

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2587

HOUSE FINANCE COMMITTEE  
Friday, April 9, 1976  
8:30 a.m.

Members present: All members were present except Rep. Naughton.

PRESENT

Others present: Dr. Nat Cole, Deputy Commissioner, Department of Education.

The meeting was called to order and the first bill for discussion was HB 897. Rep. Haugen moved and asked unanimous consent to report the bill out of committee. The committee report was circulated with the majority signing "do pass" recommendation. So, HB 897 was reported out with a "do pass" recommendation.

HB 897  
REPORTED OUT  
DO PASS REC

Rep. Maloned asked Rep. Gruening to explain the education bills. Rep. Gruening said that the first one is HB 601 which raises the rate of funding from 93% to 95% and has a fiscal impact of \$2,000,000.

HB 601

Dr. Cole said that his presence at the meeting did not necessarily mean that Department of Education was supporting passage of this bill. He was merely present to help explain it. We believe there are problems and inequities and we need a study (\$35,000) to help find where and what they are.

Rep. Naughton joined the meeting at 8:55.

Rep. Gruening asked Dr. Cole what the department approach was. Dr. Cole answered that they would recommend that whatever legislature does they do something that approximates an increase that would cover anticipated inflation. We have set somewhere around 8% and 10% as an estimate of inflation during the '77 school year. To raise to necessary changes we started at 93% and 23.5 on the instructional unit. \$1,500 for each REAA would provide 6-8%. \$1,000 on the instructional unit runs about 4%. If you take \$500 on instructional unit the percentage increase would be 8-10%.

Rep. Gruening asked if Department of Education was planning to follow this up and have something next session. Dr. Cole said they would recommend that nothing be done this session with changing the law. We would be happy to come back next year if a study had been done and ask for a supplemental. We recommend

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going ahead with the study and bringing back a recommendation HB 601 on how to solve the problems next year. We are really in no position now to give a recommendation.

Rep. Gruening asked Dr. Cole what kind of a contingency fund he would be talking about. Dr. Cole said it looked like between 3 and 4 million dollars. Rep. Malone asked about the number of districts affected. Dr. Cole said probably a maximum of six, but we are using the '75 audit.

Rep. Haugen commented that the committee had heard him make the statement about 100% support by the state through the foundation. As long as you are going to make this other study include in it the percentage it would take to fund 100% of education by the state. Does it take 106% or 108%. People are getting tired of increased taxes. Rep. Gruening agreed that it would probably approach 100%. Dr. Cole said the other side of 100% is that you have to pay and that's as far as it goes. Rep. Haugen said the state would take the full cost from the general fund. Dr. Cole said there would have to be a lid written into the law.

(Tape changed to H76-63)

Rep. Gruening asked Dr. Cole about meeting projected inflation. Dr. Cole answered that in order to meet it you would have to go from \$500 to \$1,000 per instructional unit. Rep. Gruening asked how the \$25,000 related. Dr. Cole said that the increase from \$23,000 to \$25,000 would pick up between 6% and 7% or on some between 7% and 8%. There's around \$10.5 million which is built into the statute by raising from \$23,000 to \$25,000. It would raise city and borough school districts roughly 6%. The REAAs would approach 7-8%. We are projecting that the local effort will go up \$100.

Dr. Cole continued saying maybe it would be worthwhile to try and address the inflation problem. Depending on how you treat mini 874 it's an important factor. SB 491 would plug the loopholes of mini 874. Roughly the cost of SB 491 would be \$1.3 million. SB 491

Rep. Gruening asked what the fiscal note was on the reading program. Dr. Cole answered that it was \$900,000. On the basic skills in the CS for SB 599 we chose this approach. We are developing criteria for testing in reading and mathematics. Rep. Malone asked if the idea of the SB 599

foundation wasn't to provide support for the basic elements of education. Dr. Cole said that was the primary plan, but there are so many tenured teachers who cannot address the problem.

SB 599

Rep. Malone commented that it seems absurd to add on a program to get to the basic skills that are supposed to be part of our public school curriculum. If the people aren't doing what they should, the DOE should say that they will establish within the foundation allotment basic programs that will do the job.

Rep. Malone asked what the reaction of the local boards was to the problem. Dr. Cole said they hadn't gone that far. The subject was opened as a result of the state association that asked legislators to introduce bills.

(The tape was stopped at this point in the meeting, #0405)

There was a discussion of the problems with evaluating teachers and other problems of the educational process as it stands in the state.

Rep. Gruening's recommendation on HB 601 was that the governor's bill be reported out. As far as FY '77 there's no change.

HB 601

Rep. Itta asked what the feeling was on Sec. 4 of the proposed Finance CS. Rep. Gruening answered that he believed the department would have a lot of suggestions for next session. No one will let the REAA's go under.

Rep. Gruening moved to report out HB 601. There was no objection. The committee report was circulated with the majority signing "do pass" recommendation. So, HB 601 was reported out with a "do pass" recommendation.

HB 601  
REPORTED OUT  
DO PASS REC

The next item on the agenda was HB 660. Rep. Gruening asked a question on the reference to transportation in the bill. Dr. Cole answered that the statute now says that children with mental and physical handicaps would be transported separately. DOE wants it to read that only in those cases where there's a severe handicap should they be transported separately. We think exceptional children should ride on the regular school bus. Rep. Gruening asked for a definition of exceptional children. Dr. Cole answered that it generally meant physically and mentally handicapped. Mostly the physically handicapped have been transported separately. Rep. Gruening asked who would be covered by

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# **CORRECTION**

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

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HB 660

REPORTED OUT

DO PASS REC

the bill. Dr. Cole said mentally retarded kids would be. DOE is trying to get away from duplication of routes.

HB 660

Rep. Cowper moved and asked unanimous consent that HB 660 be reported out of committee. There was no objection. The committee report was circulated with the majority signing "do pass" recommendation. So, HB 660 was reported out with a "do pass" recommendation.

REPORTED OUT  
DO PASS REC

Rep. Gruening asked Dr. Cole to explain the next bill, HB 895. Dr. Cole said there was a 1300 student increase over the prior year. We are drawing the federal money on them. Rep. Itta asked about the types of funds. Dr. Cole said they were federal funds under P.L. 81.874. Rep. Itta asked about the total number of students. Dr. Cole answered that there were 9,100 in the REAA structure and that 1100 of the 1300 increase qualified. Rep. Gruening asked what portion of the increase in the number of students was pipeline related. Dr. Cole answered probably 300 to 400. The rest are primarily BIA students.

HB 895

Rep. Malone said that on February 23 he sent a letter to the Commissioner regarding the requests from the Alaska School Transportation Association regarding increased transportation costs. Their request is at \$400,000. I received a letter from Dr. Lind on March 4 saying that the request itself should have been the \$340,000 but suggesting a standard formula or some way of subsidizing increased costs which works out to \$100,000 at least for districts. Why didn't he comment if this supplemental was in the works. Dr. Cole said the contractors analysis dealt strictly with inflationary increases. That's what our analysis spoke to. We have insufficient funds to fund pupil transportation. There's no relationship between our request and the document you are looking at. What we have in here only pays off contracts as they now stand.

Rep. Gruening asked how these contracts were paid out. Dr. Cole said they were monthly reimbursement to the school districts. They do have to submit paperwork to get it. Rep. Haugen asked who wrote the contract. Dr. Cole answered that the school district did. The formula was 1¢ for 5¢.

Rep. Malone said basically what the commissioner says is that in the past they funded additional costs at

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1¢ per contract mile for each 5¢ increase in gasoline.  
The contractors are saying they want more than that.

HB 895

The meeting was adjourned at 10:30.

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Tape:

Beg.	H76-62	1224
End	H76-63	0405

HOUSE FINANCE COMMITTEE

Friday, April 9, 1976

1:45 p.m.

Members present: All members were present except Rep. Duncan. PRESENT

Others present: Glen Vernon, Fiscal Analyst, Legislative Finance Division.

The first item on the agenda was HB 895. Rep. Malone said that this had been discussed earlier today. The same formula as last year, 1¢ for 5¢, seems fair enough. HB 895

Rep. Gruening moved and asked unanimous consent to report out HB 895. There was no objection. The committee report was circulated and the majority signed "do pass" recommendation. So, HB 895 was reported out with a "do pass" recommendation. REPORTED OUT  
DO PASS REC

The next bill was HB 859 relating to school terms. Rep. Itta said it allows any school district or board to have school on Saturdays. The other part is to increase the number of hours in a day during a school year and have that applicable to the 180 day requirement. If a school district wanted to start school in October and end in May they could. HB 859

Rep. Itta moved to report out HB 859. There was no objection, so the motion was adopted. The committee report was circulated with the majority signing "do pass" recommendation. So, HB 859 was reported out with a "do pass" recommendation. REPORTED OUT  
DO PASS REC

The meeting was adjourned at 2:15.

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Tape H76-63  
Beg. 0450  
End 0987

HOUSE FINANCE COMMITTEE  
Friday, April 9, 1976  
2:10 p.m.

Members present: All members were present except  
Rep. Duncan.

Others present: Milt Barker, Fiscal Analyst.

HEALTH

HEALTH

P. 3 Nursing--Field Nursing

Rep. Itta recommended deleting all vacant positions but  
nursing positions. No objection to recommendation.

Revised figures:

Personal Services	2461.9
Travel	150.0
Equipment	7.3 (medical equipment only)
Total	2976.6
FT positions	100.0

P. 5 Nursing--Home Health Service

Rep. Itta recommended decreasing travel to 0.0 for a new  
total of 29.8. No objection.

P. 7 Nursing--Administration

Recommend Governor's budget--653.7--no objection.

P. 9 Nursing--Early Screening

Recommend reduction in travel to 1.0 for a total of  
154.1--no objection.

P. 11 Communicable Disease Control--TB Control

Rep. Itta recommended no new positions. No objection.  
Revised figures:

Personal services	333.3
Travel	38.0
Total	630.7
FT positions	16.0

## P. 13 Communicable Disease Control--VD Control

Recommend Governor's budget--236.4--no objection.

## P. 15 Communicable Disease Control--Immunization

Recommend reduction in travel to 0.0 for a total of 47.5. No objection to recommendation.

## P. 17 Communicable Disease Control--Epidemiology

Recommend reduction in travel to 2.5 for a new total of 162.3. No objection.

## P. 19 Environmental Health--General Sanitation

Rep. Itta recommended deleting Assistant Chief in Juneau, which has been vacant since '71. No objection. Revised figures:

Personal services	797.2
Travel	36.0
Equipment	0.0
Total	983.7
FT positions	32.0

## P. 21 Environmental Health--Seafood Sanitation

Rep. Itta recommended the following changes to the Governor's budget. No objections.

Travel	15.0
Equipment	0.0
Total	107.8

## P. 23 Child &amp; Family Health--Family Planning

Rep. Itta recommended the following changes to the Governor's budget, no objection:

Travel	6.2
Total	210.5

## P. 25 Child &amp; Family Health--Maternal &amp; Child Health

Rep. Itta recommended reducing travel. Rep. Malone moved to increase grants and claims by \$10,000 for the Bethel Prematernal Home from general funds. Revised figures:

Travel	4.7
Grants, Clms	122.0
Total	216.6

HEALTH

P. 27 Child & Family Health--Crippled Children

The subcommittee recommended reducing the travel and equipment figure. Rep. Malone recommended reducing contractual to 400.0. The revised figures are as follows:

Travel	117.0
Contractual	400.0 (Amount based on FY76 projected expenditures plus \$150.0)
Equipment	0.0
Total	689.2

P. 29 Public Health Administration--Communicative Disorders

The subcommittee recommended deleting clerk typist in Sitka. No objection to recommendation. Changed figures:

Personal Services	264.0
Total	342.3
FT positions	11.0

P. 31 Child & Family Health--Child Study Center

The subcommittee recommended the Governor's budget--207.8--no objection.

P. 33 Child & Family Health--Administration

The subcommittee recommended an equipment budget of 0.0 for a total of \$89.1.

P. 35 Child & Family Health--Nutrition

Rep. Cowper moved that the amount of \$100.0 be put in contractual and everything else set at 0.0 because free conference committee intent was ignored last year. The motion carried.

P. 37 Laboratories--Regional Laboratories

\$65.0 was added to the Governor's contractual figure to provide for a statewide strep and rheumatic fever program. Rep. Malone moved to adopt the '76 intent. The motion carried.

Legislative Intent: Personnel required should be funded from program receipts.

HEALTH  
LEGISLATIVE  
INTENT

The changed figures would be:

Travel	4.0	
Contractual	225.9	(provides for statewide strep & rheumatic fever program)
Misc	30.0	(from program receipts to fund '76 intent)
Total	1128.0	

P. 39 Laboratories--Administration

The subcommittee recommended reducing the Governor's travel figure to \$1.2 for a new total of \$76.2. No objection.

P. 41 Health Information System--Health Information

The subcommittee recommended reducing the Governor's budget figures as follows:

Travel	2.1
Equipment	0.0
Total	197.3

No objection to recommendation.

P. 43 Health Information System--Registry of Human Impairments

Recommend the Governor's figure--\$0.0--no objection.

P. 45 Dept. of H&SS--Certification & Licensing

The subcommittee recommended reducing the Governor's travel figure to \$31.0 for a new total of \$247.7. No objection.

P. 47 Public Health Administration--Public Health Admin.

There was an amendment from the Governor which transferred one position and its funding from Public Assistance Administration. There was no objection to the Governor's amended figures as follows:

Personal services	369.8
Travel	8.4
Total	425.0

P. 49 Public Health Admin.--Health Education

HEALTH

The subcommittee recommended reducing the Governor's travel and equipment figures as follows:

Travel	2.4
Equipment	0.0
Total	113.1

No objection to recommendation.

P. 51 Public Health Administration--Grants to GAAB

Rep. Gruening suggested adding \$74.0 to the Governor's figure to help carry on current program and to cover unpaid medical bills for the Anchorage Health Center. Rep. Buchholdt moved to include the \$74.0 in grants to the municipality of Anchorage for use by the Anchorage Neighborhood Health Center. This \$74.0 should be line itemed in the budget. There was no objection to adding it, so the new total would be \$574.0.

P. 53 Dept. of H&SS--Alaska Psychiatric Institute

The subcommittee recommended the following reductions in the Governor's budget. No objection.

Travel	25.0
Equipment	0.0
Total	5736.2

(Rep. Duncan joined the meeting at 4:20)

P. 55 Dept. of H&SS--Harborview Center

The subcommittee recommended reducing travel and equipment. Rep. Malone moved to reduce land & bldgs to \$7.0. No objection. Changes in Governor's figures are:

Travel	6.2
Equipment	0.0
Land, Bldgs	7.0
Total	4239.3

P. 57 Dept. of H&SS--Contract Institutions

HEALTH

The subcommittee recommended reducing the Governor's travel figure to \$4.9 for a new total of \$2431.1. No objection.

P. 59 Dept. of H&SS--Psychiatric Security Unit

The subcommittee recommended reducing the Governor's travel figure to \$4.9 and equipment to \$0.0 for a new total of \$473.9. No objection.

P. 61 State Mental Health Centers--Juneau

Recommend the Governor's figure--\$247.1--no objection.

P. 63 State Mental Health Centers--Anchorage

Recommend the Governor's figure--\$0.0--no objection.

P. 65 State Mental Health Centers--Fairbanks

Recommend the Governor's figure--\$299.2--no objection.

P. 67 Dept. of H&SS--Community Mental Health Center

This BRU will be held open for a formal recommendation.

P. 69 Mental Health Administration--Developmental Disabilities

Rep. Gruening moved to increase the Governor's contractual figure to \$120.0. The additional \$20.0 to be used for the development of a plan for the provision of community services for the developmentally disabled working with existing groups within the state. Reps Cowper and Haugen objected. The Governor's figures would be changed as follows:

Contractual	120.0
Total	120.0
General Fund	20.0

Legislative Intent: Findings and recommendations shall be reported to the first session of the 10th Legislature. LEGISLATIVE INTENT

P. 71 Mental Health Administration--Administration

HEALTH

Rep. Itta recommended deleting the new position, which would change the Governor's figures as follows. No objection.

Personal Services	367.0
Travel	21.3
Equipment	0.0
Total	472.2
FT positions	13.0

P. 73 Dept. of H&SS--Medicaid

The Governor requested a \$1000.0 cut in the contractual figure. The subcommittee recommended reducing travel and commodities. The changed figures would be:

Travel	29.0
Contractual	16819.5
Commodities	2.0
Total	16850.5

Legislative Intent: Contractual money is to pay for provision of services only.

