hanger - value of food stamp program, inventory of stamps</u>
3364	<u>Hta - eligibility based on unborn children</u>
3372	<u>Guy - benefit specialists</u>
3387	<u>Williamson - food stamp program budget</u>
3397	<u>Sullivan - food stamp program (Williamson)</u>
3423	<u>Drug Abuse Program</u>
	<u>Hilburn - treatment cost, # treated</u>
3435	<u>treatment centers</u>
	<u>Petersburg program</u>
	<u>Buckholdt - activities at treatment centers (Hilburn)</u>
	<u>Change tape H76-24</u>
0000	<u>Hilburn -</u>
0030	<u>value setting - tools for decision making</u>
0070	<u>Hanger -</u>
0086	<u>Hilburn - techniques of parental communication</u>
0112	<u>Guening - federal funding from grants (Hilburn)</u>
0167	<u>Hanger - alcohol program - \$ spent outside</u>
	<u>state contribution</u>

Tape #: H 76-24

RECORDER LOG

Date: 2-4-76

Beg. #: \_\_\_\_\_

(5)

End #: 0420

General Subject: H & SS - budget

Present: \_\_\_\_\_

Log #	Description
0224	Williamson - channeling of <sup>federal</sup> funds for alcoholism (Haugen)
0306	Petersburg drug abuse program
0324	Mta - proposed legislation - HB 665 - (Gund)
0354	Williamson -
0420	

Tape #: 1176-24

RECORDER LOG

Date: 2-14-76

Beg. #: 0424

3:30 p.m.

End #: 0984

General Subject: Health & Social Services - budget

Present: Reps. Malone, Ruckholdt, Hanger, Atta, Guening, Couper, Ely, Francis Williamson, Comm; Lois Fund, Dep. Comm; L. Granato, Dir, Div of Social Services; Cathy Lloyd, Rep. Comm

Log #	Description
<del>0433</del>	Malone - recruitment and hire policy (Williamson answer)
0537	Fund - recruitment - partially exempt positions - screening committee (Williamson)
0591	Fund - concern for qualifications
0635	Williamson - screening - residency - recruitment outside
073	Malone - state policy on recruiting non-Alaskans
0694	Fund - example - public health nurses
0711	Malone - recruitment efforts Div of Social Services (Granato response) - reclassification
0770	Malone - recruitment of Alaskan vs. non-Alaskan personnel (Granato)
0864	Granato - discuss plans with Personnel
0924	Granato - 3 inquiries from outside state, temporary position
<del>0984</del>	Couper - move for selective service

Tape #: H 76-<sup>24</sup>~~35~~

RECORDER LOG

Date: 2-14-76

Beg. #: 0995

(2)

End #: 1281

General Subject: N4SS - executive session

Present:

Log #	Description
0999	Malone - irregularities in system
1026	Granato - Eben Jones situation
1065	Loise Mc Gregor situation
1092	Malone - name of legislator (Granato) - no recollection
1115	Malone - recruiting before position established
5	Granato - need for school of H4SS
1163	Buckholdt - local residents <del>are</del> competing with outsiders - point system
1182	Granat - formal recruitment policies
1197	Malone - responsibility to carry out law
1210	Williamson - preference for hiring Alaskans
1236	Malone - writing of position descriptions
1246	Granato - travel
1262	Lloyd - no irregularities - misunderstanding of rules
1272	Guy -
1281	meeting adjourned 4:10

Tape #: H76 25

RECORDER LOG

Date: 3-16-76

Beg. #: 1450

1:30 pm

End #: \_\_\_\_\_

Joint meeting with House Judiciary Committee

General Subject: Dept. Public Safety : Justice Category  
Covering, Cooper, Hanger, Malone, Guy Duncan.

Present: Frank Lohan, Phil Rossmett, Pat Wellington, Mike (C) Lohan  
Triguna Herman, Larry Talbot, Com. Wick Dwyer / all Dept Public Safety  
Tom Barnes (P-711), Roger Osterback, Brown

Log #	Description
1450	Bunton - re-organization of work. Introduces Hardest packet explain increases
1574	Malone, re contract for services w/ municipalities of Anc? no.
1620	" Training + turnover. Dismissal due to Human Relations Comm.
1660	Cooper whose problem is it?
1700	Malone - Home rule municipalities. Per capital share provided by city governments
1750	Hanger for area wide services, do towns get revenue sharing for the borough?
1775	Cooper cities receive \$ from state for law enforcement based on population. Don't Warrington + Anc. rev. sharing (play off State sending fair \$ sharing but city not providing its correct share of law enforcement. collect + not do it
1810	Guy - re. policemen + protection in villages get Rev sharing who pay their transp? (fed-grant)
1850	Malone - re. "merit" cutback in gov's budget - impact?
1900	" position established w/ US Forest Service - contract.
1950	" villages constables program?
1990	" no additions? vacancy will be filled depending on human rights comm decision.
	where located? (Shore 257)



Tape #: H 76 25

RECORDER LOG

Date: 2-16-76

Beg. #: 1450

3

1:30

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2800	Brown enforcement in the rural areas / travel costs
2900	" inform. center; terminal M.C.I.C. computer communications futures?
2950	Haugen. Ferry law & order; jurisdiction in waters
3000	Malone 4.3 mil. dol - firing range; buildings - state
3070	" Fairbanks operations \$95,000 \$267,000 shown in 2 diff. budget books.
3090	Haugen. Question of the 3 craft boats taken. Cost of patrol boats where to be used. design, why bonding funds weren't used to build new boat - Osterback & Haugen discuss & advise on boat design
3210	Hange suggests helicopter surveillance

HOUSE FINANCE COMMITTEE  
Tuesday, February 17, 1976  
9:00 a.m.

All members were present except Reps. Buchholdt, Guy, and Gruening. Others present were Jay Hogan, Director, and Robert Schroeder, Fiscal Analyst, Legislative Finance. PRESENT

The meeting was called to order to discuss HB 593. Chairman Malone explained that this bill had been discussed before, but he wanted the committee to see it again before it was reported out. HB 593

Chairman Malone asked Robert Schroeder to comment on the bill. Mr. Schroeder said it was his understanding that the committee had wanted to take \$18,000 off the unpaid bills portion. This committee substitute has \$20,000 taken off. The \$9,000 is earmarked for the Nome jail renovation.

Rep. Duncan said the total would only be reduced by \$9,000. Mr. Schroeder said the unpaid bills figure would be \$58,600 and \$9,000 for the Nome jail. The total appropriation should be \$261,800. Chairman Malone agreed with this figure. TOTAL APPROP

In reference to the Nome jail, Mr. Schroeder mentioned that originally the committee had discussed putting an invoice number on the appropriation. That would be difficult because there are three. Chairman Malone said that the idea was to save the next legislature from having to figure this all out again.

Chairman Malone said he would have the changes made in the committee substitute. Mr. Duncan moved that the committee substitute for HB 593 be reported out of committee. There was no objection, so the motion was adopted. The committee report was circulated with all members signing "do pass" recommendation. Therefore, the Finance committee substitute for HB 593 was reported out with a "do pass" recommendation. CS HB 593  
DO PASS  
RECOMMENDATION

Chairman Malone said the next item on the agenda was SB 578. Mr. Hogan handed out the new draft copies for a committee substitute. Chairman Malone said the plan with the proposed committee substitute was to make the fiscal note a blanket thing. The fiscal note would be attached to the bill following introduction. It would be attached to all bills regardless of if there was a fiscal impact. SB 578

Rep. Duncan questioned the reference to Sec. 60(b). Rep. Cowper said that perhaps that reference should be taken out. Mr. Hogan said that it didn't really matter at all. It was left in the bill because it was the Senate language. Chairman Malone read Sec. 60 (b), which sets out the method whereby the governor introduces bills into the law.