LEGISLATIVE  
INTENT

P. 75 Dept. of H&SS--General Relief Medical

The Governor revised his contractual figure to \$2020.7. The subcommittee recommended reducing commodities. Rep. Gruening moved that it be set at \$400.0. No objection. Revised figures would be:

Travel	11.6
Contractual	2020.7 (Governor's amended figure)
Commodities	400.0
Total	2433.6

Legislative Intent: 100% of eligible costs be paid under the program. If the actual costs exceed appropriation they should request supplemental funding.

LEGISLATIVE  
INTENT

The meeting was adjourned at 5:25.

HOUSE FINANCE COMMITTEE  
Saturday, April 10, 1976  
9:00 a.m.

Chairman Malone called the meeting to order with all members present, excepting Mr. Guy. Joe LaRocca, Milt Barker, Budget Analyst and Jay Hogan, House Finance director also were present.

HB 423 "Relating to Drug Abuse Programs" by HEW brought out discussion as to a name change so as to address other problems. The board of advisors was discussed, its composition and duties outlined. The fiscal note was 309.0. Mr. Malone inquired as to how many boards are in the Department. Seven were listed in consequent discussion. He expressed opinion that the legislative staff could be more effective in an advisory capacity than boards. HB 423

Mssrs. Malone and Haugen posed the question whether or not there was a deliberate or unconscious effort in the department to make it difficult for persons who need assistance to receive it. Ms. Itta said her reaction from the Association of Social Workers revealed their considerable frustration with the department. Mr. Haugen said it was the staff there that did not know how to run the shop. Naughton was of the opinion they could find a way to communicate this frustration to the department by "putting a lock on the commissioner". "A bunch of the communities don't have the authorized strength and these communities that have authorized strength spend only five percent on the job," he added. Both Naughton and Haugen demanded something be done or they were wasting time. The chairman asked the committee what they wished to do with the bill. Naughton replied "kill it", and this was the committee consensus. The bill was filed. The suggestion from Haugen that the department should distribute services through a more business-like process, using for example a credit card, found favor.

The meeting continued on into the Health Budget, presented by the sub-committee chaired by Ms. Itta. HB 423

Beginning on page 75, Department of H&SS General Relief Medical -  
the recommendation was to chop the Governor's figure to 2433.6.  
It was adopted.

Department of H&SS Assistance Administration The Governor's figure was adopted but with these changes: 01 - 860.1, 04 - 12.8, total - 1268.0, with 39 instead of 41 ftp's and the systems analyst new position disallowed. It was pointed out they transferred in an administrative assistant and transferred out a keypunch operator this year. Naughton pointed out that if the department is trying to computerize, they should be given the systems analyst. Haugen objected to that. NOTE: Mr. Malone asked for the final report promised last year by the department's legal assistance section.

Comprehensive Health Planning - Planning The recommended figures are: 01 - 216.8, 02 - 39.8, 03 - 34.2, 04 - 2.2, 05 - 0.0, total - 293.0. The research analyst new position was disallowed.

Comprehensive Health Planning Facilities Development. The Governor's figure was adopted.

Comprehensive Health Planning Emergency Medical Planning  
The recommendation was zero. Upon a motion by Cowper, which passed with Duncan dissenting, there was affected a transfer of funds out of Emergency Health Services, (p. 85). The amount was 450.0. Duncan's objection occurred after he had looked up the component data sheet and saw that the match was that of money and therefore he asked if the committee could not hold off their decision until members talk with persons involved in the grant funding to ask if the office needed a person to administer it.

Department of H&SS Emergency Medical Services This budget was affected by the previous budget action, with Cowper's motion to transfer the funds.

State Bond Committee Debt Service The Governor's budget was adopted.

This completed the review of the Operating Budget for Health. Next, the committee moved into the Transportation Budget, presented by the sub-committee chaired by Thelma Buchholdt.

Ms. Buchholdt began the presentation at page 62-3, moving to the front of the book in the afternoon meeting.

Administration Central District Other than the Governor's figures, the following were recommended and adopted: 01 - 852.9, 03 - 90.8, 05 - 7.0, (although this had read 14.0), and total of 1383.9. The original recommendation for equipment was moved to the present 7.0 figure on Chairman Malone's motion because, he said, the sign shop needs to be delineated.

Administration Interior District Other than the Governor's figures, the committee adpted the following recommendations: 01 - 742.9, 03 - 80.8, 05 - 2.0, total - 944.3.

Administration Southeast District Following are the recommendations adopted: 01 - 493.8, 02 - 8.8, 03 - 70.9, 04 - 17.0, 05 - 0.0, total - 590.5. Although the recommendation for commodities had been Governor's figure, Mr. Cowper made a motion to cut it to the 17.0 figure. Sand, salt and gravel appeared to be the major commodity purchase and the record showed a stockpile. Mr. Duncan objected to cutting, which would be within the Southeast district. If a cut was made, it should appear across the board in all other districts, Duncan said. However, the motion carried with Duncan dissenting.

Administration Western District The Governor's figure was recommended and adopted with the exception of 01 - 190.0, which changed the total downward to 220.2. Duncan objected that equipment for the S.E. district was zero, but in the western district, the governor's figure was kept in. Malone moved they delete all equipment monies excepting the "stuff for the sign shop". The motion carried.

Administration Southcentral District Other than Governor's figures, the following were recommended and adopted: 01 - 594.9, 02 - 10.0, 04 - 7.0, 05 - 0.0, total - 645.9.

Administration Headquarters & Laboratory These figures were recommended and adopted: 01 - 2714.3, 02 - 120.0, 03 - 370.7, 04 - 70.0, 05 - (5.7 was recommended but upon Malone's motion, 1.0 was adopted), total - 3374.9. Position totals for full-time went down one to 100. With the exception of an accounting clerk II, new positions were allowed. It was justified by the overweight and oversize permits.

Maintenance Central District Other than the Governor's figures, the following were recommended and adopted: 01 - 4153.0, 02 - 70.0, 04 - 2149.4 (but changed to 1500.0 on an adopted motion from Itta), and a total of 13119.2. Full-time positions dropped to 136, part-time dropped to two. Six of the new positions were allowed. Itta moved to reduce equipment to 0.0, then altered the motion to the figure 15.0. This was adopted.

Maintenance Interior District Other than the Governor's figures, the following were recommended and adopted: 01 - 3634.5, 02 - 3883.2, 04 - 1403.2, total - 9193.8. Full-time positions dropped one to 98.0, and new positions were allowed except for welder at Fairbanks.

Maintenance Southeast District Other than the Governor's figures, the following were recommended and adopted: 01 - 1640.2, 04 - 709.1, total - 4826.2.

Maintenance Western District Other than the Governor's figures, the following were recommended and adopted: 01 - 638.4, 04 - 150.5, total - 1738.4.

Maintenance Southcentral District Other than the Governor's figures the following were recommended and adopted: 01 - 3634.5,

02 - 3883.2, 04 - 1403.2, total - 9193.8. Full-time positions dropped one to 98.0, and new positions were allowed except for welder at Fairbanks.

Maintenance Southeast District Other than the Governor's figures, the following were recommended and adopted: 01 - 1640.2, 04 - 709.1, total - 4826.2.

Maintenance Western District Other than the Governor's figures, the following were recommended and adopted: 01 - 638.4, 04 - 150.5, total - 1738.4.

Maintenance Southcentral District Other than the Governor's figures the following were recommended and adopted: 01 - 2192.2, 04 - 816.6, total - 5516.4.

Maintenance Statewide Projects The Governor's budget was adopted.

Maintenance Overweight/Oversize Permits Other than the Governor's figures the following were recommended and adopted: 01 - 162.0, 03 - 96.2, 04 - 4.0, 05 - 23.4, total - 286.6. Full-time positions dropped one, to 5.0. All new positions were allowed except the permit officer in Juneau.

Maintenance Contingency Reserves The Governor's budget was adopted.

Debt Service for Highways - Aviation - Marine Transportation: Each category, the Governor's budget was adopted.

Chairman Malone adjourned the meeting at 12:15 p.m. to reconvene following a lunch break.

Budget meetings are not recorded in the interest of saving cost of tape.

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HOUSE FINANCE COMMITTEE  
Saturday, April 10, 1976  
1:30 p.m.

The meeting was called to order by Chairman Malone. All members, excepting Mssrs. Gruening and Naughton were present. Also, Jay Hogan, director of the Legislative Finance Committees staff was present.

Beginning on pp. 2-3, sub-committee chairman Thelma Buccholdt continued presentation of the Operating Budget for Transportation. During the morning meeting pp. 62 to the end had been reviewed.

3 Marine Transportation Southeast Vessel Operations Recommended figures were: 01 - 1649.6, 02 - 60.0, 03 - 2400.3, 04 - 5830.8, 05 - 80.9, total - 24881.8. The personal service figure does include 18 new positions to staff the LaConte II which is scheduled for operation next year during the late spring or early summer in time for tourist season. Mr. Hogan said the positions are put in just for carrying them to May or June, 1977. Whether or not there should be a separate appropriation contingent upon launching, was an item which the committee discussed.. The Governor had reduced about two months (pay schedule) of new positions downward. All personal service positions are union mandated with salary increases. The cost of loss from the public stealing vessel supplies was also discussed when one of the members noted cost of silverware at 86.3 and 32.2 for pillows and tableclothes allocated for the budget.

TRANSP.

Marine Transportation Southeast Shore Facilities Other than the Governor's figures, the following were recommended and adopted: 03 - 580.6, 04 - 30.4, 05 - 2.0, total - 1110.2.

Marine Transportation Southwest Vessel Operations Other than the Governor's figures, the following were recommended and adopted: 02 - 12.9, 04 - 811.2, 05 - 12.8, total - 4365.6. The remote route ferry subsidy policy was discussed. Duncan stressed it not be listed under ferry system cost, but instead be place under the appropriate component name under D. Public Works, after page 59, but do not make it a part of the ferry system cost. In the budget review units, the development for Whittier-Portage and that for Chatham Straits is out. Mr. Cowper commented it was for tourists. Haugen said the reason for deleting them was it was a winter subsidy as well as summer

subsidy and it got lost in the shuffle during budget review shift to Transportation. It actually was a subsidy to the Alaska Railroad, (Whittier-Portage run). Haugen pointed out that it gave, in summer, a lot of support to fishing as well as to use of recreational areas.

Marine Transportation Southwest Shore Facilities The Governor's budget was adopted.

Marine Transportation Remote Routes Subsidy This was a new BRU and the committee instructed Jay Hogan to set up the broken out figures to be based on 189.0, upon a motion by Buchholdt which carried. The unit is to include all three: 1) Aleutian Island Chain; 2) ChathamIcy Straits run and 3) Portage-Whittier run. In the same sequence the amounts allocated will read: 1) 35.0; 2) 25.0 and 3) 129.0.

Chairman Malone, during the discussion, had asked, "Do you want to continue providing the subsidies?" Committee consensus was majority yes.

Buchholdt asked unanimous consent and received it for her motion to include all three areas. Chairman Malone set up p. 11 as a new title and component, "Remote Route Subsidy Program" under the Department of Public Works, Commissioner's Office.

Marine Transportatation Advertising & Promotion Recommended figures other than Governor's were: 02 - 3.0, 03 - 45.7 total - 79.1. Ms. Itta moved to delete this entire BRU. The Southeastern delegation objected, Mr. Haugen and Mr. Duncan. Chairman Malone moved the sub-committee recommendation and it carried five to three. Duncan then moved to amend the sub-committee recommendation to increase contractual to the Governor's figure of 63.7. Naughton objected. The motion failed six to two.

Marine Transportation Administration Other than the Governor's figures, the following were recommended and adopted: 01 - 1489.1 02 - 45.6 03 - 306.6, 05 - 5.7, total - 1857.0. There are 51 rather than 50 full-time positions. Regarding hiring a marine architect, Chairman Malone had asked Hudson for this cost and received it. The breakout is: 52.8 total, 01 - 39.6, 02 - 6.0, 3 - 5.0, 04 - 1.0, 05 - 1.2. It was considered a better way to monitor the building and repairing of the state vessels, by having a staff member rather than to contract to provide inspection. Mr. Haugen thought a different position description than architect could provide more practical approach to inspection of specification adherence. Chairman Malone moved and asked unanimous consent to include the marine, or "naval" architect at the 39.6 figure, counting on the DPW to pick up the other costs with other monies. His motion carried unanimously.

Field Maintenance Anchorage International Other than the Governor's figures the following were recommended and adopted: 03 - 1800.6, 04 - 450.5, total - 3284.8. Buccholdt gave

the background of her observation and talks with Pat Ryan in the International Airport in Anchorage. He said the security personnel did not like to be used to lift freight and assume two functions. Chairman Malone brought up the airport surplus amount and a discussion followed which favored putting those surpluses into improvement of trunk airports instead of a constant renovation of International Airport. A one-operation, one-fund enterprise was suggested by Malone. The revenues, he said should support the general airfield system and not the general fund.

- 1) Building Maintenance Anchorage International Other than the Governor's figures, the following were recommended and adopted: 03 - 250.3, 04 - 101.6, 05 - 9.4, total - 903.7.
- 2) Security Anchorage International Airport Other than the Governor's figures, the following were recommended and adopted: 01 - 2061.6, 03 - 45.0, total - 2264.8.
- 3) Custodial Anchorage International Airport Other than the Governor's figures, the following were recommended and adopted: 03 - 300.6, 04 - 4.0, total - 858.3.
- 4) Administration Anchorage International Airport Other than the Governor's figures the following were recommended and adopted: 03 - 395.5, 04 - 8.3, total - 694.9. Mr. Cowper brought up the complaint of some people, although this was not his district, that the state had jacked the price on the float plane moorage at Lake Hood, saying that the Governor and the Budget and Audit Committee had done that. Discussion brought out that this was not so.

Field Maintenance - Fairbanks International Other than the Governor's figures, the following were recommended and adopted: 03 - 508.4, 05 - 10.5, total - 962.9.

Building Maintenance - Fairbanks International Airport Other than the Governor's figures, the following were recommended and adopted: 03 - 271.9, 04 - 60.8, total - 655.0.

Security - Fairbanks International Airport Other than the Governor's figures the following were recommended and adopted: 03 - 30.0, 04 - 65.5, 05 - 4.2, total - 1622.3.

Custodial - Fairbanks International Airport Other than the Governor's figures the following were recommended and adopted: 3 - 202.6, 04 - 15.9, total - 218.5.

Administration - Fairbanks International Airport Other than the Governor's figures the following were recommended and adopted: 02 - 4.0, 03 - 122.6, 04 - 5.0, total - 300.8.

Governor's figures were adopted for Building and Maintenance, Fairbanks International Airport (PLI).

Security Fairbanks International Airport (PLI) Governor's figures were adopted.

Administration Fairbanks International Airport (PLI) Governor's figures were adopted.

Trunk & Secondary Airports Regional Operations Other than the Governor's figures, the following figures were recommended and adopted: 01 - 3200.4, 02 - 170.3, 03 - 3676.0, 04 - 930.4, other numbers, the Gov.'s, total - 7977.1. For the record the Chairman requested, with the permission of the committee, this NOTE: "For including Legislative Intent to the Department of Public Works -- to have it establish a reimburseable service agreement with the Department of Highways for winter months on the Kalifonski Airport". There was no objection.

Trunk & Secondary Airports Administration Other than the Governor's figures, the following were recommended and adopted: 03 - 70.9, 04 - 13.6, total - 646.1.

Aviation Engineering Chief Engineer Other than the Governor's figures, the following were recommended and adopted: 03 - 10.4, total - 134.5.

Aviation Engineering Planning Other than the Governor's figures, the following were recommended and adopted: 03 - 11.9, plus 30.0 upon the adopted motion of Mr. Cowper, creating a change to 41.9, total - 174.6. Cowper justified his motion saying there was a need for transfer and storage space for air cargo, and that providing this would pay for itself many times over. Bucchholtd asked, regarding the funding source, could this be placed to the Fairbanks Administration (International Airport). Mr. Hogan said he would take care of this.

Aviation Engineering Design Other than the Governor's figures the following were recommended and adopted: 02 - 3.5, 03 - 11.6, total - 178.0.

Aviation Engineering Construction Other than the Governor's figures the following were recommended and adopted: 03 - 8.5, total - 143.3. Mr. Malone inquired about the relationship between the 10 full-time positions and the 50.0 man-months. Mr. Hogan replied that parts of the personal service item are funded for two or three months and are not visible in the budget. Other parts are in the capital improvement budget.