Rep. Naughton moved for adoption of the committee substitute for HB 593. Rep. Gruening joined the meeting at 9:15.

Rep. Haugen questioned the language in line 12. Chairman Malone said that line 12 makes it clear that a member may, in addition to the departmental note, prepare his own. Mr. Hogan explained that that opportunity was always there, but some felt constrained to exercise it.

Chairman Malone called for further discussion or objection to the motion. There was no objection, so the motion was adopted.

Rep. Duncan moved that the House committee substitute for SB 578 be reported out. Rep. Haugen called for the question. There was no objection, so the motion was adopted. The committee report was circulated with all members signing "do pass". So, the House committee substitute for SB 578 was reported out with a "do pass" recommendation.

HCS SB 578  
DO PASS  
RECOMMENDATION

The next item on the agenda was HB 760, a revision of the Executive Budget Act. Chairman Malone asked Rep. Naughton, prime sponsor of the bill, to comment.

HB 760

Rep. Naughton said this was an attempt to give us the ability to make the decision as to where we will give the executive branch flexibility and where we will be able to very selectively mandate that certain things be done in the appropriation process. We have tried to retain some of the flexibility that is in the concept of program budgeting, but at the same time give us the option to nail things down, for better control, a little closer to line item budgeting. There needs to be room for handling an emergency situation. We need the ability to slow down expenditures (Sec. 3). Sec. 4 is in the definition category and it describes some of the terms used in the above paragraphs so that there is no need to haggle over definition of terms, which has been the case with the Executive Budget Act in the past.

NAUGHTON  
COMMENTS

The way things are now essentially the legislature might as well appropriate blanket fund because legislature has no real control over how money is spent.

Chairman Malone said that right now the Executive Budget Act reads that transfers can be made within a program at the approval of the head of the agency and within an agency at the approval of the governor, which means that any money appropriated can be transferred at the approval of the governor. This gives them maximum flexibility. It could be set at the program level which would allow them less latitude but some flexibility. Or it could be set out at the line item level. The problem with that is that the governor can strike or reduce a line item appropriation. The bill itself doesn't say there will be no flexibility in budgeting. It does say that the legislature will make the decision on the amount of flexibility. Right now the whole appropriation might just as well be made to the governor.

TRANSFERS

Rep. Haugen asked how federal funds would be handled if they got them in the interim. Chairman Malone explained that the role of the Budget and Audit Committee wouldn't be changed.

BUDGET &  
AUDIT COMMITTEE

Chairman Malone said that the governor may veto this bill. He almost certainly would veto one giving more power to the Budget and Audit Committee.

Chairman Malone asked Mr. Hogan for comments. Mr. Hogan said he agreed with what was said. He added that this issue had been brought to a standstill for four or five years now. This bill would give legislature the authority it needs. It is obvious that in a situation where a particular department had a good track record, complying with legislative intent, you might be tempted to go to a high appropriation level. The reverse could also be true.

Mr. Hogan expressed concern about the two items of definition, "appropriation item" and "allocation item". He recommended striking the word item.

There was a discussion of federal funds and controls on their use.

Rep. Haugen said that he would stay with this bill all the way because he believed that legislature should have the final say on the appropriation of money.

2-17-76

Ron Lind and Kent Dawson of Budget and Management joined the meeting at 9:40. Chairman Malone asked them to comment on HB 760.

Mr. Dawson said that before too many comments were made they would want to talk to their attorneys. He asked the committee if they planned to keep the appropriation items basically the same. Chairman Malone said there probably wouldn't be a change in what was called an appropriation item.

BUDGET & MGT  
TESTIMONY

Chairman Malone went on to say that right now under the Executive Budget Act transfers can be made at one level with the approval of the agency and within a department with the approval of the governor. Legislature makes appropriations to departments, but none the less those appropriations can be transferred. Legislature would like to make appropriations at the level that would be the most beneficial. An appropriation could be made at the department level, the division level, or in some cases, even a line item appropriation depending on the need for flexibility and the desired purpose. It is not the intent of legislature to take all the flexibility away from management, but to give the legislature something to say about how much flexibility there is to be in an appropriation.

FLEXIBILITY

Mr. Dawson said he realized that there was some frustration on the part of legislature now. Mr. Lind questioned Sec. 3. Chairman Malone said it set out the purpose of the appropriation.

Mr. Lind asked if agencies would now be expected to use all their appropriation money. What if a project didn't require as much as was appropriated.

APPROPRIATION  
PURPOSE

Rep. Naughton said that the purpose of the appropriation would be carried out during the budget year. The authority wouldn't exist except at the veto stage to say that's not a good way to spend state funds.

Mr. Dawson said this would cut a lot of agencies in mid-year. Mr. Lind added that the purpose of the appropriation would have to be more clearly set out. This approach might increase the net amount because now one may have more than he needs, another enough, and another not enough. Currently funds can be shifted to where they are needed. With this bill the one with an excess would probably just enlarge his program, so net expenditures would probably increase.

Chairman Malone argued that if the amount of the appropriation was not clear to carry out a purpose, it would seem that legislature would make sure that they appropriated enough money. If it's an operation where flexibility is needed, the appropriation would probably be to a general department of state government. The budget bill would probably be written more carefully. Usually it is not much longer than six months after the beginning of a fiscal year before legislature is in session again. If Budget and Management came in and said that some of the people had too much and some too little, a change could be made at that time.

Mr. Lind said another spin off of this is that there would have to be some reference to a governor's contingency fund. Mr. Dawson agreed suggesting the possibility of a contingency fund for each commissioner.

CONTINGENCY

Mr. Lind said if this bill had been in effect this year the appropriation bill would have been done differently. If it had been known that it was impossible to shift between appropriations, the combinations of items would have been made differently.

The meeting was adjourned at 10:05.

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Tape H76-26  
Beg. 0000  
End 1540

Tape #: H 76-26

RECORDER LOG

Date: 2-17-76

Reg. #: 1540

1:35 pm

End #: \_\_\_\_\_

General Subject: Aviation Budget OPW

Present: John Denson Malcolm Haugen Wesley Buckholdt / Gary Hogan  
Director Pat Ryan Dep. Dir. Rick Holden Bill Hansen Chief Engineer  
Finance Committee

1:35 Rev. Ofc. Roger Stone Kud+And-Carl Branden

Log # Description

1555 Director Ryan explains airport certification problems

1780 Mal: at ANC Int. rental rate increase - highway capital fund  
Problems + changes in administration - no change. Security system  
change. Service is now contracted only w/ state. Aviation  
industry requested change as they can charge private security?  
cuts down airline cost. FAA approves security plan, standards  
are there -

1715 Mal - at ANC INT does airport have area where  
feds use + no rent charged? Yes. Customs. Pay re utilities with  
franchise. How many processed? 10,000 Rental sq ft. airlines?  
\$25 p. year p. sqft. Compared to commercial? (economical)

1760 Airport rental fees related to total aviation environment / franchise  
makes it diff. to speak to (Haugen asks about JAT future  
activity) ADAP Bill - N-S. runway: capital long budget

1813 Mal: what control do we have Restraining Council?  
who makes these decision re specific operating procedures  
(State) Transferring airport security analysis: who did it?

1840 Mal: Denders suggest that it was done by Public Safety  
Doubtful duty of state person: fire suppression or security function

1940 Does that reduction in employees reflect security org as contracted  
payroll?

1980 Mal: of 26 accident? Ans. main body gear is  
steerable. Engine trouble = ch 1 (flaring engine # 1)  
weather SE weather phenomenon 265 um thow, occurred during

Tape #: H. 76-26

RECORDER LOG

Date: 2-17-76

Beg. #: 1540

(2)

1:35 pm

End #: \_\_\_\_\_

General Subject: Aviation budget

Present: \_\_\_\_\_

Log #	Description
2400	Ryan says maybe in the Terminal advise on the bilingual tape could be done.
2430	Malone reiterates feeling of need for average flesh and blood inform. booth... who should do it? whoever does it best
2440	Trunk and secondary airport ops. Ex. Gambelli's continuous maintenance = how is this done?
50	Ryan. expounds: technology, weather, seasons, people- manulation, accidents, the new reflector system.
2540	Mal. Capet budgets <u>other</u> projects, airport ongoing improvements? (about 12 contracts for constr. + 35 man 1-4-76) If no fed. \$ come as expected 12 will go ahead. Malone asks for status report of all projects other than Int'l's & source funding
2580	Malone: Cold Bay dock? Use dolphins to secure the ship to use fuel lines out to tanker or use coastal tanker fuel storage capability.
2629	Revenue generated, military value
2648	Part of international airport system
2661	Buckholdt - advantages of being listed as international (Ryan response)
2683	Malone - projected operating expense for dock (Ryan response)

Tape #: H 76-26

RECORDER LOG

Date: 2-17-76

Beg. #: \_\_\_\_\_

(3)

1:35

End #: \_\_\_\_\_

General Subject: Aviation budget

Present: \_\_\_\_\_

Log #	Description
2712	<del>Malone</del> Decisions on areas needing airport or improvement, how made (Ryan response)
2742	Malone - people in communities should be able to make needs known (Ryan)
2768	Holder - Commission's decision to provide landing strips to communities not served now.
2783	# in design section & construction section of aviation
2792	# in planning section
2811	some positions charged to capital budget Request for list of positions (Malone)
2824	Maintenance in secondary airport program (Ryan)
2843	Buckholdt - status of airport near Barrow (Ryan)
2860	Ryan - encouragement of volunteer fire system, better service than paid system
2886	certification requirements
2900	coordinator position
2907	alarm system
2917	Malone - responses to volunteer concept



# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

Tape #: H 76-26

RECORDER LOG

Date: 2-17-76

Beg. #: 1540

1:35 pm

End #: \_\_\_\_\_

General Subject: Aviation Budget DPW

Present: John Duncan, Malme, Neugebauer, Bueckholdt / Gay Hogan  
Director Pat Ryan, Rep. Mr. Rich Holden, Bill Henson, Prof. Engler  
1:35 Rep. Mr. Roger Sherman Kudland-Carl Branders  
Finance Committee

Log # Description

1555 Director Ryan explains airport certification problems

1790 Mal: at ANA Int. rental rate increase - highway capital fund  
Problems + changes in administration - no change. Security system  
change. Service is now contracted only w/ state. Aviation  
industry requested change so they can choose private security?  
Costs down on airline cost. FAA approves security plan, standards  
are there -

1715 Mal - at ANA INT does airport have area where  
feds use + no rent charged? yes. customs. Pay re utilities with  
Bueckh. How many processed? 10,000 Rental sq. ft. airlines?  
\$225 p. year p. sqft. Compared to commercial? (economical)

1760 Airport rental fees related to total aviation environment / function  
makes it diff. to speak to (Neugebauer asks about JAT future  
activity?) ADAP Bill - N-S runway. capital long budget

1813 Mal: what control do we have. Restraining Counsel?  
Who makes these decision re. specific operating procedures  
(State) Transferring airport security analysis: who did it?

1840 Mal: Dandera suggest that it was done by Public Safety  
Doubtful. Duty of state person: fire suppression or security function

1920 Does that reduction in employees reflect security of as contracted people

1980 Mal: JAT accident? Ans. main body gear  
steerable. Engine trouble = (during engine # 1)  
weather SE weather phenomenon 265 in there, occurred during

a 1/2 yr wait. Attempting to correct a ~~stuck~~ slide  
nose gear skidded - body gear was turned in a  
direction that made a wrong turn instead of straight ahead.  
used reverse thrust on left engine, & wind effect on  
6 story high stabilizer, pushed him. JAL accepts the  
explanation. 35 mil dollar loss  
(Pilots seat is 3 stories high.)

2045 Buchholdt - re security guards. an exception by  
FAA to allow airlines to "police" their own security  
function. Loris's role.

2148 Mal. JAL Int'l losing money? Ans: ops. are  
tanker fuel. Load factor is such they don't need fueling.  
Fuel fees fall below op. breakeven so landing fees  
might make it up, partic. w/ Pan Am.

2230 Tie down facilities for float planes they will  
go to bid on their 5 acre area (Lake Hood) + dry dock  
planes on timbers, sand or whatever, accommodating 108 air-  
craft, saturating the market.

2280 At 2 I. airports how is custodial handled? (contracted)

2285 Information center, thru DOT funding, now dropt.  
anc. as a municipal responsibility, "fell down", & it closed.  
Is there no need for service to the travelling  
public?

2230 Buchholdt: Points to her former questions, concerns  
surrounding closure of visitor's center. Statewide,  
state should shoulder more of the responsibility in  
tourism promotion there, esp. toward the native  
traveller, who often doesn't speak English. Bi-lingual  
tape inside airports. 266 times. Who should take the  
lead state or private?

Tape #: H. 76-26

RECORDER LOG

Date: 2-17-76

Beg. #: 1540

(2)

1:55 pm

End #: \_\_\_\_\_

General Subject: Airport budget

Present: \_\_\_\_\_

Log #	Description
2400	Ryan says maybe in the Terminal advise on the bilingual tape could be done.
2430	Malone reiterates feeling of need-for-average Alaskan traveler inform booth... who should do it? (whoever does it best)
2440	Trunk and secondary airport ops. Ex. Gambell's continuous maintenance = how is this done?
2500	Ryan. regards: technology, weather, seasons, people- navigation, accidents, the new reflector system.
2540	Mal. Capet budgets other project, airport ongoing improvements? (about 12 contracts for contract + 35 man 1-4-76) If no fed. B come as expected 12 will go ahead. Malone asks for status reports of all projects other than Int'l's + sources funding
2580	Malone: Cold Bay dock? Use dolphins to secure the ship to use fuel lines out to tanker or use coastal tanker fuel storage capability.
2629	Revenue generated, military value
2648	Part of international airport system.
2661	Buehholdt - advantages of being listed as international (Ryan response)
2683	Malone - projected operating expense for dock (Ryan response)

Tape #: H 71-26

RECORDER LOG

Date: 2-17-76

Beg. #: \_\_\_\_\_

(3)

1:35

End #: \_\_\_\_\_

General Subject: Aviation budget

Present:

Log #	Description
2712	<del>Malone</del> Decisions on areas needing airport or improvement, how made (Ryan response)
2742	Malone - people in communities should be able to make needs known (Ryan)
2768	Holder - Commissioner's decision to provide landing strips to communities not served now
2783	# in design section & construction section of aviation
2792	# in planning section
2811	some positions charged to capital budget Request for list of positions (Malone)
2824	Maintenance in secondary airport program (Ryan)
2843	Buchholdt - status of airport near Barrow (Ryan)
2860	Ryan - encouragement of volunteer fire system, better service than paid system
2886	certification requirements
2900	coordinator position
2907	alarm system
2917	Malone - responses to volunteer concept



- 2925 initial problems (Ryan)  
2937 Ryan - meetings with Wien  
2948 Malone - insurance for volunteers (Ryan)  
2990 Termination of paid - fireman basis at Kotzebue  
need for care in selection of a man there (Ryan)  
3020 Malone summarizes the meeting - Legal  
Services will come next.