Aviation Administration Administration Other than the Governor's figures, the following were recommended and adopted: 02 - 7.0, 03 - 184.0, 04 - 12.4, total - 784.2. Full-time positions dropped to 13.0.

Aviation Administration Lands & Leasing Other than the Governor's figures, the following were recommended and adopted: 02 - 3.0, 04 - 13.9, 04 - 1.0, total - 306.1. There will be 11 f.t.p.s, upon Cowper's motion, because part-time position listed was not done under that equivalency, as requested.

Administration Office of the Commissioner Other than the Governor's figures the following were recommended and adopted: 02 - 15.5, 03 - 30.2, total - 489.8. New positions were allowed, as per the Governor's budget as these persons are the "life cycle costing" people which Mr. Holden, Dep. Commissioner of DPW is "excited about".

Administration - Sub-Program, Administration The Governor's figures were adopted excepting for: 02 - 2.0, 03 - 70.3, total - 754.9.

Administration Central District Other than the Governor's figures, the following were recommended and adopted: 01 - 852.9, 03 - 90.0, 05 - 7.0, total - 1376.9. The personal service was a vacancy cut for a six months vacancy factor.

It should be noted here that under the Administration budgets for the districts, that the equipment item 05 will have been revised over the sub-committee's recommendation by the action of the committee upon the objection of Duncan and motion by Chairman Malone. Excepting for Central District, where 7.0 was allowed for the transfer in from D. of Highways of a sign shop, the figure was zeroed in order to not give one district seeming favor over that of another for equipment. During this segment of the discussion, however, Ms. Buccholdt pointed out that other areas, where the equipment is low because DOH needed it, should receive monies; but this was not an objection.

Administration Interior District Other than the Governor's figures, the following were recommended and adopted: 01 - 742.9, 03 - 80.8, 05 - 0.0, total - 944.3.

Administration Southeast District Other than the Governor's figures, the following were recommended and adopted: 01 - personal service, 03 - 70.9, 05 - a recommended 34.0, and vigorously defended by Duncan, but reduced by the committee on a motion by Cowper to 17.0. NOTE: Although this was the action at this point in time, it was, in affect, later rescinded by the Malone motion (see above) to "take out all equipment (in all districts), excepting the 'stuff' for the sign shop". Total was a recommended 607.5, later changed as a result of Cowper's motion to 590.5.

Administration Western District Other than the Governor's figures, the following were recommended and adopted: 01 - 190.0, applying the vacancy factor to it, 5 - 0.0, total - 220.2, which will come from general fund. It was at this point the discussion previously reported about equipment, took place.

Administration Southcentral District Other than the Governor's figures, the following were recommended and adopted: 01 - 594.9, 02 - 10.0, 04 - 7.0, 05 - 0.0, total - 645.9.

Administratration Headquarters & Laboratory 01 - 2714.3, 02 - 120.0, 03 - 370.7, 04 - 70.0, 05 - 1.0, total - 3374.9. There are 100 f.t.p.'s. The accounting clerk III in Juneau was deleted, although it had been justified and recommended by the sub-committee.

Maintenance Central District Other than the Governor's figures the following were recommended and adopted: 01 - 4153.0, 02 - 70.0, 04 - although a figure of 2149.4 was recommended by the sub-committee, upon a motion by Itta, the equipment was adopted at the figure 1500.0, having once been self-amended upward from "zero" following discussion. This creates a new total of 12476.6. The positions dropped to 136.0, temporary to 2.0, with six new positions allowed, two temporary.

Maintenance Interior District Other than the Governor's figures, the following were recommended and adopted: 01 - 3634.5, 03 - 3883.2, 04 - 0403.2, total - 9193.8. Full-time positions dropped by one, to 98.0. New position was disallowed.

Maintenance Southeast District Other than the Governor's figures, the following were recommended and adopted: 01 - 1640.2, 04 709.1, total 4826.2.

Maintenance Western District Other than the Governor's figures the following were recommended and adopted: 01 - 638.4, 04 150.5, total 1738.4.

Maintenance Southcentral District Other than the Governor's figures the following were recommended and adopted: 01 - 2192.2, 04 816.6, total 5516.4.

Maintenance Statewide Projects This BRU was adopted at "zero".

Maintenance Overweight/Oversize Permits Other than the Governor's figures, the following were recommended and adopted: 01 162.0, 03 96.2, 04 4.0, 05 23.4, total 286.6. Full-time positions dropped to 5.0. The permit officer was disallowed.

Maintenance Contingency Reserves The adopted figure was the Governor's: "zero".

Debt Service Highways was adopted at 8200.2. Debt Service Aviation was adopted at 7014.6. Debt Service Marine Transportation was adopted at 4091.7.

This portion of the Operating budget, having been concluded, the meeting was adjourned by Chairman Malone. It was 5:30 p.m.

HOUSE FINANCE COMMITTEE  
Monday, April 12, 1976  
9:00 a.m.

Members present: All members were present except Rep. Guy. PRESENT

Others present: Milt Barker and Bob Grogan, Fiscal Analysts, Legislative Finance Division.

Rep. Malone called the meeting to order and said he would like to make some changes in HB 774. The bill was written in a confusing manner. On line 14 "3.5 time" should be changed to "3.5% times". Another change is to add an amendment that would take care of a bill pending in the Senate, SB 668. It would provide for full judicial retirement for Judge Nora Guinn. She is making \$41,000--that would make the retirement around \$30,000. Rep. Malone read the statute outlining compensation to judges upon retirement. He then said that he would like to incorporate SB 668 into HB 774 and report the bill out as a committee substitute. HB 774

Rep. Naughton moved to report HB 774 out as a committee substitute. There was no objection, so the motion was adopted. The committee report was circulated with the majority signing "do pass" recommendation. So, the committee substitute for HB 774 was reported out with a "do pass" recommendation. CS for HB 774  
REPORTED OUT  
DO PASS REC

Rep. Cowper was asked to explain SB 285. He had prepared a committee substitute for the bill. In Sec. 1 the Hope Cottage in Anchorage was taking care of a certain number of referrals with the understanding that the people would be reimbursed by Medicaid, but that didn't happen. They have submitted a figure showing that their deficit was \$100,000. They are in the process of constructing the Hope Cottage Chalet in Anchorage and the state has put up some money for that. There was a cost overrun. The physical facility for Hope Industries in Fairbanks was looking for \$867,000, which seemed too much. It seems appropriate to put in \$350,000 to go toward that construction and put the rest on the bond issue when we get to it. The state has been funding this sort of thing in other parts of the state but not in Fairbanks. SB 285

Rep. Cowper went on to Sec. 2 saying this dealt with the amount to be appropriated from the general fund for the operation of the Kotzebue Pioneer Home facility. \$500,000 should do the job for them.

SB 285

Rep. Malone asked for questions, and Rep. Itta said she objected to Sec. 3 and Sec. 2 of this bill. The subcommittee met with someone from Maneuluk Association and came up with a budget of \$645,000. We cut as much as we could. The \$500,000 figure is not enough. The Governor endorsed the work of the Maneuluk Association. Rep. Itta moved to delete Sec 2 from the bill. Rep. Malone asked if her objection was to the amount of the appropriation or to the fact that it's included in the bill. Rep. Itta replied that it was both. She also objected to including the idea of feasibility in the bill. This should be put in the budget as a line item instead of in a bill.

REP ITTA  
OBJECTION

Rep. Cowper said that the cost per person in the Kotzebue Home is from 3-4 times that of any other place in the state. It's hard to justify that kind of expenditure. The \$500,000 should be adequate to operate the home. Also, on the feasibility question, we don't know how many people will do this. The home should operate for a year and then we can find out where we are. Rep. Itta said she had information on the number of people who are going to move in.

Rep. Malone said he would be willing to make an amendment to the motion to change the sum to \$645,000 and take out the second sentence in Sec. 2 and place comments with a letter in the legislation. Rep. Itta said she questioned the time element on this legislation.

AMENDED FIGURE

Rep. Malone moved to amend the motion to replace the original motion. Change the figure in Sec. 2 to \$645,000. Delete the second sentence. Rep. Cowper said that unless a detailed report of expenditures was required it wouldn't be forthcoming. Rep. Malone said he felt that could be handled just as well in a letter. Rep. Cowper said he would agree with putting it in a letter of intent.

Rep. Malone asked Rep. Itta to come up with some sort of budget that would allow operation of the facility. It seems that since we have the facility we should use it.

Rep. Itta suggested adding this figure onto the budget.

HCS for SB 285  
REPORTED OUT

Rep. Cowper moved to report the House committee substitute for SB 285 out. The motion was adopted. The committee report was circulated and the majority signed "do pass". So, HCS for SB 285 was reported out with a "do pass" recommendation.

DO PASS REC

The meeting was adjourned at 10:05.

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Tape H76-63  
Beg. 1007  
End 1770

HOUSE FINANCE COMMITTEE  
Monday, April 12, 1976  
11:10 a.m.

Members present: All members were present except Reps. Itta, Gruening, and Guy.

Others present: Bob Grogan and Glen Vernon, Fiscal Analysts.

NATURAL RESOURCES

NATURAL RESOURCES

P. 3 Fisheries Commissions--Limited Entry

The Governor deleted the buy-back program for \$800.0. The subcommittee recommended the following changes in the Governor's budget--no objection.

Personal Services	407.0
Travel	22.0
Contractual	117.0
Commodities	6.0
Equipment	4.9
Misc	0.0
Total	556.9
Program Recp	556.9 (projected revenue from fees)
FT positions	26.0

P. 5 Fisheries Commissions--International North Pacific

Recommend Governor's figure--\$16.0--no objection.

P. 7 Fisheries Commissions--International Fisheries

Recommend Governor's figure--\$110.0--no objection.

P. 9 Fisheries Commissions--Pacific Marine Fisheries

Recommend Governor's figure--\$23.5--no objection.

P. 11 Fisheries Commissions--Law of the Sea

Recommend Governor's figure--\$23.6--no objection.

P. 13 Office of the Governor--Athletic Commission

The Governor revised his original budget by \$7.5, which would add funding for special olympics. No objection to new total of \$24.8.

4-12-76

P. 15 Office of the Governor--Coastal Zone Mgmt & OCS Plng NATURAL RESOURCES

The subcommittee requested a new budget submission as three positions were not shown in the original submission. The revised Governor's figures would be:

Personal services	252.3
Total	1556.0
FT positions	9.0

Legislative Intent: \$750.0 of the contractual money shall be made available to local governments for CZM and OCS planning. LEGISLATIVE INTENT

No objection to recommendation.

P. 17 State Pipeline Surveillance--Oil Pipeline Surveillance

Rep. Cowper recommended deleting one vacant position--Environmental Consultant--vacant for 24 months. Rep. Naughton recommended reducing travel to \$200.0. Rep. Haugen objected. The recommendation was adopted for the following revised Governor's figures:

Personal services	1032.2
Travel	200.0
Total	2352.1
FT positions	27.0

P. 19 State Pipeline Surveillance--Gas Pipeline Review

The subcommittee recommended the Governor's budget. Rep. Cowper moved that this not be funded. Reps. Malone and Naughton objected. Motion failed. The Governor's figure of \$187.5 was accepted.

P. 21 Dept. of Revenue--Fish & Game Licensing

Rep. Cowper moved to delete a bookkeeping and a clerk typist position. Reps. Duncan and Malone objected to the deletions. Motion carried. Revised Governor's figures would be:

Personal services	164.0
Total	385.3
FT positions	8.0

Note: The agents should collect their own fees.

P. 23 Land Management--Mineral Leasing

The subcommittee recommended deleting Clerk III position vacant since April of '75 and reducing contractual to \$1.1. No objection. Revised Governor's figures would be:

Personal services	219.4
Travel	1.1
Total	224.3
FT positions	9.0

P. 25 Land Management--Central Office

The subcommittee recommended the following reductions in the Governor's budget. No objection.

Travel	6.7
Commodities	.9
Equipment	.2
Total	433.8

P. 27 Land Management--Southeast District

Recommend the Governor's budget--\$296.0--no objection.

P. 29 Land Management--Southcentral District

The subcommittee recommended deleting District Land Management Officer vacant since March of '75. No objection. Revised Governor's budget would be:

Personal services	228.6
Travel	22.8
Total	260.4
FT positions	10.0

P. 31 Land Management--Northcentral District

The subcommittee recommended reducing the Governor's contractual figure to \$49.9 for a new total of \$329.2. No objection.

P. 33 Dept. of Natural Resource--Water Management

The subcommittee recommended deleting the Cartographer position vacant since 1974. No objection. Revised Governor's figures would be:

Personal services	175.2
Travel	4.2
Contractual	10.0
Commodities	.6
Total	190.0

NATURAL  
RESOURCES

P. 35 Administration & Support--Cadastral Engineering

Recommend the Governor's budget--\$889.9--no objection.

P. 37 Administration & Support--Administration

The subcommittee recommended deletion of Chief Planner position vacant since May, 1975. No objection. Revised Governor's budget would be:

Personal services	380.9
Commodities	38.1
Total	660.6
FT positions	18.0

P. 39 Geological & Geophysical Prgms--Resource Management

Recommend the Governor's budget--\$1083.4--no objection.

P. 41 Geological & Geophysical Prgms--Publications

Recommend the Governor's budget--\$137.5--no objection.

HOUSE FINANCE COMMITTEE  
Monday, April 12, 1976  
2:00 p.m.

Chairman Malone called the meeting to order with all committee members present excepting Duncan and Guy. Bob Grogan, budget analyst also was present. Commissioner Scougal from Department of Highways was present to explain CS SB 605, a Highway Appropriation, and HB 623 providing for general obligations bonds for State matching funds, in the amount of \$11,691,086.

Members of the committee, and especially the sub-committee chairman on Natural Resources, Mr. Naughton, were interested in seeing the project list. Mr. Scougal said he would return within the week with the requested list.

Starting on page 43 of the Natural Resources Operating Budget, Mr. Naughton presented his recommendations.

Geological & Geophysical Programs: Mineral Laboratory, p. 43; Regulation & Information, p. 45; Administration, p. 47; for each the Governor's budget was recommended and adopted.

Oil & Gas Regulation Other than the Governor's figures the following were recommended and adopted: 02 - 47.1, total - 1163.0. There will be seven positions as listed in the red book, p. 473 included in the reorganization list.

Dept. of Natural Resource Royalty Oil & Gas Board Other than the Governor's budget the following figures were recommended and adopted: 03 - 31.5, total - 106.9.

Forest Protection & Mgmt Fire Protection - State Other than the Governor's figures the following were recommended and adopted: 01 - 529.0, total - 774.6, with 14 f.t.p.'s and 10 p.t.p.'s. Of the six new positions, the two dispatchers were allowed.

Forest Protection & Mgmt Forest Protection - BLM Other than the Governor's figures the following were recommended and adopted: total - 417.6, of which 197.0 shall come from program receipts. This reflected the Governor's change.

The following units were recommended and adopted as the Governor's budget: p. 57, Research & Technical; p. 59, Mgmt & Timber Sales; p. 61, Administration; p. 63, Conservation Action Corps; p. 67, Parks & Recreation Districts Chugach; p. 69, Parks & Recreation-Districts Kenai-Kodiak; p. 71, Parks & Recreation-Districts Southeast, where a recommended zero in lands and buildings reflected in a dropped total of 161.9. On p. 65, Parks & Recreation-Districts Mat-Su, a recommended 4.3 in contractual reflected in a dropped total of 343.1. On p. 73, a recommended 2.1 in travel and 21.2 in commodities reflected in a dropped total of 69.9. On p. 75, a recommended travel of 8.0 reflected in a total of 301.0. On page 77, drops in the travel to .6, in contractual to .5, in commodities to .2 reflected in a total of 49.7.

The Governor's figure was recommended and adopted for p. 79, Park Development, p. 81, Administration & Support, p. 83, Historic Preservation and p. 85, Archaeology.

The Governor's figure on p. 87, State-Federal Coordination was recommended adopted over a motion by Haugen to move the contractual to zero. Both Naughton and Gruening objected and the motion lost five to three.

The Governor's figure on p. 89 was not recommended. Instead, an added 115.0 was recommended for Fish Creek Area, Anchorage. Haugen objected, saying they had lapsed monies of about 100.0. Naughton reiterated the sum 100.0 listed as having spending contingencies which have to be filled before the money is spent, such as Board decision-making. For the record, Mr. Cowper also objected, but 215.0 was the total adopted by the committee.