Legal Services representative

3203  
end

Tape #: 3200

RECORDER LOG

Date: 2-17-76

Beg. #: H76-26 and 27

End #: \_\_\_\_\_

General Subject: Waters & Harbors

Buckholtz Harbor, Duncan, Maline

Present: Don Statter, D.P.W. Mr. Small | Alison Turner  
Chief Engineer | Budget Analyst

Log #	Description
	Statter explains needs budget and selection of projects 1.3 spread statements
3303	Statter details staff and rationale for being shown as part of capt. budget. (they don't administer anything.) Regarding bond funds + general funds its 75% fuel-tax aggregate and 25% bond grants - prog → 1.3 mil program elements. → streamlined general regular gen'l fund program
3351	Maline the 8 mil dol B. Issue reflects what? In initial preparation they asked in excess of what they got. A "needs" bond - package then was made. Re. bond monies its diff. to tell what "grantee" will apply for. Duncan, asked 4 mil dol plan, got 1.4 mil.
H76-27	
0000	Statter discussing part-grant projects with explanation of priority S.A. of Sand Point (Maline)
85	Relationship between Corps of Engineers and State discussed by Haugen - discretionary fund raised to 2 mil by Feb
196	Discusses Wrangell w/ EDA - go for 6 (mil) Re large Eng'g Put your money where your 270 "is" - contingency prog. (Haugen)

239 State is going to have to pick up more  
its result of statehood catching up to us.  
and was reason for '72 bond package.  
to show the feds so they'll go ahead and  
work their projects

290 Malme asks if Statter will give project list,  
balance \$ to fund those today and  
a contingency statement of who + how projects  
can go on. (Bond)

420 machine turned off for a study period.

421 Haugen and Statter are discussing share of  
funding costs for corps of engineers project,  
and local communities falling thru.  
Haugen suggests working up a resolution  
for state to send to Congress, to get the  
Bureau of Budgets to appropriate the money.

what hurts is studies worked up, then no wash. following  
we have excess '07 funding - we need more  
projects. W.R. Ketch. Unalaska - Haunce,  
completed studies, viable figures, "now there is  
no '07" funds, (Statter) said the corps.

558 Haugen refers to increase of <sup>motor</sup> ~~water~~ fuel tax  
exclusion of non-propulsion fuel (ridiculous)  
Statter - we sold more fuel this yr.  
than last but rec'd less revenue. If he's living  
in the boat harbor so he gets her to pay no  
tax. (looking ~~at~~ heating purposes.)

Tape #: 1476-27

RECORDER LOG

Date: 2-17-76

Beg. #: 0000

End #: \_\_\_\_\_

General Subject:

Boats and Harbors

Present:

Log #	Description
640	The fund, due to loopholes, is not growing to keep pace with needs it is to serve.
660	Hunger kills of inequities in fuel practices on boats \$10,000 costs for a 100 ft boat berth and State writes off 100% of their fuel. Loose revenue at the fuel operator's pump; they don't charge it. Sport boats are being well taken care of & ought to be paying <sup>more</sup> fuel tax. In sea - pay \$6 a foot a month. House boat vs. reg. house is a tax steal.
0770	Is the fuel tax legislation coming to the legislative process? Malone - wants to close loopholes in present bill Stutter believes in eliminating all exemption rather than go the rate increase, but fears the fraction Malone - who determines the exemption? (the guy who sits in the boat harbor.)
880	meeting was adjourned. " " " "
(634)	(above tape numbers had have to all be re adjusted because of broken early - segment)

HOUSE FINANCE COMMITTEE  
Tuesday, February 17, 1976  
7:05 p.m.

All members were present except Reps. Itta, Naughton, and Guy. Others present were Andy Warwick, Commissioner of Administration; Kent Dawson and Ron Lind, Budget and Management; and Jay Hogan, Director, Legislative Finance.

PRESENT

Chairman Malone introduced Mr. Warwick and asked him to comment on HB 760.

HB 760

Mr. Warwick said that he had no argument with the bill, but they would like to point out some pitfalls. Sometimes it is prudent for money to be withheld because the need has been avoided. Mr. Dawson added that an example of this was the Department of Public Safety. The purchase of license plates was budgeted in two places. Another example Mr. Dawson cited was Department of Labor. A couple of years ago they had problems with overspending. They were given a monthly allowance until they got straightened out.

PITFALLS

Mr. Warwick said he personally agreed that the legislature needed more control over the moving of money between appropriation items. However, there are pitfalls. Mr. Dawson mentioned another example--the Boarding Home Program. The budget was made up with the assumption that the capital project would be completed and some kids would be housed there. The project was behind schedule, so the kids had to be covered through the regular boarding home program.

Rep. Mike Miller joined the meeting at 7:20.

Mr. Warwick referred to the governor's 8% cut. At this point we have turned loose of little of the money, but we would if it was absolutely necessary. This bill seems to be an attempt to preclude the governor from doing that.

8% CUT

Chairman Malone asked Mr. Warwick if he would endorse an amendment that carried language to the effect that the governor can cut appropriations only if he deems that the appropriation is greater than that necessary to execute the program at the level authorized by legislature. Mr. Warwick said perhaps the positive approach should be taken, saying that the governor or Budget and Management should.

Mr. Warwick said that perhaps the committee should say what they wanted to do with Sec. 3 and they could make suggestions on how that purpose could be accomplished.

Mr. Hogan said that when this bill was drafted, the draftsmen were striving for a situation where the governor would be given reduced authority to change appropriations.

Going back to the governor's 8% reduction, Mr. Warwick said that he felt the cuts had been made very carefully and legislative intent had been followed and service hadn't been decreased. Chairman Malone said that wasn't necessarily always true because in Kenai a position had originally been funded, then it was cut, so service was decreased.

In relation to vetoes, Mr. Dawson pointed out that the longer a session lasted, the less time the governor has to review things for veto. There has to be time to pay the bills. If eventually there was a session lasting until June 30 the governor would have no time to veto. Chairman Malone said he could appreciate that problem.

VETO TIME

Mr. Warwick explained the steps that were taken to effect the governor's 8% cut.

Chairman Malone asked administration if they would like to submit anything in writing on this bill. He asked that it be submitted by 1 p.m. tomorrow.

Mr. Warwick, Mr. Dawson, and Mr. Lind left the meeting at 7:50.

Chairman Malone said the next item on the agency was HB 483, HB 483 dealing with election recounts. He introduced Rep. Miller to speak on the bill.

Rep. Miller explained that under the present law when there was an election and there was a difference of less than  $\frac{1}{2}\%$  in the number of votes for two candidates, the state picks up the cost of a recount. This bill would change it to 1%. The other thing is in this same condition where the state picks up the tab for bonds. It just seems fair that if the difference in votes is 1% or less the state should pick up the tab for the recount.

Chairman Malone asked for questions from the committee. Rep. Itta moved that HB 483 be reported out. There was no objection, so the motion was adopted. The committee report was circulated with the majority signing "do pass" recommendation. So, HB 483 was reported out with a "do pass" recommendation.

HB 483  
DO PASS  
RECOMMENDATION

The next item on the agenda was HB 576. Chairman Malone directed the committee to the Jan. 29 memo from Rep. Bob Bradley of the Commerce Committee. One of the committee members, Rep. Rudd, objected to the wording in the top paragraph. Chairman Malone asked the committee to read the memo from Gary Jenkins. He's saying that perhaps the inventory of liquor is not as complete as it should be.

HB 576  
COMMERCE  
CS HB 576  
DO PASS  
RECOMMENDATION

The committee discussed when the tax was paid and the problems with the current system. The committee also discussed the differences in the original bill and the Commerce committee substitute. Chairman Malone read the Commerce committee substitute. He said he would like to get the bill out of the committee, and he felt Commerce had made up a good committee substitute.

Rep. Haugen moved that the committee substitute be reported out. Mr. Hogan suggested that the change suggested by Rep. Rudd be made by an amendment. There were no objections to reporting out the amended Commerce committee substitute. The committee report was circulated with the majority signing "do pass" recommendation, so the amended Commerce committee substitute for HB 576 was reported out with a "do pass" recommendation.

There was discussion on the problem of slippage of funds. Rep. Haugen expressed concern over this problem. Chairman Malone asked Rep. Haugen to look into the problem and invite people to testify to the committee.

The remainder of the meeting was spent in discussing assignment of bills. The meeting was adjourned at 8:35 p.m.

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Tape H76-27  
Beg. 0649  
End 2164

HOUSE FINANCE COMMITTEE

wed. February 18, 1976  
8:30 a.m.

Chairman Malone called the meeting to order at 8:30 a.m. with the following members out of town and excused: Naughton, Guy, Itta. Other members were present.

House Bills 487,739 and SB 530 were on the agenda and taken up before the committee. HB 487

HB 487, Foster Home Care, with a zero fiscal note, was introduced to the committee by its sponsor, Rep. Kelley. She gave reasons which primarily pointed to a breakdown in the information about extra services available to foster children and which foster parents were unaware and therefore did not receive. This bill was to overcome the problem by providing parents a simple and direct reference by which they could obtain these already-budgeted services through the Department of Health and Social Services.

SERVICES  
FUNDED BUT NOT  
KNOWN OF

Gene Smith, comptroller for the department, introduced Connie Hansen, who answered questions concerning the breakdown in information processes within the department so that the parents were not receiving the clothing, etc., for the foster care children. She identified the cause to be one of rapid personnel turnover and inadequate time and training to absorb the complexity of information they needed to give foster parents. In answer to a question, she said there were vendors in Fairbanks who would not accept state coupons for eye glasses. Rep. Haugen thought the problem should come right out in the open, and run it like a business. Where need was provided for, the money should be available to the parents, without a bill.

Mr. Smith then introduced Alice Jackinsky of the division of public assistance who explained the processing of eligibility. It took just three days to two weeks for the claim to get out of her office, but was then held up in the department of administration where the keypunch process could take three weeks to two months. Answering Duncan's question, she said they had one keypunch operator, three machines, and were training three accounting clerks to operate them. There was a terminal in her office which prints out the process claims, and Smith added it was part of an effort to computerize the department.

CLAIMS  
PROCESSING

NEW COMPUTERI-  
ZATION

Rep. Haugen concluded it was both machines and people that together created the problem of not getting services to people.

Chairman Malone brought SB 530 to the committee's attention, special appropriation to HSS for vendor claims in the amount of \$4,669.32, with an addition attached by memorandum bringing it up to \$5,669.32. A few general vendor bills from other divisions were in it, and Gene Smith, comptroller, went over them. Chairman Malone, looking over some of the bills, asked why four years had elapsed and those bills were not yet paid. Smith referred to the audit as the cause.

A  
SB 530

Smith introduced Alice Jackinsky again, who explained why these bills came in as a result of vendors not receiving coupons from the categorial recipients. Physicians, hospitals and pharmacies would give out services without getting a coupon from the recipient. The department received the bill, then had to go through their records to see if the person was eligible or not. This created delay and in some cases, refusal to pay. For example, they are not to pay for glasses to anyone except a child under 21, and categorial persons only, or an early screening referral. GR med cannot receive, unless it states, she said.

VENDOR  
CLAIMS

COUPON  
PROBLEM

In answer to the question by Buchholdt, a "categorical recipient" means classes of eligibility -- old age, blind, etc.

The chairman brought up the additional request and it was explained that it was to cover miscellaneous prior year bills, detailed on the attachment. (See bill file). \$592.37 of it was in the medicaid BRU. The remainder was in the crippled children's component of child and family health BRU.

MISCEL.  
ATTACHMENT

Rep. Gruening brought up the question of having the finance committee ammend the bill. Following procedure, said the chairman, the Budget and Management people had made no determination on it. Smith referred to a time delay, saying there were additional bills coming over and they had no objection to a delay.

Chairman Malone asked for additional backup from Smith, and it was promised. The bill was rescheduled for action.

HB 739, special appropriation to the office of the governor for a special state-wide census was brought up by the chairman, next. He introduced Kay Allred, of the governor's office of policy development and planning. She told the committee there was a sense of urgency about this bill because of the agreement with the Bureau of Census to begin expiditing the process by March 1st for a September 1 census take. Asked for the purpose, she said the state is being deprived their fair share of federal funds, that the distribution of revenue funding was a question, also due to population surges in given areas within the state. In addition, local governments have been considering special censuses for their boroughs or cities because they cannot accept the federal census figures. She further pointed to to the disparity among projected census figures done by various departments of the state

HB 739

CENSUS  
JUSTIFICA-  
TION

government, and pointed out there would be more money spent on ongoing work in the state to obtain correct demographic information. The Bureau of Census figures were considerably behind the various state's estimates, she said, referring to figures of 404,000 as a median projection.

When asked by Cowper about standards expected by the Bureau of Census regarding acceptance of the census figures, Allred said that the Bureau conducts the census and the state is required to pay them (the Census Bureau) \$100,000 and the rest of the figure (total of \$750,000) will be spent within the state. Buchholdt asked how much the federal government contributes. The answer was none, that you were not allowed to pay for any of the census out of federal funds.

COST

Chairman Malone asked what kind of a revenue return increase there was going to be and Allred said they came up with a 1.5 million the first year.

Chairman Malone asked for more information concerning their formulas to estimate increased monies for programs.

The chairman asked the meaning in the several cut-off dates listed on the analytic statement and she said they were based on scheduling by the Bureau of Census, things that had to be done to get the census done by and on September 1st.

The question of reapportionment of election districts was brought up by Cowper, as to what was the governor's intention? Allred referred to the attorney general's letter to the governor (see bill file).

She said it was unconstitutional, that the constitution does not provide for it.

Haugen asked if they took into account the fact that the state might lose the money when native lands get into private ownership. Highway funds, which is one of the sources for receiving monies from this supplement, might be withdrawn (for large areas). He asserted that there is going to be a substantial drop there. Instead of 8%, the state will come up with 20% with money available to us under the trust fund.

QUESTION OF  
HIGHWAY  
ALLOCATION

Allred said they primarily looked at the HSS and not highway funds.

Chairman Malone perused the backup material, reading a portion of the analytic statement about federal grant allocation increases which are projected on the basis of increased census figures. After reading the final paragraph of the letter of the attorney general to the governor regarding the federal constitutional requirement that reapportionment need not be done more frequently than 10-year periods and there was no justification for ignoring the state constitutional

MORE HOME-  
WORK TIME  
REQUIRED

requirement that the reapportionment plan be effective until ADJOURNMENT after the next decennial census, he announced that further work will be done on this bill at the next morning meeting.

The meeting was adjourned.

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Tape H76-27  
Begin: 2165  
End: 2500

mb

Tape #: H 76-27

RECORDER LOG

Date: 2-18-76

Beg. #: 3015 op

1:15

End #: on tape

General Subject: New of Buildings Budget

G. G. Post

Present: Buchh. Duncan, Malone, / Dir of Bldgs: Leo MacLennan, Bill Rice, Mr. Alison Farnon, Tom  
J. Steel, Adm. Serv. Office

Log #	Description
3023	We are waiting for bond sales plan a building How well the bill that's in effect your work (Malone) (We will give a yr. & reimburse with proceeds.)
3053	Short form, nice format, p 109 on. Planning, design function a service organiz. Hire architect, engineer, survey thro. for owner plan, design, bid, contract, admin. contract, construction do maintenance; rural schools court system both do own.
3100	Step by step, how would you build a courthouse? (Malone)
3120	Where are checkoff points in the procedure of <sup>ordering the</sup> project? User agency would participate in planning. Do you keep documentation of their input in the design. (Malone) What stages in the process is there coordination? (Depts. differ in degree of interest in the process). Is there a formal process at the check points.
3165	81 what is def. of a minor change order? (authorized \$ 5,000 & over must go thru comm's office.)
3171	How do you develop a budget on a project? How is the overhead % developed. 2% seem low. (Based on experience but the inflation is creating a hind) now close to 10% exceptn, admin. planning dept.
3218	Malone - justifies his question. Malcomson Kenadi courthouse problem inadequately designed. Heating etc. (ars - because trying to st. 280 then the budget)