The Governor's figure was recommended and adopted for p. 91, Direction & Support.

After discussion and objection from Haugen to the entire BRU, p. 93, Land Use Planning Unit, the page was left open. At this point Mr. Naughton, chairman pro-tem, wanted to talk to Mr. Malone, chairman.

The Governor's budget was recommended and adopted on p. 95, State-Federal Commission.

The Governor's figures were recommended and adopted on p. 97, Office of the Commissioner excepting these changes: a unanimous agreement to drop miscellaneous to zero, and fund a lobbyist position through a Governor's revision. This brings the total up to 890.9. Currently no position exists and the person fulfilling the function is being paid on vacancy money. His position as "deputy commissioner" is unauthorized by the legislature, said Naughton. Cowper asked Grogran where the inter-agency transfers were. They were in some of the BRU's already.

4-12-76

The Governor's budget was recommended and adopted for pp. 99 and 101, Pipeline Administration & Support and Coastal Zone Coordination. (NOTE: Tape H64 was used in segment 0000 - 0350 for the hearing on the highway bills. The budget talks are not on tape.)

After a brief recess, the meeting continued. The time was 4:15 p.m.

Appearing before the committee to speak on the division of services between Dept. of Community & Regional Affairs and Department of Health & Social Services were: from H&SS, Sam Granato, Commissioner Williamson; from C&RAF, Eric Lee and Commissioner MacAnerney. Sue Green, the Governor's coordinator for these areas, was also present. Milt Barker also was there.

Rep. Itta asked Williamson about dollars spent perhaps in overlapping drug abuse and alcoholic aid programs.

Rather than to talk about dollars, he would rather talk in terms of lives being helped. Williamson continued that he had a concept paper written and would get it to the committee members this week, speaking of combining the offices of alcoholic and drug abuse.

Several prepared questions were put to the commissioner (see attached). Why wasn't the nutrition budget put on a contractual basis for child and family health, asked Haugen. It was discussed by the legislature to be intended that way. Williamson responded that he had asked this same question himself -- whether it had been directed. His understanding was the mandate was to provide these services, but that no entity had been designated to pay.

Referring to the lab work question, Williamson said he could get this information for them as to the extent they may be picking up the tab or someone else is, and who.

As to medicaid delay, it is down 8 to 6 processing days, but the commissioner would check. Regarding vendor payment, he said he became aware of that problem through this committee and did not know what the processing plan is. Haugen said this is a constant problem. Then he turned to Sue Green saying, "Sue, you were in on the meeting with the hospital advisors and they are really upset about it --GR Med, especially; the bill had to be in within a month and if it wasn't in, they disregarded the bill. Mr. Williamson said, "Let me get you the actual figures on delay and I will be as responsible as I can as to any remedial measure".

Can you tell us about on-line data processing, asked Naughton? Williamson could not. He said he would have to have Larry Sullivan tell them about that.

Regarding the match on Emergency Medical Services phase-out, the commissioner compared the need for the state to pick up cost for the local programs the same way as it has been doing for Corrections -- run every jail.

Regarding Day Care possible overlap, Haugen wanted to know of any overlapping appropriation there might be between the two departments.

Mr. Granato said they would be asking a supplemental for day care based on the data for the first six months. This was a surprise to the members of the committee. While Haugen examined the case flow before him, Granato said they show overexpenditure and this would not be seen due to the lag in billing. Explaining the billing lag, Granato outlined the process. Haugen expressed a compound and troubled reaction when he heard of the supplemental. Granato said he wasn't ready to deal with that, but attempted to justify the request with separate enrollment figures.

Going on to another question, Cowper said they were trying to make some sense out of the CETA grants -- work experience programs. He was concerned that someone was trying to get rid of them. Sue Green answered, "CETA Title I funds were transferred under the Seward Skill Center. It was an NYC wipeout -- a policy statement was the impression, in that they were not giving adult work experience, but instead only youth work experience.

MacAnerney said the Manpower Services Committee will be meeting in Juneau this week, if any member wished to know. Apparently there is no place one could go to get an overall view of these CETA programs, she added. To Gruening she said, that because of the time line factor in planning and reorganization the Manpower Services Council was not involved early enough in the planning to make policy now in effect. It was not clear, however, to Gruening's question -- whether the Governor's manpower people made the decisions or the manpower service committee was to make them under federal funding regulations.

Haugen brought up the question of day care again, asking why C&RA got 1.2 appropriation, and how much was spent. (182,000.) He asked if they had a substantial cash balance. They will. They are restricted to the area of parent and child only, in licensed facilities, rapidly on the increase. The turnover insertion rate has been gradual but has had a snowball effect of getting children into those centers as spots become vacant. In other words, when facilities become eligible, enrollment will follow.

Haugen asked Granato if their day care appropriation funded some of the recipients of Community & Regional Affairs programs. Was the criteria the same? As far as day care centers being licensed, yes, but beyond that there was no overlap, it was explained. Where the H&SS services left off, the C&RA services began. They had monitored that the possibility and found only seven out of approximately 900 persons who were doubly eligible, and of that amount there were just two persons who had received double payments for a period of one month.

Haugen asked Lee MacAnerney if she could get them the number of beds allocated to the alcoholic program, including the revenue sharing the State gets on those. Milt Barker explained this, but those beds were not located in the alcoholic centers.

Buchholdt said she had received a position paper from H&SS. They didn't feel they could fund a request of hers and upon checking the figures she found there still was money in Adoptions that they could have used. Yet the letter had said there was no funding. The implication was, she said, that this represented a position toward this bill.

Granato explained the adoption subsidy program, guides and procedures. He said, "We are anticipating a balance in the line items. If we did make that implication, it was because we didn't want to go beyond the Governor's budget. Chairman Malone called for a more precise answer to the questions. Commissioner Williamson promised them the next day or so. He thanked the committee, saying he appreciated having had some of those things pointed out.

Chairman Malone adjourned the meeting after thanking the commissioners and their staffs for attending. The time was 5:30 p.m.

Tape 64  
Begin 0350  
End unnoted

mb

HOUSE FINANCE COMMITTEE  
Monday, April 12, 1976  
8:25 p.m.

Members present: All members were present except Reps. Itta, Cowper, and Guy.

Others present: Rep. Lisa Rudd and Bob Grogan, Fiscal Analyst.

NATURAL RESOURCES

NATURAL  
RESOURCES

P. 103 Commercial Fish--Research

Subcommittee recommended the Governor's budget plus an additional \$35.0 in contractual for an exploratory shellfish project in the Sea Otter Sound area. One position, Shellfish Biologist, would be added for the project. New figures would be:

Total	1613.0
FT positions	29.7

No objection to recommendation.

P. 105 Commercial Fish--Management

Subcommittee recommended reducing travel to \$130.9 for a new Governor's total of \$3792.2. No objection.

P. 107 Commercial Fish--Administration & Support

Subcommittee recommended the Governor's figure. Rep. Haugen objected and moved for the following figures:

Personal services	327.5
Travel	30.0
Contractual	30.0
Total	391.7
General Fund	391.7
FT positions	12.1 (Ad Asst II, Juneau, deleted)

Rep. Haugen's motion carried with Reps. Naughton and Malone objecting.

P. 109 Commercial Fish--Federal Aid Programs

Subcommittee recommended the Governor's budget--\$1344.9--no objection.

NATURAL  
RESOURCES

P. 111 Game--Investigations/Research

Subcommittee recommended the Governor's figure. Rep. Haugen moved that \$100.0 be transferred from contractual to the Management component for a deer transplant to Mitkof Island and Kupranof Island. Motion carried. New contractual figure would be \$719.5 for a total of \$3671.4.

P. 113 Game--Management

Subcommittee recommended Governor's figure plus an additional \$100.0 in contractual for a deer transplant to Mitkof Island and Kupranof Island. New contractual figure would be \$186.7 for a total of \$287.0.

P. 115 Game--Hunter Safety

Subcommittee recommended adding \$255.0 to the Governor's budget for the following uses: \$150.0 federal money and \$50.0 general fund for Rabbit Creek Rifle Range; \$55.0 for Cushman Street Extension, Hunter Safety & Game Preserve. No objection.

Grants, clms	255.0
Total	366.6

P. 117 Game--Administration & Support

Recommend the Governor's figure--\$299.3--no objection.

P. 119 Sport Fish--Investigations/Research

Recommend Governor's budget--\$1927.9--no objection.

P. 121 Sport Fish--Management

Recommend Governor's budget--\$723.1--no objection.

P. 123 Sport Fish--Sport Fish Restoration

Recommend Governor's budget--\$43.0--no objection.

P. 125 Sport Fish--Administration & Support

Recommend Governor's budget--\$153.5--no objection.

NATURAL  
RESOURCES

P. 127 Fish Hatcheries--Kitoi Bay

Change program name to "FRED". Recommend Governor's budget--\$106.7--no objection.

P. 129 Fish Hatcheries--Firelake--Ft. Richardson

Subcommittee recommended disallowing new positions and changing program name to FRED. New figures would be:

Personal service	228.8
Commodities	132.7
Total	451.7
General Fund	451.7
FT positions	8.0

P. 131 Fish Hatcheries--Crystal Lake

Change program name to FRED. Reduce travel to \$6.5 for a new total of \$450.0.

P. 133 Fish Hatcheries--Administration

Change program name to FRED, sub-program to Fish Hatcheries. Recommend the Governor's budget--\$93.9--no objection.

P. 135 FRED--Anadromous

Rep. Naughton recommended authorizing all positions but only giving one-half funding. This would enable them to choose which positions were priorities. Rep. Duncan moved to accept Rep. Naughton's recommendation. The motion was adopted with Rep. Gruening objecting.

Legislative Intent: That Budget and Management review the equipment on hand and equipment purchased and report to the 10th Legislature by February 1, 1977. LEGISLATIVE INTENT

P. 137 FRED--Economic Development

Recommend the Governor's budget--\$0.0--no objection.

P. 139 FRED--Administration

Rep. Naughton recommended allowing positions at one-half funding. No objection. New figures:

Personal services	354.8
Travel	29.6
Contractual	41.6
Commodities	22.9
Equipment	2.6
Total	451.5
General fund	451.5

NATURAL  
RESOURCES

P. 141 Administration & Support--Board of Fish & Game

Recommend Governor's budget--\$162.8--no objection.

Legislative Intent: Recommend to Budget & Management that they split these next year to a Fish Board and a Game Board.

LEGISLATIVE  
INTENT

P. 143 Administration & Support--Office of Commissioner

Subcommittee recommended Governor's budget--\$214.2. Rep. Haugen objected to the new position. He moved and asked unanimous consent to disallow Special Assistant to Commissioner. Motion failed. Rep. Malone moved subcommittee recommendation. Motion carried.

P. 145 Administration & Support--Information & Education

Recommend Governor's budget--\$154.0--no objection.

P. 147 Administration & Support--Administrative Services

Subcommittee recommended deleting new position, no objection. New figures would be:

Personal services	802.2
Travel	4.2
Contractual	913.9
Commodities	74.6
Equipment	1.9
Land, bldgs	171.1
Grants, clms	0.0
Misc	0.0
Total	1967.9

Legislative Intent: Of the contractual figure, \$25.0 is for the Anchorage Children's Zoo and \$15.0 is for Fairbanks Zoological. LEGISLATIVE INTENT

P. 149 Administration & Support--Engineering Support

NATURAL  
RESOURCES

Subcommittee recommended the following reductions in the Governor's budget, no objection.

Travel	1.5
Equipment	0.0
Total	113.4

P. 151 Administration & Support--Vessels

Subcommittee recommended the following reductions in the Governor's budget, no objection:

Travel	6.6
Contractual	200.0
Total	1106.6

P. 153 Habitat Protection--Land Use Planning

Subcommittee recommended the Governor's budget--\$0.0--no objection.

P. 155 Habitat Protection--Water Planning

Subcommittee recommended the Governor's budget--\$0.0--no objection.

P. 157 Habitat Protection--Access

The subcommittee recommended the Governor's budget--\$0.0--no objection.

P. 159 Habitat Protection--Permits

The subcommittee recommended the Governor's budget--\$0.0--no objection.

The meeting was adjourned at 10:20.

HOUSE FINANCE COMMITTEE  
Tuesday, April 13, 1976  
8:30 a.m.

Chairman Malone called the meeting to order. Absent were Messrs. Guy and Gruening. Also present was Bob Grogan, budget analyst. The gavel was temporarily turned over to committee vice-chairman Thelma Buchholdt.

The members opened their books in Operating Budget Natural Resources to page 161, Habitat Protection, Marine/Coastal Habitat Mgmt. The Governor's budget was recommended and adopted over Haugen's objection to the two new positions in Anchorage.

Page 163, Habitat, Land & Water Protection Other than the Governor's figures, the following were recommended and adopted: 01 146.8, 2 12.5, 03 11.5, 04 2.1, 05 12.5, total - 185.4. There are six full-time positions. Haugen objected to this budget unit's adoption.

Page 165, Habitat Land & Water Mgmt Other than the Governor's figures, the following were recommended and adopted: 01 175.7, total 224.9. Full-time positions dropped to six. Haugen made the comment upon his objection that the only difference between these two BRU's is that one is land and water protection and the other land and water management.

Page 167, Habitat Protection Administration and Page 169, Habitat Pipeline Monitoring The Governor's budget was adopted over Haugen's objection.

Page 171, Protection Detachments Other than the Governor's figures, the following were recommended and adopted: 03 482.5, total 3390.3.

Page 173, Protection Director's Office Other than the Governor's figures, the following were recommended and adopted: 01 385.2, but that figure was raised by consequent action to add an administrative assistant in Anchorage for assisting the State Game Board, a request through Haugen from Fred Wollstad. Other figures are 03 67.4, 04 a change, total 556.2, plus the administrative assistant figure.

Page 175, Protection Aircraft, Page 177, Vessels Section and Page 179, Pipeline Protection, each the Governor's budget was adopted.

Page 181, Water Pollution Control Other than the Governor's figures, the following were recommended and adopted: 01 162.4, 02 20.8, total 196.5, with no environmental field officer in Juneau added.

Page 183, Water Supply Other than the Governor's figures, the following were recommended and adopted: 01 59.9, 02-5.3, 03 11.5, 04 1.4, 05 0.0, total 78.1. Full-time positions dropped to 2.0, and the environmental technician for Juneau deleted.

Page 185, Village Safe Water, Page 187, Construction Grant Admin, and page 189, Director's Office, and Page 191, Environment-Analysis, all Water Programs, had the Governor's budget adopted.

Page 193, Terrestrial Programs, Air Quality Other than the Governor's figures, the following were recommended and adopted: 02 7.7, 03 8.0, total 161.1. Buchholdt asked why the monies for air quality was so small.

Page 195, Land Use Other than the Governor's figures, the following were recommended and adopted: 02 7.4, 05 0.0, total 171.5.

Pages 197 to 203, Terrestrial Programs Director's Office, Dept. of Environmental Conservation Program Coordination, Administration & Support, Office of Commissioner, and Adm. & Support Advisory Board all had the Governor's budget adopted.

Page 205, Administration & Support Mgmt Services Other than the Governor's figures, the following were recommended and adopted: 01 203.4, 02 5.0, total 260.8. Full-time positions dropped to nine, and new position recommendation was disallowed.

Pages 207 to 211, Administration & Support Technical Services, Field Operations Pipeline-Indirect Impact, and Field Operations Pipeline-Monitoring all had the Governor's budget recommended and adopted.

Page 213, Regional Offices, Southeast Other than the Governor's budget the following figures were recommended and adopted: 01 106.3, 02 18.6, 03 16.8, 04 3.8, 05 1.8, total - 147.3. No new positions were allowed except the federally funded Field Officer I in Juneau.

Page 215, Regional Offices, Southcentral Other than the Governor's figures, the following were recommended and adopted: 01 291.5, 02 20.0, 03 53.3, 04 5.5, 05 2.3, total 372.6. Ten full-time positions were allowed and 4.5 part-time positions. The 5th and 6th positions were allowed in the new position column, as these are federally funded.

Page 217, Regional Offices, Northern Region Other than the Governor's figures the following were recommended and adopted: 01 248.1, 02 28.8, 03 30.1, 04 4.6, 05 1.7, total - 326.2. There are 8 full-time positions, and only the two federally funded new positions are allowed.