Tape #: H 76-28

RECORDER LOG

Date: 2-18-76

Beg. #: 0000

1:15

End #:

General Subject: Budget for Building Division

Present:

Log #	Description
554	Malone question 2% overhead figure.
625	Lack of staff. Public concern. non-allocation a problem? Advance planning fund will help. Inflation rates (18%) - based on Sea's 13.7. Bids now coming in far less than estimate
680	Local differences regarding building types & sq ft cost. (Quite a lot) 50% cost variation between localities <sup>same</sup> build
702	
869	Pop. Improvement Budget Program for FY76
<del>851</del>	\$459,000 in gov.'s books. gen fund expenditures
F	Change over in working out of detailed blue books - Capital budget summary.
	Discussion of Bethel high school Project transf'd to Educ. Budy Sprinkler system won't be nec. after resale of its comp. Discussion of boiler replacement governor's recommendation. "Phantom funding" source? (Malone) Carl answers -
1180	Also _____ issues
	<sup>Pioneer Home</sup> <del>Also</del> Katschue fire marshall causes change in bldg. code
1182	Kenzon says that coordination is lacking between local fire chief & bldgs. Discussion of technology & req for fireproofing - contextual changes. <span style="float: right;">→</span>
	What caused. item <sup>808</sup> change there 282 it went thru gov's budget review committee basis 2. when will it operate

HOUSE FINANCE COMMITTEE  
February 18, 1976  
1:30 p.m.

The meeting was called to order by Chairman Malone. Those present were Representatives Groening, Haugen, Cowper, Buchholdt and budget analyst Alison Farnan, and Jay Hogan of Legislative Finance.

HB 760 was under consideration. Mr. Hogan suggested they drop the reference to "item", section (4) of the bill except where it indicates a line item of expenditure, and attach it to the bill in the form of an ammendment. He said they might wish to establish a list of objects of expenditures. HB 760

ADJOURNMENT

Haugen moved to report the bill out with unanimous consent. Hearing no objection, this was done. The meeting was adjourned. (They continued on into budget hearings.)

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Tape H76-27  
Begin: 2500  
End: 2640 approx.

mb

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

Tape #: H 76-27

RECORDER LOG

Date: 2-18-76

Beg. #: 3:015 ap

1:15

End #: of tape

General Subject: Rev. of Buildings Budget

G. G. Gint

Present: Buchh. Duncan, Malone, / Dir. of Bldgs: Geo. MacCurran, Bill Rice, Jr.,  
William Farnon Tom J. Steele, Adminstr. Office

Log #	Description
3023	We are reacting for bond sales plan a building How will the bill that's in effect your work (Malone) (We will give a yr. & reimburse with proceeds)
3053	Short form, a/c format, p 109 on Planning, design function a service orgniz. How architect, engineer, carry thru for owner plan, design, bid, contract, adminstr. of contract, construction to maintenance, rural schools, court system both do own.
3100	Step by step, how would you build a courthouse? (Malone)
3120	Where are checkoff points in the procedure of <sup>involving the</sup> project? How agency would participate in planning. Do you keep documentation of their input in the design (Malone) what stages in the process is there coordination? (Depts. differ in degree of interest in the process). Is there a formal process at the check points.
3165	Is there a formal process at the check points.
81	What is def. of a minor change order? (authorized \$ 5,000 & over must go thru Comm's office.)
3171	How do you develop a budget on a project? How is the overhead % developed. 2% seems low. (Based on experience but the inflation is creating a hind) now close to 10% inspectn, admin, planning, design.
3216	Malone - justifies his question. Discusses Kenadi courthouse problem inadequately designed. Heating etc. (ans. - because trying to st. 280 then the budget)



Malone asks again how user agency phases into the construction.

Buchholdt - when an occupant does not like the structure he has the prerogative to change?

H-7628 = 0000

How did it work with school projects?  
SOS. problem to get \$ from. new procedure has to be organized.

- 82 development statement of planning and design (red book) malone asks for elaboration (adding more architects & personnel)

what status <sup>costing system</sup> life cycle application (malone) no one.

240 Carl says Bill Halder, dep. comm. DPW is working on this. no approp. = no implementing of life-cycle system.

255 malone wants written narrative of history of bill for approp. to occupancy.

293 In an average construct season how many in field? Inspectors \$ out of capital costs. Is concerned there'll not be any work this summer for Pl. & Design.

344 Inadequate inspection at Bethel. Inadequate money for level of inspection.

malone point out that without adequate inspection a contractor can change construction plans.

440 What other problems, program or administration?

475 130 mil is a regular construct year. People who have resp. for organizing. (Total of ~~100~~ about 40- people)

530 malone says comparatively, that's not enough to run the program. Labor difficulties discussed concern. inspectors.

Tape #: H 76-2P

RECORDER LOG

Date: 2-18-76

Beg. #: 0000

1:15

End #: \_\_\_\_\_

General Subject: Budget for Building Division

Present:

Log #	Description
554	Malone question 2% overhead figures.
625	Lack of staff. Public concern. non-allocation a problem? Advance planning fund will help. Inflation rate (18%) - based on Sea's 13.7. Bids now coming in far less than estimate
680	Local differences comparing building types. g.s.g ft cost. (Quite a lot) 50% cost variation between localities <sup>same bldg</sup>
722	
869	Pop. Improvement Budget Program for FY76
<del>861</del>	\$459,000 in gov.'s books. gen fund expenditures
F	Change over in working out of detailed blue books - Capital budget summary.
	Discussion of Bethel highschool. Project transf'd to Educ. Budget Sprinkler system won't be nec. after smoke w/ris comp. Discussion of boiler replacement governor's recommendation. "Phantom funding" source? (Malone) Carl answers -
1030	Also _____ answers
	<sup>Pioneer Home</sup> <del>Bldg</del> Katzokue fire marshall causes change in bldg. code
1182	Kunze says that coordination is lacking between local fire chief & bldgs. Discussion of technology & req for fireproofing - controversial changes.
	What caused items? Change there gov's budget review committee decision 282 it went thru 2. when will it operate!

foundation difficulty there

- 1270 Malme asks for opinion on ironing out the problems regarding these req changes during construction phase? (Interpretation of existing standards).  
Consultants which say "in their opinion" - good for that day
- 1324 Dillingham - 7 state buildings needing hookup to the septon - as septon tanks are affecting surrounding property. (Lough notices "first cost" element of that line item. 3 grand reduction should be shown in ann. operating costs.
- 1400 Malme - Buchholdt asks about One Pioneer Home Phase II started - got out of ground - to be restarted <sup>planned</sup> in spring + be compl then or fall. one lot bought for parking lot. \$40,000 cost (downtown).
- 1440 Maintenance budget - biggest single item.  
How many bldgs. (40 - 30 major ones)  
(Sec. McCurray) p 1215 interagency Bldg Listed.
- 1493 Sq. foot cost - maint. ? 3 1/2 - \$6 p sq ft. wide variation  
Re. crushers cost.
- 1560 Duncan - Why block off parking stalls with steps at corner in capital - (snow storage)
- 1675 Duncan did you do the landscaping around the new bldg. in January?
- 85 Malme - if you drop off landscaping does it cost more to come back + do it later? (no problem - only wages might go up)
- 1730 P. 115 - asks for clarification - Malme (gives form).
- 1736 Summary

HOUSE FINANCE COMMITTEE  
February 18, 1976  
1:30 p.m.

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ADJOURNMENT

Haugen moved to report the bill out with unanimous consent. Hearing no objection, this was done. The meeting was adjourned. (They continued on into budget hearings.)