Pages 219, 221, 223, 225 and 227 all had the Governor's budget adopted.

This meeting was continuous without break for a floor session. The chairman adjourned the meeting at 12:00 p.m.

mb

HOUSE FINANCE COMMITTEE  
Tuesday, April 13, 1976  
7:35 p.m.

Members present: All members were present except Rep. Guy.

Others present: Jim Rhode, Assistant to Rep. Malone; Glen Vernon, Fiscal Analyst; and Rep. Red Swanson.

EDUCATION

EDUCATION

P. 99 Student Financial Aid--Administration

Rep. Gruening moved to delete all funding. Rep. Duncan objected. Motion carried. Rep. Gruening will work out the figures for the Post-Secondary Education Division.

P. 101 Student Financial Aid--Tuition Grants

Rep. Gruening recommended deleting money scheduled for AMU. No objection, so new figures would be:

Grants, clms	600.0
Total	600.0

P. 103 Dept. of Education--Post-Sec Educ Comm

Rep. Gruening recommended the Governor's budget plus additional money for administration. This BRU will be held open for additional information.

P. 105 Dept. of Education--WICHE

Subcommittee recommended the Governor's budget--\$489.2--no objection.

P. 107 Manpower & Adult Educ--Adult Basic Educ

Subcommittee recommended Governor's budget--\$897.0--no objection.

P. 109 Manpower & Adult Educ--Fire Service Training

Subcommittee recommended Governor's budget--\$197.5--no objection.

P. 111 Manpower & Adult Educ--Adult Vocational Educ

Rep. Gruening recommended \$0.0 for this BRU and including the Governor's \$48.0 in Education Program Support--Career & Vocational Education. No objection.

P. 113 Dept. of Education--Educational Broadcasting

EDUCATION

This BRU will be held open pending receipt of additional information.

P. 115 Museums--Juneau Museum

Rep. Gruening recommended the Governor's budget--\$400.3--no objection.

P. 117 State Library--Regular Operations

This BRU will be held open for now.

P. 119 State Library--Anchorage Media Center

Rep. Gruening moved Governor's budget with the exception of putting program receipts back into the budget. Changed figures would be:

General fund	390.3
Program recp	0.0

No objection to recommendation.

P. 121 Dept. of Education--Archives

Recommendation for \$0.0. No objection.

P. 123 Dept. of Education--Commercial Translators

Recommend Governor's budget--\$0.0--no objection.

P. 125 Dept. of H&SS--Special Educ Grants

Recommend Governor's budget--\$62.8--no objection.

P. 127 Dept. of H&SS--AMU Nursing Program

Rep. Gruening recommended holding this open for University budget. No objection.

UNIVERSITY OF ALASKA

U of A

P. 3 Statewide Administration--Regents & Administration

Recommend the Governor's budget--\$568.3--no objection.  
Funding was revised by Governor as follows:

General Fund	185.8
Program recp	382.5

P. 5 Statewide Administration--Admin-Instl Support

Recommend Governor's budget--\$2145.1--no objection.

P. 7 Statewide Administration--Gen Instl Support

Recommend Governor's budget--\$0.0--no objection.

P. 9 Statewide Administration--Planning & Land Development

Recommend Governor's budget--\$0.0--no objection.

P. 11 Statewide Administration--Management Systems Dev

Recommend Governor's budget--\$0.0--no objection.

P. 13 Statewide Administration--Aux Srvcs-Compnr Ctr

Rep. Cowper recommended including three Node Supervisors. This will enable computer system to be extended to Anchorage and Juneau. No objection. Revised Governor's figures:

Personal service	848.7
Travel	13.7
Contractual	391.5
Equipment	7.3
Total	1366.6
General Fund	963.1
FT positions	35.0

P. 15 Statewide Administration--C C Salaries

Rep. Cowper recommended reducing contractual by \$500.0, the cost of remodeling office space. No objection. Revised Governor's budget as follows:

Travel	15.0
Contractual	43.5
Total	1576.7

Legislative Intent: Remodeling of new offices is not funded. LEGISLATIVE INTENT

P. 17 Statewide Administration--Regents Contingency

Rep. Cowper recommended budget of \$0.0. No objection.

P. 19 Statewide Administration--New Physical Plant Costs

Rep. Cowper recommended budget of \$0.0--no objection.  
This \$770.0 from the Governor's budget will be fed back into applicable BRUs.

P. 21 Organized Research--Geophysical Institute

Recommended Governor's budget--\$6387.8--no objection.

\*\* Legislative Intent: Each component will submit a concise report to the legislature before February 1, 1977, describing in detail all research done during the previous calendar year and the value to the state or to the people of Alaska. LEGISLATIVE INTENT

\*\* P. 23 Organized Research---Institute of Marine Science

Rep. Cowper recommended the following changes in Governor's budget, no objection.

Contractual	601.0 (25.0 for clam toxin study)
Misc	187.9 (60.0 for new physical facilities)
Total	4828.3
General Fund	592.8
Program recp	4059.5 (there was a \$250.0 error in original budget)

\*\* Legislative Intent: \$25.0 for the completion of the clam toxin study. Final report to be presented to the legislature on or before February 1, 1977. LEGISLATIVE INTENT

\*\* P. 25 Organized Research--Inst of Water Resources

Recommend Governor's budget--\$638.7--no objection.

\*\* P. 27 Organized Research--Inst of Agric Science

Recommend Governor's budget--\$27.2.0--no objection.

\*\* P. 29 Organized Research--Inst of Arctic Biology

Recommend Governor's budget--\$1624.0--no objection.

P. 33 Organized Research--Ctr No Ed Res

\*\* Recommend Governor's budget--\$664.4--no objection.

\*\* P. 35 Organized Research--Sea Grant Program

Recommend Governor's budget--\$992.6--no objection.

\*\* P. 37 Organized Research--Arc Envir Inf Data Ctr

Rep. Cowper recommended the following revisions in Governor's budget, no objection.

Contractual	514.0 (rental increase of 24.9 from regent contingency fund)
Total	1657.5
General fund	414.7

\*\* P. 39 Organized Research--Tundra Biome Center

Recommend Governor's budget--\$539.4--no objection.

\*\* P. 41 Organized Research--Coop Wildlife Research Unit

Recommend Governor's budget--\$263.4--no objection.

\*\* P. 43 Organized Research--Min Ind Research Lab

Recommend Governor's budget--\$227.6--no objection.

\*\* P. 45 Organized Research--Forest Soils Lab

Recommend request level budget--\$326.7--no objection.

\*\* P. 47 Organized Research--WAMI

Recommend Governor's budget--\$877.9--no objection.

\*\* P. 49 Organized Research --AK Native Lng Center

Rep. Cowper requested that this BRU be held open.

\*\* P. 51 Organized Research--Genl Misc Research

Recommend Governor's budget--\$766.1--no objection.

\*\* P. 53 Organized Research--Naval Arctic Research Lab

Recommend Governor's budget--3325.7--no objection.

The meeting was adjourned at 10:00.

HOUSE FINANCE COMMITTEE  
Wednesday, April 14, 1976  
7:00 p.m.

Chairman Malone called the meeting to order. All members were present, and Glenn Vernon, budget analyst also was present. After recess, Representatives Sam Cotten and Bob Bradley were present.

UNIVERSITY  
SYSTEM BUDGET

Members opened their Operating Budget for the U. of Alaska budget to Page 55, FBX Campus Instruction. Other than the Governor's figures, the following were recommended and adopted: 01 6750.0, 08 123.5, total 7360.5. General fund was changed to 6285.5, and other funds to 975.0. Sub-committee chairman Cowper said that any cuts in personal service will come from smaller programs or Arts and Sciences. He moved to record INTENT that 01 monies be cut first from either summer programs or liberal arts, a shift from his original recommendation. It was adopted.

Page 57, FBX Campus Instruction/Professional Schls This page was all-included in Page 55. FBX

Pages 59, 61, 63 were adopted as printed.

Page 65, FBX Campus Tanana Val CC/Instruction Other than the Governor's figures the following were recommended and adopted: 01 815.1 total 987.0, general funds 715.4, program receipts 271.6.

Page 67, FBX Campus Tanana Val CC/Adm The Governor's budget was adopted.

Page 69, FBX Campus Academic Sup SVC/Library & Med The Governor's budget was adopted excepting land and buildings which received an added 2.0 for Title IV grant, to total 313.2. Bottom line total was 1554.5.

Page 71, FBX Campus Academic Sup Svc/Museum The Governor's budget was adopted excepting under miscellaneous where an added 31.7 reflected a regent's priority for exhibit protection. This brought the total to 369.9. FBX MUSEUM  
PRIORITY  
HONORED

Page 73, FBX Campus Academic Sup Svc/Public Brdcst The new total will add 527.6 to reflected in general fund. The governor made the change of program allocation. Cowper wanted this changed back to this BRU because he said, "the education broadcasting people are not as in sympathy with purposes of KUAC." He added there was a more compatible relationship of that station with the U. of Alaska campus and the monies should not go through educational broadcasting, but instead directly to KUAC. The new total reflects the transfer reinstated herein. KUAC MONIES

Page 75, FBX Campus Student Sup Svc/Student Svcs The Governor's budget was adopted. Ten thousand dollars was transferred out of "other funds" to the general funds. This was the single change.

Pages 79, 81, 83, the Governor's budget was adopted for Student Support Services/Student Aid, Institutional Support/Chancellor's and Institutional Support/Administration Services.

FBX  
OTHER FUND  
ADJUSTMENTS

Page 85, FBX Campus Institutional Support/Safety & Sec. Other than the Governor's figures the following were recommended and adopted: 02 30.0, 03 -- add 66.1 for a state trooper for on-campus, bringing the total to 528.0. Discussion from Naughton suggested the troopers budget under public safety be made contingent on stationing a trooper on the campus. This item in the budget, however, reflects public opinion following the murder on campus three years ago.

Pages 87, 89, 91, 93 and 95 were all adopted at the Governor's budget figure. Serially they represent Physical Plant, Admission & Registration, Debt Service, Housing System and Auxiliary Svcs/YAK Estates. One change, only, was made on page 91, Debt Service when general fund figure will grow to 499.8 and program receipts will lower to 283.9.

Page 97, FBX Campus Auxiliary Bookstore The Governor's budget was adopted.

Page 99, FBX Campus Auxiliary Student Center The Governor's budget was adopted excepting 04 176.3 which raised the total to 319.9. The BRU, page 105 was added into this BRU.

Pages 101, 103 and 109, Graphic Svcs., Warehouse Svcs., and Coop. Extension, each had the adoption of the Governor's budget.

Page 105, as indicated above, was combined into page 99. Page 107, FBX Campus ARTTC was left open. The question to be solved was where to place monies for language shops in the rural education programs.

Page 111, Southeastern Region Senior College Other than the following figures, the Governor's budget was adopted: 01 - an added 29.4 for an associate professor in management sciences, a position not listed on the Regent's priority list. The BRU total is 498.5. Duncan defended the requestee additions in

SOUTHEAST  
REGION  
SENIOR  
COLLEGE

adding this position as well as the fisheries professor on Page 113, saying growth of the college is the reason. It was developing a four year program, is growing. Regarding the expansion in the Fisheries Program, p. 113, Gruening expressed objection because of the university expansion, although he maintained his opinion was not strictly related to the Bedford case now in the courts. Duncan made a motion for the fisheries professor position. It carried five to two. Buchholdt objected to extra university positions, saying she disliked spending contingency fund areas. Chairman Malone countered that the committee does not have to be bound by the Governor or University priorities and contingency fund.

FISHERIES  
PROFESSOR FOR  
SOUTHEAST

Pages 115, 117, 119, 121, 123 and 125 are self-explanatory and adopted as Governor's figures. For Juneau-Douglas CC, a shift in funding was made to read general fund 726.2, other funds 238.3.

Page 127, Southeastern Region J-D CC/Trade & Technology In Personal Services, 25.4 was added on Chairman Malone's adopted motion. Cowper objected not to adding a position but that they should use the existing monies for it. Duncan referred to the new building which is ready for this program, and it now must be made an operative program. He listed the subjects to be taught, and also full-time and part-time students enrolled in this study area.

Pages 129, S31 and 133, Southeastern Region components, the Governor's figure was adopted.

SOME BOOSTS  
IN S.E.

Page 135, Southeastern Region Student Support Services To 01, the amount of 3.5 was added to increase capability of a rate officer to a 12 month position from that of 10 months. This brought the total to 301.5, the general fund total to 237.2.

FUNDING

Page 139, Southeastern Region Inst. Sup/Chancellor's Office to 01 the amount of 19.9 was added bringing a total of 124.7. This represented the requested amount for an accreditation review and self study. Both Mr. Malone and Mr. Gruening suggested placing the figure in miscellaneous.

Page 141, Southeastern Region Inst Sup/Admin Servcs The Governor's figure was adopted.

Page 143, Southeaster Region Physical Plant Duncan moved to add 46.0 for lease cost. He explained a difficult position the chancellor had when the administrative offices were moved into another building under a three year lease arrangement and then the governor cut his funds. The state might face defaulting on the lease. Cowper objected, saying he added everything back in and noone else had. Cowper countered with a proposal to incorporate 33.9 from page 18, "new physical plant cost". Gruening reminded Duncan that the University

PHYSICAL  
PLANT DOLLARS  
TRANSFERRED  
FOR LEASE  
MONEY

was given 2.5 million dollars contingency to be spread back in a prioritization. Duncan asked what the 33.9 had to do with the lease, if anything. Cowper moved the governor's figure excepting miscellaneous which will include an increase of 33.9 from page 18. The motion carried unanimously.

SOUTHEASTERN CONT

Page 145 Southeastern Region Community Centers and Public Service Duncan asked for and received approval to add to the governor's figure an amount of 17.5, spread between contractual and travel, to support lectures, concerts, attendant publicity, etc.

Page 147, Southeastern, Ketchikan CC/Instruction The Governor's figures were recommended and adopted. Haugen objected that the teachers dominate the courses in order to improve their certification position, and they compete with the rest of the community for course offerings. Duncan referred to the cut-back in projected program in his district for day/care teaching and training. Ketchikan listed food technology as their priority program.

KETCHIKAN

Pages 149 to 151, Ketchikan CC/Library and Administration The Governor's budget was adopted. Page 153, Ketchikan Physical Plant, the request level figure was recommended and adopted. Pages 155, 157, Ketchikan CC/Vocational Instruction was zero and CC Community Services had the Governor's figure adopted.

Page 159, Sitka CC/Instruction The Governor's figures were adopted. Duncan had recommended adding an amount necessary for beginning a new licensed practical nurse program. In the form of a motion, this idea failed 1 to 6. Gruening objected saying there was no pressure from the college for this. Haugen objected saying he shared Dr. Walter Soboleff's worried concern that the state will intrude upon private colleges. Naughton also expressed objection to the program until more information was gathered.

SITKA

From pages 160 through 227, the Governor's figures prevailed, with exceptions listed below. The Southeastern region BRU's ended on page 169, and Southcentral BRU's show in the remaining pages discussed during this meeting.

Exceptions:

SOUTHCENTRAL  
REGION

Page 197, Anchorage CC/Academic Transfer Stud. Cowper made a motion, "A blanket motion for the University budget to include the funding to make up the student fee increase in the general fund instead, to one million dollars, the 'whole way'. Haugen objected and one other member did. The motion was not brought to vote. The Governor's total was adopted at 2842.3 changing general fund total to 4256.9.

Page 207, Southcentral Academic Sup Svc/Library & Med The Governor's figure was upped by 55.3 for an allowed new media services position in Anchorage, and allowed circulation library pos. in Anchorage plus 15.0 for a Bi-Centennial film project, upon Chairman Malone's recommendation and motion. It carried.

Page 213, Southcentral Academic Sup Svc/Perform Arts By raising the director's salary and that of clerical in the amounts 14.9 and 4.9, the total 168.1, and personal services 85.0.

Page 221, Southcentral Region Student Sup Svc/Intercol Athletics Recommended by Gruening was the maintenance figure 129.3. The committee, however adopted the governor's figure of 104.9. Duncan objected to Gruening's recommended figure, saying that when an entire teacher training program was at stake in his district, he could not support buying gym shorts for guys to run around in. The recommendation did fail on a four to four vote. Duncan then moved the governor's figures.