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Tape H76-27  
Begin: 2500  
End: 2640 approx.

mb

Tape #: H 76-28

RECORDER LOG

Date: 2-18-76  
3:45 p.m. -  
5 p.m.

Beg. #: 1742

End #: 2879

General Subject: Military Affairs - Budget

Present: Maj. Gen. Neerason, Adjutant General; Lois Richardson, Dir. Financial + Fiscal Div.; Russell Anderson, Wing Commander, CAP; Russ. Malone, Buchholdt, Dungen, Hanger, Cooper, Gruening, Robert Schroeder, Fiscal Analyst, Log. Finance

Log #	Description
1742	meeting covered at 3:45.
1761	<u>Neerason</u> - introductions
1780	3 segments
1784	overview
1789	Civil Air Patrol - # increase
1805	objectives
1819	long range objectives
1841	Alaska disaster office - objectives
1874	# increase in budget
1892	Military preparedness - National Guard
1909	objectives
1923	# increase in budget
1927	long range objectives
1934	Summary of overview
1955	conversion of Hercules
1972	Federal contribution & state contribution
	to National Guard (ratio)
1985	Technician work level
1997	Recruitment - National Guard
2021	Buchholdt - # communities not covered by
	National Guard (Neerason) locations covered



- 2070 criteria for selection of community
- 2077 Haugen - requirements for National Guard
- 2092 Natives in National Guard
- 2106 Schroeder - \$ from fed. govt, where does it appear (Neerason) federal budget & state budget
- 2142 Buchholdt - Home generator (Newbury)
- 2187 Neerason - power plants, generators
- 2220 Haugen - normal overhead budget (Neerason)
- 2252 Anderson - line by line explanation of expenditures
- 2278 Buchholdt - # phone (Anderson)
- 2313 Gruening - equipment (Johnson)
- 2334 Schroeder - per diem, travel (Newbury)
- 2389 Buchholdt - city participation (
- 2410 Gruening - radiology program
- 2495 Schroeder - land rented from Natural Resources
- 2552 Schroeder - Federal archives positions discrepancy
- 2600 Capital Budget
- 2608 Mines construction contingency fund
- 2641 replenishment
- 2682 Organizational maintenance
- 2727 OMS (3 bldg.)
- 2747 Anchorage archives
- 2760 federally funded bldgs. eventually become state bldgs.
- 2800 AG's opinion
- 2818 Fort Richardson

Tape #: H 76-28

RECORDER LOG

Date: 2-18-76

Beg. #: \_\_\_\_\_

End #: \_\_\_\_\_

General Subject: military affairs - budget

Present: \_\_\_\_\_

Log #	Description
2833	<u>Fort Richardson surplus bldgs</u>
2850	<u>annual training site</u>
2879	<u>meeting adjourned 5:00</u>

General Subject: Dept. of Law - budgetPresent: Ross Malone, Duncan, Haugen, Cooper,Ann Gross Attorney General; Wm L Condon, Dep. AG; StanleyFischer Chief Consumer Protection Section; Mike ClemmonsAdministration; Dan Hickey, Dep. A.G. Criminal Affairs; Robert Schroeder,Log # Fiscal Analyst; Eugene [unclear] Dep. Administration;2898 Condon -2909 Consumer protection program - overview2927 Fischer  
Consumer protection budget - officesplans and goals - action program3012 budget request increase - contractual services3029 Haugen - question on action position (Fischer)3064 Malone - why part-time position ~~is~~ removed in  
Anti Anchorage (Fischer)3080 Gross - explanation of part-time position3094 Fischer - necessity for position3110 Gross - Ketchikan can be handled through  
Juneau3121 Malone - Anti-trust Act (Gross)3135 Clemmons - governor's action on consumer  
protection budget position removal3156 Gross - use of volunteers for consumer  
protection3194 Haugen - service problems - mechanics and  
gas stations3207 Gross - involvement in response to complaints3217 Fischer - reaction to complaints

- 3232 Fischer - California's licensing program
- 3240 Couper - self-help auto repair
- 3262 Request for statistics
- 3268 Prosecution Program
- 3272 Hickey - explanation of positions
- 3297 statistics
- 3301 highlights of budget submission
- 3322 new positions
- 3371 Couper - secretaries' role in screening
- 3381 Gross - ~~madame~~ complaints
- 3387 Hickey -  
Change Tape to H 76-29
- 0000 Malone - Kodiak, Bethel, + Anchorage staffing  
(Hickey)
- 0096 justification for positions (Malone)
- 0127 Gross -
- 0162 Hickey -
- ~~0186~~ 0212 Malone - budget
- 0247 Gross - impact of plea bargaining -  
need for clerical help.
- 0401 Hickey - plea bargaining - Anchorage office
- 0600 Couper - Truesen report, other report (Hickey)
- 0626 Hickey - increase in appeals
- 0651 Request for statistics
- 0665 Couper - position for Valdez and Glennallen
- 0743 Hickey - losing secretarial people - uncompensated  
overtime

Tape #: H 76-29

RECORDER LOG

Date: 2-19-76

Beg. #: \_\_\_\_\_

1:30

End #: \_\_\_\_\_

General Subject: Dept. of Law - Budget

Present: \_\_\_\_\_

Log #	Description
0780	Malone - observation on budget
0809	Hickey - Kodak problems
0826	Schroeder - Accounting clerk & technician positions
0883	Cowper - Administrative services positions (Hickey)
0925	<u>General Government -</u>
0933	Cordon - legal services program budget
0946	need for clerical positions
102-2	Malone request for statistics
1055	Malone - outcome of cases listed in budget (Cordon) (Hickey)
1092	Malone - no means of comparing figures listed
1120	Cordon - wide variance of case types make statistical comparison difficult
1200	Cordon - only meaningful comparison is comparison with private sector staffing
1266	Malone - detail on current positions - how current
1300	request for information on amount of clerical work done by attorneys
1311	Cordon - new positions
1367	volume of transactions (Lyon)



- 1392 Malone - how does system work now  
(Lawn)
- 1428 How long for payment of bills (Lawn)
- 1464 Malone - Dept. of Law, status on natural  
gas pipeline situation (Condon)
- 1503 Malone - immediate plans in response to  
lease sales in gulf (Condon)
- 1527 Malone - preparation for establishment of  
tariff on pipeline (Condon)
- 1570 Malone - What does ICC have to do with  
Kenai pipeline (Condon)
- 1626 Cooper - shift of responsibility from APC  
to Dept. of Law
- 1675 Malone - why is janitorial cost and insurance  
cost still in budget for space not  
occupied (Lawn)
- 1752 Contractual services money
- 1767 Statistics on civil cases
- 1847 meeting adjourned 3:30

Tape #: A76-29

RECORDER LOG

Thurs.

Date: 2-19-76

Beg. #: 1856

9pm -

End #: 3067

5:35

General Subject: Marine Highways Budget Hearings 4pm

Present: Duncan, Haugen, Malone  
(Jay Nagas I.D.)