COTTEN &amp; BRADLEY

Following a 10:00 short recess Anchorage representatives Bob Bradley and Sam Cotten appeared to ask for a new BRU in the Southcentral Region budget. They wanted staffing expense to begin a community college for Eagle River-Chugiak. After presenting their reasons with hesitations countered on the parts of Cowper, Duncan, Buchholdt and Malone, Naughton moved to change page 197, Anch CC/Academic Transfer Stud, from governor's figure to maintenance level, an increase of 116.7 with a note of intent that that is to institute a program in the Eagle River-Chugiach area utilizing existing schools.

MOTION BY  
NAUGHTON

Discussion upon Naughton's motion brought out further information about possible alternatives. Bradley said "we'd be happy with 166.0. We might not even be talking about an increase, just a set amount of bucks directed to the project out there. We are representing our citizens' feelings." Duncan stressed on-going programs needing support before starting new programs.

AMENDMENT BY  
MALONE

Chairman Malone offered an amendment to the motion in the component on page 197 to add the sum of 50.0 for a coordinator and related support costs to establish his office, according to the main motion. Duncan objected, saying that 50.0 was a pretty good sum. There are areas that could really get hurt in his district, he said, such as the four year teacher program, which will be jerked. Cowper objected. It was not in the University priorities. Bradley returned that it was, however, in his districts' priorities. Cowper argued that 25 miles was not too far to drive to take a class and did not think the time is right to instigate this new program. He did not object to the chairman's amendment, however, but to the main motion.

OBJECTIONS

A vote on the amendment to the motion to add funding resulted in six for, with Haugen and Duncan dissenting. The main motion carried six to two with Haugen and Duncan opposed. INTENT was added by Malone, with committee approval to indicate the funding purpose. He thanked Mr. Cotten and Mr. Bradley for appearing and abjured them not to consider the action as one

VOTE  
CARRIES FOR  
50.0

of establishing a community college in Eagle River-Chugiak,  
but as added support in using Anchorage Community Colleges'  
services within their own buildings in Eagle River.

INTENT

Chairman Malone adjourned the meeting at 11:30 p.m.

ADJOURNED

mb

HOUSE FINANCE COMMITTEE  
Thursday, April 15 1976  
9:00 a.m.

Chairman Malone called the meeting to order. Members present were Guy, Buccholdt, Duncan, Cowper, Haugen and visiting Rep. Keith Specking. Glen Vernon, budget analyst, also was present.

Referring to the loan made to the City of Whittier from the State of Alaska, Rep. Specking present justification for the forgiveness of the loan to that city. He outlined the history of purchase of WW II buildings in Whittier, in a GSA sale. Having been through recent bad management, he said, the city has not gotten rid of Mr. Baker, the mayor, and has reelected a responsible city council with city manager. They are trying to pull themselves out of this difficulty, he said, and want to face up to this problem of paying the state the debt credit of \$100,000.

Commissioner Gallagher of the Department of Revenue, is opposed to this idea because he was a banker in Anchorage at the time of the loan and knows the entire background. However, Specking pointed out, the city does operate marginally due to a tiny population, the economics of which is based upon servicing and tourism. Anchorage people come down there as their summer playground. Other than that, there is a population of 250 persons.

Malone's question as to revenue sharing revealed that in the rehabilitation of an old school. They are trying to develop Whittier as a recreation area, and they needed a boost, as they have a harbor to support. The Chairman thanked Mr. Specking for his presentation, and the gentleman left.

The next order of business was to review the U. of A. budget, beginning on page 229, Southcentral Institutional Support/Physical Plant. This component was left open. An amount, 169.0 could not be traced.

Pages 231 - 235, Gruening moved the Governor's figure. It was adopted for Southcentral Region's Safety & Security, Computer Services and Admissions & Records.

On Page 237, Southcentral MAT-SU CC/Instruction, the recommendation adopted was to add 24.6 to 01, bringing the total to 321.4. Over the Governor's recommendation, the committee allowed the refrigeration and heating teacher.

Gruening moved the Governor's figures for pages 239, 241 and 243. This was for Library, Administration and MAT-SU CC/Physical Plant. The latter had an added 15.0 adopted for a part-time person, totalling in that item the amount 62.9.

Pages 245 - 261 were adopted as Governor's budget. These include: Southcentral Mat-SU CC/Career Ed, Southcentral Anch Bookstore, Southcentral Anch Food Service, Southcentral Anch Student Center, Southcentral Mat-SU Bookstore, Southcentral Public Service, Kodiak CC Instruction, Kodiak CC Library and Kodiak CC Administration.

MOTION FOR  
COMPUTER TERM.

Page 263, Kodiak CC Physical Plant There was a motion from Naughton to place the amounts 25.0 for a computer terminal and 10.0 for a student center. The new total of 152.7 was adopted.

IN KODIAK

Page 265, Kodiak CC Career Ed, Page 269, Kenai CC Library The Governor's figures were adopted.

KODIAK CAREER ED

Rural Education Kenai CC Instruction Other than the Governor's figures, the following were recommended and adopted: 01 - an added amount of 67.7, total - 527.2. There will be 463.3 out of general funds. Chairman Malone wanted the position Instructor/Water-Waste Water in Kenai allowed because of failure of federal funds. Half the funding will go into a coordinator for Homer, and the other half for a coordinator in Seward, with the schools picking up the other half of the salary cost. This will create an increment for the state of 65.7.

KENAI CC

Page 269, Rural Education Kenai CC Library and page 271, Rural Education Kenai CC Administration were adopted at the Governor's figure.

LIBRARY

Page 273, Rural Education Kenai CC Physical Plant In addition to the adopted Governor's total, an added 20.0 was adopted upon Malone's motion to provide for a mini-computer to be installed for the petroleum technology course at the college.

PHYS PLANT

Page 275, Rural Education Kenai CC Career Ed, and page 277, Rural Education Kenai CC Non Credit Inst. Both were adopted at the Governor's figure.

CAREER ED

The budget consideration was broken off at this point by the arrival of Dr. Solie of the University of Alaska administrative staff. The leadership on the committee for obtaining the salary scale hike was Mr. Cowper of Fairbanks who gave preliminary remarks before the committee addressed questions to Dr. Solie.

Cowper said there was a study commissioned by the University of the non-union salaries taken in a nationwide context, and the U. of A. structures were at the bottom of the list for pay. He spoke of the inequities existing between those teaching in senior colleges with doctorates over those teaching in community colleges without them. Because of this inequity, he said, only those who already live here, or "the dregs and leftovers" teach in Alaska.

HB 661

COWPER'S  
RECOMMENDTN

Cowper continued that the faculty agreed with a recommendation to add to HCS 661, but the recommendation jelled after the bill had been reported out. The recommendation would have put salaries in the 30th to 40th percentile, not even the medium level in the United States. He said they could handle just the senior college faculty salary problem this year and not the area column differential request.

WHEN TO  
IMPLEMENT

Duncan argued that the increased salary schedule coming on the heels of a possible non-general increase to state workers would not set well with the public. The raises are scheduled for June 1977, said Cowper; but that is not feasible and instead would be set for January 1. "If we don't do it it is absolutely guaranteed they will unionize and the salaries will go up astronomically.

Duncan stressed twice during the meeting that he thought this bill should go to Rules Committee for a substitute so the bill would not have to be amended on the floor. Cowper disagreed. Although Duncan wanted the whole issue kept low, there were too many obstacles, Cowper said.

LEGISLATIVE  
PROCESS

Duncan still objected to having the bill leave Finance Committee. Chairman Malone summarized the problem: a 1.1 mil. dollar allocation would bring an increase for the U. of A. faculty, researchers and administrators who are not now covered by collective bargaining. There would be real problems without passage of the salary raise with 850 on the staff. The amount would break out to 225.0 between Anchorage and Juneau and 650.0 to Fairbanks. Buccholdt asked Solie, "How much for Anchorage and how much for Juneau?" He could not answer.

UNEASINESS

Then Naughton posed a question. He said Alaska is first in its funding of a University system, in the 90th percentile a per-pupil cost ratio and yet in the in the nation 10th lowest percentile for paying its faculty in the senior colleges. He thought this should be investigated sometime.

Duncan said he wanted to speak to Mr. Parker before making his decision. However, Cowper told him he should be in charge of the bill in that case as it would place him, Cowper, in a difficult light.

DUNCAN  
OPPOSES  
COWPER

When asked about the salary study he had made, Dr. Solie told of the expected rise in c.o.l., plus regional differentials. Excepting the City of Anchorage, there was no acceptable data on cost of living. Gruening, who had just arrived, then asked

how he estimated the c.o.l. differential between Anchorage and Fairbanks, listing 12.5% where the state lists 4%. Solie could not answer.

Gruening called for a study of per unit cost instruction. It is by far the greatest in the nation -- 8.5 compared to the median of 2.4 for the nation and 4.5 for the second highest, New York State.

Chairman Malone assured Cowper he would exert leadership in carrying the bill to Rules for the cleanup needed. He made a motion and asked unanimous consent for the 1.1 million dollar figure. Buccholdt said she needed time to think it over. Naughton said it represented just a committee recommendation. The motion carried 7 to 1.

HB 661 TO  
BE TAKEN TO  
RULES COMM.

ADJOURNMENT

As it was the time for a Joint House Session, Chairman Malone adjourned the meeting at 11:00.

mb

HOUSE FINANCE COMMITTEE  
Thursday, April 15, 1976  
1:30 p.m.

Chairman Malone called the meeting to order. Those present were Guy, Duncan, Naughton and Haugen. Buchholdt and Itta entered later, at which time Haugen left. The subject was the U. of A. Operating Budget.

Mr. Guy presented Page 279, Rural Education Kuskokwim CC/Instruction. The new total of 1626.4 was recommended and adopted. The maintenance figure of 976.6 was the base with an added 244.1. There was a motion to take 1021.3 out of general fund. Of the new positions, several were justified by Rep. Phillip Guy. When asked to prioritize ten which could be added, from the original list of 27, he listed the following:

- |                                   |      |              |
|-----------------------------------|------|--------------|
| 1) Two community college teachers | 68.0 |              |
| 2) Producer/Coordinator ITV       | 23.6 | KUSKOKWIM CC |
| 3) Engineer ITV                   | 19.5 | STAFFING     |
| 4) Cameraman ITV (part-time)      | 13.5 |              |
| 5) Writer Eskimo Language Worksho | 15.7 |              |
| 6) Teacher Business Education     | 17.0 |              |
| 7) Clerk Typist, Materials Dev.   | 16.8 |              |
| 8) Teacher of Eskimo              | 17.0 |              |
| 9) Director ITV                   | 33.7 |              |
| 10) ABE Field Supervisor          | 19.3 |              |

Mr. Guy supported the request by saying there had been an increase in growth last year which was considerably below that of the year before and likewise the community was losing potential students to institutions outside Kuskokwim. He was responding to the recommendation of the Community College staff, the bare bones of which starts in the maintenance column.

The question of whether or not monies could be used from research projects on the community colleges from Itta brought the response from Malone that this was possible; however, he pointed out, these research programs were of direct value to the state and had the greatest general interest.

Mr. Guy pointed out that the cut-back in the governor's proposed budget had massacred Kuskokwim. Malone said the collapse of restricted funds support is what was bringing this amount.

A motion by Malone followed to adopt the maintenance figure plus the first six personal service priority requests, with a change for two part-time cameramen to one p.t. cameraman. Discussion on the motion was whether an engineer could fill the need better. Guy would rather see one director of TV.

MOTION

Duncan said, instead of blanket acceptance of the maintenance figure, they ought to look at maintenance compared to the governor's figure. All the other community colleges were not brought back to maintenance level, he said. Some other maintenance stuff they might be able to do without; but Duncan had no objection to the positions.

OBJECTION FROM DUNCAN

Mr. Cowper came in.

SEARCHING FOR

Chairman Malone at this point attempted to track which or what restricted funds collapsed. With the help of Mr. Vernon, they informed the committee from page 14 in the "brown book". From the "red book", page 22, the reduced funding of other colleges was noted and listed. It was discovered there had been a federal programs decrease of \$100,000, and three were listed. Referring to the decrease for the translation system in the capital budget, Malone said that half was shown as restricted funds, but this was not true. Those funds were not restricted. Guy reiterated that those legislative monies, in the amount of 154.6, were to serve four areas, and went to the map to explain.

RESTRICTED

FUNDS

Mr. Gruening arrived.

Chairman completed the homework necessary and chalked upon the blackboard the following information:

Restricted Funds

	<u>FY76</u>	<u>FY77</u>	<u>Difference</u>
City of Bethel	12.0	12.0	---
Y-B-CETA III	282.4	176.5	(105.9)
YKHC	102.0	68.0	( 34.0)
ABE REG.	92.0	81.2	( 11.0)
DFC	35.8	45.8	( 10.0)
CEP	16.5	16.5	---
Legislature	154.6	0	(154.6)
AK Legal Srvs.	18.1	0	( 18.1)
Fed. D. HEW/FIPSE	74.8	0	( 74.8)
D. HEW/Title	25.0	0	( 25.0)
N.I.M.H.	42.7	0	( 42.7)
BIA/A.B.E.	30.0	26.4	3.6

GEN FUND WRONG

Chairman Malone said he thought the general fund was wrong in the figures. He added it this way: 675.0 FY76, adding 42.7 for salary raise and 11.0 for salary adjustment bringing the total to 729.3. Adding to that a 4.4 for the physical plant, and

inflation, it brought the total to 733.7 without containing any restricted fund loss. This, said Malone, is what a maintenance budget would be.

The second step would be to take into account the restricted fund loss, plus losses in the above list. This factors to 874.6. This was explained also to Rep. Larry Davis, who was present by this time to seek more funding for the college in his district.

Further discussion centered around the native language center activity. It was decided to include these positions into a revised position list of ten position titles. Malone revised motion was adopted with no objection to reflect the list shown at the start of this narrative.

recounting

RECOUNTING

FUNDING

PROCESSES

Going on with the budget, Page 281, Rural Education Kuskoswim CC Library. A student stipend was allowed boosting slightly the total to 84.8.

Page 283, Rural Education Kuskokwim CC Administration total 163.7 was adopted, with one new position allowed: the registration clerk in Kuskowim, at 19.4.

KUSKOKWIM  
ADMINISTR.

Page 285, Rural Education Kuskokwim CC Physical Plant Governor's figures were adopted.

CAREER  
ED

Page 287, Rural Education Kuskokwim CC Career Ed zero'd figure was adopted.

Page 289, Rural Education NW CC Instruction who had appeared earlier asked for the maintenance figures, plus new positions. Other than the maintenance figures, the following were adopted: 01 - cost of new positions added; 02 - an added 10.0; 05 - an added 5.0.

NW CC

LARRY DAVIS

Pages 291, 293, and 295 were skipped.

Page 297, Rural Education Outreach Extension Centers total was upped from the Governor's to the amount 697.1 for personal services and 833.8 for the total. 757.0 will come out of general fund. The suggested new total brought a motion from Haugen to add 60.0 to 01 to make the coordinator half time in Valdez and add a full time coordinator in Cordova. He presented this motion on behalf of the representative from that district. Gruening moved an amendment to the motion to add one full-time coordinator in Valdez, one-half in Cordova at the cost 40.0. This amendment was adopted and wiped out the original motion.

RURAL ED OUTREACH

COORDINATORS IN

CORDOVA & VLDZ

Page 299, Rural Education Outreach Rural Area Centers component was left open.

This

Page 301 Rural Education Outreach Central Support zero'd figure was adopted.

The Governor's

BOOKSTORES

Gruening moved the Governor's figures for the remaining pages, 303, 305 and 307, the Kodiak Bookstore, Kenai Bookstore and Kuskokwim Bookstore.

The chairman tied up some loose ends before adjourning the meeting. CETA status in the budget had yet to be determined. Likewise the mental health programs, OMAR \$15,000 grant request, plus PLANNING all the open pages in the operating budget needed time for review AHEAD and closure.

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

ADJOURN

mb

HOUSE FINANCE COMMITTEE  
Friday, April 16, 1976  
8:25 a.m.

Members present: All members were present.

Others present: Robert Schroeder, Fiscal Analyst, Legislative Finance Division.

JUSTICE

JUSTICE

P. 101 State Bond Committee--Debt Service

Rep. Naughton moved to adopt the Governor's budget of \$959.5. Motion adopted.

P. 79 Enforcement--Detachments & CIB

Juneau requested five new troopers. The agency's first priorities are Anchorage and Fairbanks. Rep. Malone moved to add 10 new troopers to the budget: 4 in Anchorage, 3 in Fairbanks, and 3 in Juneau. This would be above the Governor's request. Rep. Haugen objected to the motion. Motion failed. Rep. Malone moved to add the following intent, no objection:

Legislative Intent: Within the number of troopers presently assigned in Juneau, put an additional three state troopers on patrol. LEGISLATIVE INTENT

Rep. Malone moved to adopt the \$11000.0 Governor's budget. No objection.

New Component:

NEW COMPONENT

Rep. Malone moved to add a new component, Ridgeview, under Adult Confinement in Anchorage. The total budget would be \$543.3. Motion carried.

The meeting was adjourned at 9:10.

HOUSE FINANCE COMMITTEE  
Friday, April 16, 1976  
1:30 p.m.

Chairman Malone called the meeting to order. Present were  
Gruening, Duncan, Cowper, Guy and Laurie McNicholos and Jane  
Demmert of Rural Education Affairs, U. of Alaska. Observing  
was visitor Marie Lium. Also present were Glen Vernon and  
Alison Farnon, for their respective areas of budget analyses.

EDUCATION

&

DEVELOPMENT

Ms. Demmert explained that Elaine Ramos wanted to be there  
but due to travel schedule she was unable to appear. Referring  
to a priority sheet given by the Task Force, which explained  
Extension Centers and established policy by Regional Policy  
Council, she invited questions from the committee.

BUDGETS

RURAL EDUCATION  
AFFAIRS

Cowper: What about Michael Kraus's Native Language Center?  
Does this represent Elaine Ramos'

Demmert: Yes. There will be intensive work. Some of the languages  
where work formerly has not been done, will be taught.

Cowper: What is the situation with Inupiak University?

COMMITTEE HAS  
QUESTIONS

Demmert: I'll try to clarify it, although I can't speak for  
them. Its my knowledge that they do plan to go beyond this  
year's operation.

Naughton: Is not the training of teachers, and not bilingual  
language, the main priority?

Cowper: About the physical facility -- there was a physical  
facility in Nome which was established as a center but it is to  
be used for a community college at this time, is it not?  
(Demmert did not know about this.)

Ms. Demmert explained the Barrow, Inupiak, Kotzebue, Adak facili-t  
ties, among others, noting they used part-time local coordinators.  
Don Defoe, University vice president, said the distribution  
for the budget, a handout which everyone was scanning, was not  
a priority list. However, the REA Task Force had one.

Mr. Malone gave the gavel to vice-chairwomen Buccholdt and left.

Gruening: What is the amount this represents over the Governor's request? (2.0.)

Cowper: The reason this was brought up was that the community colleges went "over"; Nome, especially. They substantially increased. Was the included here? No, said Defoe. The figure included additional monies.

Gruening asked Defoe if he had seen the Arctic World Training Course in the REAA, which is included in a BRU. He said they were putting that full amount under Elaine Ramos' program, an additional \$600,000. What might be his observations? No observation was made.

MORE QUESTIONS  
OF DEFOE

Demmert: Our object is to have community colleges run their own program -- so it is anachronous to move toward a cooperative venture.

CC RELATIONSHIP

Gruening: Could you have your program with Alaska Native Language Center?

Demmert: It could. Basically, we are trying to get teacher education. We are moving toward getting more persons certified.

GOALS

Gruening: What are the new REAA centers? Are they half-way extension centers, and half community colleges?

Demmert: We hope more; to provide a staff as an example, at Sand Point, and then teach courses for that whole geographic area.

REAA CENTERS

Gruening: What do they teach?

Demmert: What they teach will be established by the community council. (She listed all of the communities for that area.) The Regional Policy Council will establish curricula and hire, for example, a business ed teacher, which is a high priority now with the regional corporations needing this skill, plus basic skills, math and English. The REAA task Force will be meeting next week and has listed policy development first on its agenda. Some of these communities have never before had higher education offered to them.

LOCAL  
DECISIONS  
--CURRICULA

Buccholdt expressed trouble with the REAA's and the Extension Center concept. The Extension Center is regional, whereas the other, local. How many instructors would they be talking about? There would be, excepting Ft. Yukon, two full-time instructors, several part-time.

Haugen asked the kind of courses they would teach? Demmert answered business ed, health, bilingual, voc ed, basic English and math skills. Haugen asked how it was funded and generally opposed the concept because it would be cheaper to send students out for education, and besides, did they not receive math and English already? Demmert's reply was a facial response.

Demmert explained that the skills taught in villages are priority skills the people want for successful village employment. These cannot be gotten in the city, she implied. Haugen commented they go home and go on welfare.

Gruening said there was nothing in this budget to show that anything goes to REAA. Then Dr. Defoe explained there had been fund transfers to REAA so they could operate. (Mr. Guy left.) Defoe said that monies from that old public service unit, out of Anchorage, and some Fairbanks monies were transferred in. He showed 380.0 in transfers.

The group which came to present the budget unit had, having completed answering all the questions of committee members, were thanked by the chairman and left. Mr. Cowper also left temporarily.

RAMOS' STAFF  
COMPLETES  
REVIEW OF BUDGET

Chairman Malone asked the committee whether or not they could grant the request without triggering all other college requests up to the maintenance level. Already there had been increases to Extension Centers.

Buccholdt said she could go for everything up to the expanded program in order to minimize the balloon.

COMMITTEE DISCUSSES  
BUDGET AMOUNTS

Gruening said local control of extension centers was okay. The vice presidents were more responsive to expanding, but he thought this program should go through an organizing stage, first. There was nothing for administrative monies in a BRU, although he could give some. Malone said that after examining amounts, 230.0 plus 80.0 for personal services requested for administration, development and program and for reviewing components, he asked for motions on the budget one element at a time.

Malone referred to page 301, U. of A. budget, and moved the amount 250.0 out of another BRU to place there.

HUNTING FOR THE  
MONIES IN  
OTHER COMPONENTS

Gruening wanted instead to take that amount out of page 5, statewide administration institutional support. Cowper objected. After doing some homework in committee, trying to find where they had extracted the rural affairs division, Malone concluded his motion was premature.

They were discussing taking the money out of central administration. The idea was, said Gruening, to give Elaine enough control of monies to run a program. Buccholdt said she did not think they would have to do that if they included intent. Itta and Duncan agreed. However, Malone preferred to put in a figure, such as 300.0, he said.

Defoe said there was only Ms. Ramos and a secretary provided for under statewide administration, the same as other vice presidents. But there were budgets for regions. Funds had

transferred for education in rural affairs. He delineated these funds, the elements from which they came.

Glen Vernon asked Defoe what the Village Art component was for. Buccholdt made the comment that Elaine just didn't have a secretary, she had a staff in Anchorage and Fairbanks, plus two secretaries and three professors, though those were one-half year each. The 80.0 figure was included in the 610.0 amount that Ramos showed for personal support, she added. RAMOS' STAFF Then she inquired as to the priorities of extension centers. Itta inquired as to the drastic cut at Barrow and Defoe said it was based on staffing. Buccholdt asked if they were coming very close to having the regional centers. Yes, he said, and listed them.

CHAIRMAN  
Concluding the question period, the chairman noted that the BEGINS A vice president is under state administration of the University SUMMARY system and that the balance of administrative cost for FY 77 is 297.0, referring to p. 2967 of the short form. This underwrites the cost of the six existing regional centers for which the maintenance figure is 833.8, plus the outreach extension centers for 80.0 making a total 873.8 maintenance figure. That would be plus the coordinators at Valdez and Cordova.

TAPE 64, 0000 -- begins here:

MOTION P. 301  
CARRIES

Gruening added intent following the motion to change p. 301, Rural Education Outreach so that that component receives 300.0 on the bottom line, placing on page 5 bottom line figure of 2070.1. His motion carried 5 to 3. Haugen objected. Intent will be on 2 pages.

Itta referred to page 297, Alaska Native Language Center. MOTION P. 297 She made the motion to amend that page to increase the amount FAILS for Barrow to 149.0. Malone responded saying if adopted, it would increase to total from 873.0 to 1022.0. Motion failed 4 to 4. Itta made a second motion to add 75.0, in addition MOTION FOR to 66.5 for the extension center, to Barrow. The total would BARROW be 948.8. Motion carried 6 to 2.

ITTA'S MOTION  
Buccholdt discussed page 49, Alaska Native Language Center. FAILED THEN CARR'D  
Cowper made a motion to adopt the request level. Motion was adopted.

Cowper made another motion that the whole program, including intent be placed in Rural Education Affairs Division. Motion carried. NEW COMPONENT IN EDUC. BUDGET

Gruening brought up the Arctic Teacher Training Corps, that it should be set up as a new BRU. The transfer will be the Governor's figures, page 95 of the Education short form with added intent.

Gruening made a motion to transfer a whole component out of Dept. of Education and reinstate this into Rural Education A TRANSFER OUT OF DOE TO U of A

Affairs, 620.0 federal funding and 20.9 general funds. It will appear as zero with a note there will be no program change or funding level intended by the transfer to REA Division; and there would be greater coordination and cooperation between Cross-Cultural Centers expected. The motion for the transfer and intent was adopted.

INTENT

Discussion next centered on page 229, the physical plant in Anchorage. It was tied to a ballooned request for staffing and the question put to Defoe was "Just because you have extra space (adding in 180.8 sq. ft.), do you need to have more staff?" No reply.

PHYSICAL  
PLANT  
REQUEST

As to having new facilities, that is related to "coming on line", said Haugen. Soon they will be around with RP's, he continued, and wondered why the Governor had not cut them out.

Gruening wanted to grant a round figure and made a move to give a lump total of 200.0 to maintain and operate the new space. Haugen objected. Motion was adopted 8 to 1.

MOTION  
CARRIES

Chairman Malone brought up the LPN instructor position and program asked for at Sitka CC. Dr. Bovey had been contacted at Sheldon Jackson and said there was no problem, excepting it required a residential program and there were only 8 or 9 students who might enroll. Duncan recommended they get along without it. Cowper moved the governor's figure, page 159, which excluded this program. Motion was adopted.

LPN AT  
SITKA CC  
DELETED

Duncan brought up the Sr. College Teacher Education Program, p. 115, which formerly had been deleted by the committee. He emphasized again that the program would be lost if the staff did not increase to meet certifying regulations. They had to have maintenance figure, plus added staff; presently they were below maintenance and the Advisory Board would have the program pulled. He made a motion to the subcommittee to recommend a raised figure to 289.5, with an added 22.0 for accreditation process cost. Cowper objected saying noone else went above their cuts, to maintenance. The motion carried 6 to 2.

SE SENIOR  
COLLEGE  
TCHR TRNG  
CARRIES

Chairman Malone expressed hope that would not trigger a round of increases. Malone moved to zero page 299. Motion was adopted. He then asked Cowper what he wished to do about salary increases. Cowper asked Glen Vernon where it could be placed and Vernon suggested the University could spread it, so put it in as a lump sum in a separate unit for that specified purpose. Cowper made a motion for a 2.2 million dollar general salary increase for professorial staff who were not covered by collective bargaining. Motion was adopted. Mmalone made a motion they place this amount in a separate component and the motion was adopted.

GEN'L SALARY  
INCREASE TO  
PROFESSORS

Naughton asked what occurred on p. 307 to statewide administration. Was it reduced by 300.0, leaving a total of 2070.1 (to begin a Rural Education component?

This completed the work on the University budget. Moving on, the appropriation for highways, SB 605, was brought up with the list received from the commissioner for the 73 projects the state intends to do next. Cowper moved to report out SB 605. It was majority do pass. Asking if there were objection, the chairman said he would attach a letter to go to the floor with the bill. SB 605 DO PASS

(Cowper left. Buccholdt left.) DEVELOPMENT BUDGET

Turning to the Development Budget, page 23, it was 4:30 p.m.

Figures recommended and adopted were: 01 - 464.8; 02 - 40.6; 03 - 209.8; 04 4.7; 05 - 300.0; 06 - 35.8; total - 1056.1, with 15 full-time positions.

Cowper objected to adding a development specialist for petroleum in the economic analysis area. He considered it an overlap and that all these analysts ought to be lumped in together. Beside, that was a Range 20G and who was going to listen to him? The argument against that was that there needed to be forecast and his area of forecasting would not overlap. Duncan said he talked to Commissioner Motley and he wanted it. Malone read from the justification paragraph. Over Cowper's objection the position was adopted. OBJECTION TO NEW POSITION

Itta presented the request for an added BRU to allow for Economic Development Planning to be paid for out of federal funds, 15,000 and state match, 50,000. From the Department of Commerce had come the proposed program for Tenana and Kotzebue area to raise reindeer and caribou herds. Fish & Game was looked upon askance to manage this, and the native regional corporations were not up to it. There would be a proposed satellite scanning program to determine soil through imagery, which Ms. Itta explained. Her proposal to support that was to raise 110,500 in kind plus money match, and get 56,000 from LDA plus 50,000 from state funds. REINDEER AND CARIBOU HERDS PLANNING DOLLARS

Gruening averred to Law Gray who owns 1.2 million acres within that range, and Itta said the man was a citizen of Nome/Kotzebue and planned to grant his land to nana.

Haugen talked the project over with Dominic, of the Dept. of Commerce and felt there should be more time because a revision figure of 300.0 was involved in the budget summary. It also ought to be a part of natural resources. Itta opposed a delay. She said all the homework had been done and it was endorsed by Senator Ferguson and NANA. BUDGET AREA LEFT OPEN

Chairman Malone decided to keep the BRU open. It was going to involve a transfer from one source to another. Also, there was the 300.0 request from Economic Development for bottom fish resource study and the position of development specialist to decide.

Continuing, Duncan said on page 72, the RDA grants for the Wasilla water and sewer study would cost 30 0. It was the Governor's request recommendation and it was adopted. Haugen had tried to amend the motion to put intent that it be used for sewer study, but withdrew it. The total figure was 794.2.

PAGE 72  
WASILLA WATER  
AND SEWER

Returning to page 37 regarding reindeer herding, an operation by NANA corporation, Duncan had no recommendation. Malone made the motion for a 50.0 figure for a Northwest Area range and soil survey. (Cowper and Buccholdt, who had been out briefly, returned.)

PAGE 37  
SURVEY  
APPROP.  
CARRIES

Page 67 -- Malone made a motion to zero this remote route subsidy, that it be transferred to the remote route budget, DPW, Office of Commissioner, "Administration". Motion was adopted.

PAGE 67

Page 61 -- Duncan recommended 17,089.7 under "grants" with a total of 17,153.5. No objection. Adopted.

61

Page 43 -- Native Claims payments. Malone posed the question: "Do advance payments of the Alaska Native Claims Act count as a contribution by the state under federal law?" Cowper said he did not know; he had made a request to them (A.G.'s office) two months ago and hadn't heard, but hoped to soon. They discussed that if the State is making payments too soon, (they are advance payments), that Rod Pegues thought there was a substantial legal problem and the feds would have to handle it.

43

Malone moved and asked unanimous consent to rescind their action on page 43 to the figure 6693.2 and accept the Governor's figure on this BRU. Discussion included the constitutionality of the question involving millions of dollars. Haugen pointed out the question was whether the feds would say that was just a grant and the state would have to pay. Naughton said all they need is an answer to the question raised by Cowper. It was moot from the standpoint of native corporations.

MOTION ON  
P. 43

Representatives Guy and Itta looked at one another and said it was the first time they had heard of this question. Malone clarified saying that advance payments made are above those required by federal law and which could be considered a grant not required by law. If that should become true, it would put these payments in a new light.

MAJOR QUEST.  
RAISED ON  
TIMING OF  
NATIVE LAND  
CLAIMS PYMNTS

Mr. Guy said the 500 million dollars is to come from the state and 554 million to come from the federal government, and he expressed concern, whereupon Mr. Cowper told him this did not represent welching. It was voluntary business not required and they are worried; the land claims act doesn't require the state to pay ahead so there is a substantial question at stake.

Cowper called for the question, as it became apparent there was no hard information. There was no discussion. Itta objected. The motion carried 6 to 3, adopted at the Governor's level.

MOTION  
CARRIES

Malone commented "We have to get an answer before the legislative session concludes". Mr. Cowper was asked to pursue the question.

The time was 5:30 and the chairman adjourned the meeting to reconvene at 7 p.m.

ADJOURN

mb

# HOUSE FINANCE COMMITTEE

April 17, 1976  
10:40 a.m.

Chairman Malone called the meeting to order at 10:40 a.m.