Carl Dander Sr. M. Bill Hudson, Mr. Marine Highway

Log #	Description
1880	Hudson ship - summer op. <sup>usually</sup> same last year - enumerate
1850	Enumerates items. Budget covers general terms.
mine all numbers up 30	Winter ops - matk. will go off <sup>budget</sup> lines for stretch <sup>27</sup> Bartlett again offline. <sup>normal winter maintenance</sup> Columb. Malaga Tabu + Eastern
1935	at anyone time in winter - 2 ships at time (Duncan)
	Question re. change in vessel stretch rather than top-edges Duncan asks what austerity "no gingerbread" means
2000	" When you stretch <sup>this thing</sup> how will dimensions be <sup>will affect</sup> <sup>d.r.</sup> stay the same
2010	If public accept <sup>conversion</sup> Matkambas change, will repeat <sup>the same thing</sup> <sup>during 19-5</sup>
2040	Lieber will discuss be <sup>interested</sup> <sup>young</sup> <sup>in</sup> <sup>change</sup> the d. rooms + 2 plans - (1) <sup>make</sup> <sup>galley</sup> <sup>arrangement</sup> (2) <sup>ready</sup> <sup>to</sup> <sup>proceed</sup> <sup>full</sup> (3) 1977 Jan. 1st <sup>shipped</sup> <sup>would</sup> <sup>have</sup> <sup>to</sup> <sup>have</sup> <sup>go</sup> , or no-go. <sup>to</sup> <sup>have</sup> <sup>then</sup> <sup>receipt</sup>
2050	Haugen - Re. the design austerity - elevators
2077	(It is in there) Is there a place for baby w/ mother?
2111	Haugen Setup chairs - recliners <sup>old</sup> <sup>to</sup> <sup>use</sup> <sup>in</sup> <sup>recre</sup>
2127	Handicapped up-grade equipment <sup>school</sup> <sup>facilities</sup> <sup>want</sup> <sup>to</sup> <sup>industry</sup> <sup>to</sup> not really <sup>badly</sup> <sup>but</sup> <sup>page</sup> <sup>definitely</sup> <sup>Malaga</sup> <sup>now</sup> <sup>at</sup> <sup>201</sup> <sup>cost</sup> <sup>of</sup> <sup>the</sup> <sup>ship</sup> Make it easier (elevators <sup>planning</sup> <sup>a</sup> <sup>gar</sup> <sup>age</sup> <sup>for</sup> <sup>the</sup> <sup>project</sup> <sup>for</sup> <sup>1978</sup> ) - gift shops <sup>shd</sup> <sup>go</sup> <sup>back</sup> <sup>to</sup> <sup>drop</sup> <sup>+</sup> <sup>condria</sup> <sup>to</sup> <sup>garage</sup> <sup>area</sup> another r.v.p. <sup>to</sup> <sup>be</sup> <sup>done</sup> <sup>in</sup> <sup>the</sup> <sup>area</sup>
	+ buffet style operation is acclaimed by a majority in meeting thruout state by mid March -
	Columbia, trying to get cost factor. To do the conversion to send on to <sup>conversion</sup> <sup>from</sup> <sup>time</sup> <sup>is</sup> <sup>a</sup> <sup>factor</sup> <sup>in</sup> <sup>the</sup> conversion. <sup>How</sup> <sup>many</sup> <sup>?</sup> (60 days) 29?

Tape #: H 76-27

RECORDER LOG

Date: 2-19-76

Beg. #: 1856

4 pm

End #: \_\_\_\_\_

2

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2190	Hudson compares dining room & cafeteria modifications process & extent.
2205	What are you going to do w/ the seal? (we want it here)
2212	Hagan - hull work on Malaga, not engine. bow & stern & engine room remain. How does this relate to overall value & life of ship? Stated vessel adds 10 years to passenger area - a major rehab is essential. He
2230	elaborates re. piping; - gained nothing on power package unless very soon we come up w/ a viable preventative maintenance program, so we can preclude the 4 mil \$ job coming 7 yrs out.
2263	Hull's look good, for 20 more years.
2278	Hagan - How we been having a prevent. maint. prog. how many years will engine etc last?
	Hagan How many re-boars can these ships stand?
2300	Black assembly - (crank shaft on mat konaka) we may have to start replacing w/ interior generator
2315	12 liners on the Taku this winter. <del>then</del>
Hagan	Exactly same stretch on Mat. & Malaga - How much will this affect power package update right after the stretch goes over?
2337	What are major characteristics of this preventative power package
2340	Hudson lists & describes

Tape #: H76-29

## RECORDER LOG

Date: 2-19-76Beg. #: 1856

3

4pm

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2354	Haugen - Columbia fiasco: a <sup>gt</sup> marine engineer needed Hickman - Squalling people - now using some from coast guard. naval engineer.
2376	We need to get some more <sup>new</sup> blood
2383	Max Zubenda <sup>(sp)</sup> is a good new man
2390	Haugen - vibration on Columbia is terrible
2404	Hudson - very limited staff - it's hard to keep up with even day to day catastrophes
2427	Haugen - workmanship on Columbia poor
2438	Hudson - 16 tons incinerator in stack of Malaspina
2453	Duncan - On skagway dock improvements
2463	Hudson - Explanation of layout at Skagway
2506	<del>But</del> - Why not stern load it (Hudson agrees)
2521	side loading slower than stern
2524	<del>Hickman</del> - list of safety requests
2535	Hudson - disagrees with anti-collision radars
2543	stabilizers
2548	gyro - repeaters
2555	2 radars on every ship
2559	anti-icing

Beg. #: \_\_\_\_\_

(4)

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2572	additional bow thruster on Columbia
2581	radar magnifier for Columbia
2587	first aid station - hospital training
2602	removing out of revenue cabins
2614	<del>Anti</del> lawsuit in '72 accident -
	passengers loading, separate vehicular and passenger gangways
2626	(Hudson response) have to come up with crew complement, passenger gangways
2639	additional pursers
2645	elevators
2655	Haugen - Have you gone to Carol massie or _____ in Seattle, tuna boats
2673	Malone - Duke Bay terminal improvements \$3 million improvements - impact on downtown furcous dock
2685	(Hudson response) tripling staging area at Duke Bay - insufficient docks \$2.5 million will increase staging area, other for terminal

Beg. #: \_\_\_\_\_

(5)

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2708	Malone - impact on Junesau (Hudson response) sanitary system - fresh water
2718	Columbia needs lots of water
2728	Hudson - <del>not</del> ultimately Junesau will have to be eliminated - Duke Bay more economical
2738	Malone - fresh water facility (available to other craft) (Hudson response)
2752	Hudson - request for observation tower by whale counters and eagle watchers
2764	Malone - water available for public
2777	Hogan - Is there sufficient water there (Hudson response)
2786	Haugen - study by Hilman and Associates Duke Bay site
2817	Downtown terminal will not accommodate all traffic
2823	Touring vessels conflict
2831	Hudson - rough work is done
2835	Haugen - industry moving to valley. Sailor traffic

Beg. #: \_\_\_\_\_

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2846	Revenue of ski package from Seattle to Innsbruck for Eaglecrest
2859	Malone - status of proposal for Bellingham terminal -
2864	Hudson - Consultant hired to make economic study
2871	Hudson - personal observations - legitimate study Bellingham could mean \$ in the future, concern for amount of space in existing Seattle terminal
2885	Malone - He and Gillespie in last week. On verge of signing lease?
2895	Malone - does Klydenberg have financial interest in Bellingham (Hudson response)
2905	Malone - If he did have financial interest would it be conflict of interest.
2916	Malone - if rumor is true or not
2920	Hudson - in last 3 weeks inferred charges about Klydenberg. He isn't thief, his European.
2944	Malone -

Tape #: H 76-29

RECORDER LOG

Date: 2-19-76

Beg. #: \_\_\_\_\_

⑦

End #: \_\_\_\_\_

General Subject: \_\_\_\_\_

Present: \_\_\_\_\_

Log #	Description
2951	Malone - suggestions on scheduling of ships
2954	Haugen - avoid Sitka run. Helman Report said don't lose time running main line vessels to Sitka. Sitka should have smaller ship. LeConte should have gone to Sitka.
[redacted]	Haugen - good workmanship on LeConte.
3007	Hogan - State fleet value over \$100 million. No in-house technical expertise for design of ships. Bad advice from Nickerson - Spalding people.
3045	Hudson - prior year requests for naval architect. We are in left field not having in-house expertise.
3061	Haugen - That was audit person from Seattle's recommendation.
3067	meeting adjourned - 5:35