All members were present. Rep. Naughton arrived at the meeting at 10:55 a.m. Present

The business before the committee was to consider the 1977 CAPITAL BUDGET. CAPITAL BUDGET

## ADMINISTRATION OF JUSTICE (p. 73 of Gov's budget)

Chairman Malone recommended that Barrow Court Building construction be funded from the general fund for \$1.5 million. Rep. Guy moved that this be done. No objection, so ordered ADM. OF JUSTICE

Kodiak Court and Office Building Remodeling. Rep. Malone recommended \$76.8 in state general funds for this item. Rep. Guy moved \$76.8 for the Kodiak Court from state general funds. No objection, so ordered. Alaska Court System

Sitka Court and Office Building Improvements. Rep. Malone noted that about \$70.0 of this (226.6) is for a rock facing on a wall. He recommended the balance of the appropriation of \$137.4 in state general funds be appropriated. Rep. Guy moved that \$137.4 state general funds be appropriated for Sitka Court and Office Building Improvements. No objection, so ordered.

Fairbanks Court Building Remodel. This item does not appear in the Governor's budget. It is a revised Court System request submitted directly to the Legislature. They requested \$130.3 in state general funds. Rep. Malone said there is a serious question as to whether they need the balance of the funds requested. They have a considerable amount of money remaining on the books.

Rep. Cowper moved "0" for Fairbanks. No objection, so ordered.

Kenai Court and Office Building Improvements. Rep. Malone recommended \$104.0 state general funds for repairs and improvements, feeling that the entire requested amount (\$133.0) was not needed particularly for library remodeling in the courthouse. Rep. Guy moved that \$104.0 state general funds be appropriated for this item. No objection, so ordered.

Anchorage Court Complex Renovation (\$109.7 requested). Rep. Malone said \$98.0 was requested here to change the outside of the old portion of the court complex to conform in appearance to the new portion. He did not think this was warranted and recommended "0". No objection, the recommendation was adopted.

(10:55 a.m. - Rep. Naughton arrived)

Bethel Court Building Construction (1,641.8 G.O. Bonds). Rep. Malone stated this is the Court's last priority. He recommended that this not be adopted because, according to the Court System, they think they have an excellent chance of making a lease/purchase arrangement on a building to be constructed by a private company, in accordance with a plan adopted by the Legislature and the Court System in the current fiscal year. He believed this plan has been advertised and might go to bid before the session adjourns.

Alaska  
Court  
System

Rep. Guy moved that \$1.5 million be left in the G.O. bond proposal in the event the private entity does not construct the building (mentioned by Malone). Rep. Malone suggested taking up this item when G.O. bond issues are considered by the committee. Rep. Guy then withdrew his motion. "0" was therefore set for the Bethel Court Building.

Bethel  
Court Bldg.

Dept. of Public Safety (p. 67 of Gov's budget)

Dept. of  
Public  
Safety

Firing Range Construction, Sitka (48.0) Rep. Malone moved that \$50.0 in general funds be appropriated for the firing range. No objection, so ordered.

Palmer Sewer System (150.0 G.F.). Rep. Malone recommended "0" in general funds, preferring to take this up under G.O. bond issues. He did not think this project could be gotten underway this year. "0" was adopted, with the understanding that this would be considered under G.O. bonds.

PUBLIC PROTECTION (p. 63)

PUBLIC  
PROTECTION

Military Preparedness.

Minor Construction Contingency Fund. No recommendation was made. Therefore, item was set at "0".

Anchorage Multi-Unit Armory Construction. Representative Malone recommended no G.O. bond funding for this project since from the information he has right now there are no federal funds available for a match. He recommended only planning and engineering funds for this item. Rep. Malone moved that general funds of \$267.0 be appropriated to the Anchorage Armory for planning and design. This item was left open; therefore set at "0". It will be considered under bond proposals.

Rep. Gruening said he wanted to discuss the availability of federal funding on this item with General Necrason.

4/17/76

Juneau Armory Roof Repair (50.0). Rep. Malone recommended that this be funded from general funds since roof repairs in Juneau shouldn't be put off (rain, you know). Rep. Malone moved that \$50.0 in general funds be appropriated. No objection, so ordered.

PUBLIC  
PROTECTION

Military  
Prepared-  
ness

Rep. Malone recommended both state and federal funds on the following:

Bethel Maintenance Shop: 32.4 G.F. 216.0 Fed.

Nome Maintenance Shop: 32.4 G.F. 216.0 Fed.

Juneau Maintenance Shop: 35.9 G.F. 239.5 Fed.

These items were left open; therefore set at "0". They will be considered under bond proposals.

Jail at Barrow. There was a discussion about a proposal to build a jail at Barrow. The Division of Corrections estimates that it would cost \$900.0 for a short-term facility (2-years). \$514.0 is available from an existing appropriation, so a balance of \$400.0 would be needed.

Barrow  
Jail  
(JUSTICE)

Rep. Itta favored appropriating this amount from the general fund. Rep. Cowper suggested taking this up in the bond issues when other correctional institutions are considered, pointing out that if the bond issue doesn't pass, we still have time next session to put in a supplemental before the construction season. He felt that we should let Corrections know that we think it is appropriate to have both the Barrow Court Building (which was approved) and the proposed jail in one building.

Rep. Itta moved that the committee appropriate \$400.0 in general funds for the Barrow Correctional Institution. The motion failed by a vote of 4 yeas, 5 nays.

Rep. Cowper stated that he will support putting this item in the general fund if we do not get out any prison bond issue.

DEVELOPMENT. (page 77, Gov's budget)

DEVELOPMENT

Alaska Municipal Bond Bank Authority (\$1,500.0 G.F.) Sub-Committee Chairman Duncan moved to appropriate \$1.5 million for the Municipal Bond Bank Authority increased capitalization. Rep. Malone objected to the motion. He said he expected that if they proceed according to schedule, required reserves could be appropriated in a future year.

Rep. Duncan's motion failed by a vote of 2 Yeas, 7 Nays (Duncan and Haugen in favor).

4/17/76

Matching EDA "304" Funds (80.0 G.F.) Rep. Duncan recommended "0".  
No objection, so ordered.

Agricultural Revolving Loan Fund (200.0 G.F.). Rep. Duncan recommended \$200.0 be appropriated. Rep. Naughton moved and asked unanimous consent that \$200.0 be appropriated. The motion carried by a vote of 8 to 1.

Irrigation System Extension (40.0 G.F.) Rep. Duncan moved that \$40.4 be appropriated. No objection, so ordered.

Chemical Storage Building (19.2 G.F.) Rep. Duncan recommended \$19.2 G.F. No objection, so ordered.

Rep. Duncan recommended the following be set at "0":

Plant and Seed Cold Storage (27.4)

Greenhouse (100.0)

Electrical Generator (8.0)

No objection, the 3 above items were set at "0".

State Fairs. Representative Duncan moved that State Fairs be left open, to be considered under bond issues. No objection, so ordered.

Water and Harbors.

Water &  
Harbors

Nome Harbor Dredging. Rep. Duncan asked that \$2.5 general funds be appropriated for this item. Rep. Buchholdt moved that \$2.5 g.f. be approved. No objection, so ordered.

Emergency Repairs (50.0 G.F.) Rep. Duncan recommended \$50.0 general funds. No objection, so ordered.

Sitka Harbor Facilities (Thompson Harbor) \$200.0 G.F. Rep. Duncan recommended \$200.0. Rep. Cowper moved "0". He said he thought the harbor was in good shape the last time he was there. Rep. Duncan spoke in favor of this appropriation. He said this money would be used to complete Phase 3 of the harbor's rehabilitation. A vote was taken on the question of appropriating \$200.0. The motion failed by a vote of 2 in favor, 7 opposed (Haugen and Duncan in favor).

Rep. Duncan recommended \$75.0 for Letnikof Cove Harbor Facilities and \$300.0 for Homer-Seldovia Harbor Facilities.

Rep. Cowper moved to accept Rep. Duncan's recommendation. No objection, so ordered.

Tenakee Breakwater (60.0 G.F.) and Hydaburg Breakwater (150.0 G.F.) Rep. Duncan moved that \$60.0 and \$150.0 in general funds be appropriated for these two items, respectively. No objection, so ordered.

DEVELOPMENT

Small Refuge Floats - Southeast (60.0 G.F.) Rep. Duncan recommended "0". No objection, so ordered.

Port Alexander Harbor Facilities (50.0 G.F.) Rep. Duncan recommended "0". No objection, so ordered.

Whittier Harbor Facilities (50.0 G.F.) Rep. Duncan recommended "0". No objection, so ordered.

Administration, Planning and Engineering (400.0 G.F.) Rep. Duncan recommended \$256.0 instead of \$400.0 in view of the cuts made by the committee in the Waters and Harbors capital projects. No objection, so ordered.

Rep. Haugen spoke in favor of a request (not in Governor's budget) of \$75.0 for boat harbor repairs at Wrangell. Rep. Haugen moved that \$75.0 in general funds be appropriated for boat harbor repairs at Wrangell. No objection, so ordered.

Wrangell  
Boat  
Harbor

Rep. Duncan voiced concern about the Sitka Harbor facilities deletion, pointing out that we already have a big state investment in the project, and the harbor might have to be closed down if rehabilitation is not completed. No further action was taken on this request.

12:30 p.m. - 1:45 p.m. RECESS FOR LUNCH

Chairman Malone reconvened the meeting. All members were present except Reps. Guy, Gruening. (they arrived shortly)

GENERAL GOVERNMENT. (p. 112)

GENERAL  
GOVERNMENT

Boiler Repair Replacement (30.0 G.F.) Subcommittee Chairman Duncan recommended \$30.0 general funds. No objection, so ordered.

Roof Renovations, Repair (115.0 G.F.) Rep. Duncan recommended \$30.0 general funds. No objection, so ordered.

Alaska Office Building-Maintenance (11.0 G.F.) Rep. Duncan recommended \$11.0 general funds. No objection, so ordered.

Heat Transfer Reduction Shields (85.0 G.F.) Rep. Duncan recommended "0". They are talking about drapes for the State office building. Rep. Cowper moved "0" for this item. No objection, so ordered.

4/17/76

Painting State Facilities, Juneau (20.0 G.F.)

Rep. Duncan said he recommended \$20.0, although there was no list of items provided to him on this. He said about \$60.0 was appropriated last year. The list was then found and it was noted that this was for painting the Capitol Building and the Douglas Island Center Building (Highway Dept. in Douglas).

Rep. Duncan moved to appropriate \$20.0 in general funds for painting state facilities. The motion failed by a vote of 5 to 2 (Duncan and Haugen in favor). Reps. Guy and Gruening were still absent from the meeting.

Community Building Improvements (3.0 G.F.). Mr. Duncan recommended this amount. It's for Exit signs. Rep. Malone moved and asked unanimous consent that \$3.0 general funds be appropriated. No objection, so ordered.

Window Replacement, Sitka Pioneers Home (31.0 G.F.)

Rep. Duncan recommended "0". He said the reason given for this window replacement was that the windows were "deteriorating" and could not be opened. Rep. Duncan felt that in case of fire, there were better ways of getting out of a building.

(Representatives Guy and Gruening arrived).

No objection to adopting "0" for the window replacement.

Dillingham Sewage System (83.0 G.F.) Representative Duncan moved \$83.0 for this item. Rep. Naughton objected. The motion carried by a vote of 5 to 4. (Duncan, Haugen, Gruening, Guy, Itta in favor - Malone, Buchholdt, Cowper & Naughton opposed).

Sprinkler System - Kotzebue Pioneers Home (81.0 G.F.) Rep. Duncan recommended this amount, since he felt the Home should be brought up to code. He explained that at first the Home was classified by the Fire Marshall as not requiring a sprinkler system, but was later reclassified so as to require a sprinkler system. No objection, \$81.0 general funds was appropriated.

Disaster Relief Fund (500.0 G.F.) Rep. Duncan recommended \$500.0. Rep. Guy requested that this be left open temporarily, since he wanted to go to his office and get some information that was given to him concerning Bethel's need for funds. No objection, it was left open. (500.0 appropriated later in meeting)

Central Duplicating - Equipment Replacement (31.1 G.F.)

Rep. Duncan recommended "0" unless he could be convinced that this equipment was needed. The proposal is to replace a "single-headed" machine with a "double-headed" machine, which, it is alleged, would return the investment in two years. No objection, this item was reduced to "0".

Highway Working Capital Fund.

GENERAL  
GOVERNMENT

Equipment Operations (50.0). Rep. Duncan recommended "0". The committee concurred in this recommendation, and set the amount at "0". (Valdez crane)

Equipment Replacement (8,400.0). After some discussion about this equipment, the committee took a vote on whether to appropriate \$8,400.0 HWCF, and the motion passed by a vote of 7 to 2 (Haugen & Gruening opposed). Rep. Malone made a recommendation, which he put in the form of a motion (later withdrawn) that vehicles should be replaced when their annual maintenance cost exceeds the annual replacement cost of the vehicle.

Communications

Equipment Replacement (175.0 G.F.) Rep. Duncan said this amount was to replace obsolete vehicle radios. He recommended \$175.0. Representative Cowper moved "0". The motion passed. Item set at "0".

Office of Governor - Disaster Relief Fund (500.0 G.F.) Rep. Guy provided the Chairman with the information on the Bethel disaster situation, which the Chairman in turn related to the committee. Total needed was \$190.8.

Disaster  
Relief  
Fund

After a short discussion, it was decided that the City of Bethel would be eligible to apply for existing disaster relief funds.

Rep. Duncan's previous standing motion to adopt \$500.0 for the Disaster Relief Fund was adopted with no objection. These are general funds.

TRANSPORTATION (p. 85)

TRANSPORTATION

Highway Maintenance

Combustible Materials Storage Cabinets (50.0 G.F.) Subcommittee Chairman Buchholdt recommended \$50.0. No objection, so ordered.

Special Maintenance Equipment (from operating budget) \$550.7 Rep. Buchholdt recommended \$550.7, with the intent mentioned by Chairman Malone for the HWCF Equipment Replacement, i.e. that equipment be replaced when its annual maintenance cost exceeds annual replacement cost.

Rep. Haugen felt that this could be absorbed in the amount appropriated for the HWCF (\$8,400.0). Rep. Haugen moved that this \$550.7 be reduced to "0"--it can be absorbed in the \$8,400.0 appropriated in the HWCF equipment replacement. No objection, so ordered.

TRANSPORTATION

Rep. Naughton requested an amount of \$200.0 general funds to extend Anton-Larson Bay Road in Kodiak, up to the harbor site. He said if we wait for federal aid for this road, it will probably be 1985 before the work is done. In answer to Rep. Haugen's question about availability of Local Service Road money for this project, Rep. Naughton said that Kodiak does not receive that much money from that source.

Anton-Larson  
Bay Road Ext.

Rep. Buchholdt moved that \$200.0 general funds be appropriated for the extension of Anton-Larson Bay Road. No objection, so ordered.

A request by Rep. Malone was to appropriate a total of \$60.0 (\$15.0 G.F. and \$45.0 Fed) for a study of the Light Rail System and Corridor in Anchorage, with the provision that if the federal money (UMTA grant) is not available, the general funds will lapse on June 30, 1977. Rep. Malone made a motion to this effect. No objection, so ordered.

Light Rail  
Study, Anch.

Rep. Buchholdt said she has received a request for \$46.0 to assist in the maintenance of 24 miles of road from villages in the North Slope to the airport. This figure represents an amount of between \$1500-\$2000 per mile for snow removal and road grading. She said BIA used to do this maintenance, but has "phased out" their road maintenance project. Rep. Haugen thought it is possible that the Dept. of Community & Regional Affairs may be providing money for this purpose. At the Chairman's request, no money was appropriated until the committee finds out the status of the funding on this maintenance.

North Slope  
Borough Road  
Maintenance

Marine Transportation - Direct (p. 93)

Walkie-Talkie Radio Equipment (15.0 G.F.) Rep. Buchholdt recommended that the committee allow only 20 units instead of the 36 requested @\$1450 per unit, or \$29.0. Some members of the committee felt that \$1450 per walkie-talkie was a bit high, and that the equipment shouldn't cost that much.

Rep. Malone moved that \$15.0 general funds be appropriated for this equipment. No objection, so ordered.

Emergency Repair Funds (200.0 G.F.) Rep. Buchholdt thought this figure was high, and recommended \$100.0. Rep. Haugen objected. He thought \$200.0 should be appropriated. Rep. Buchholdt stated that this amount is for repairs not covered by insurance.

Rep. Gruening moved to appropriate \$100.0. The motion was adopted by a vote of 6 to 3.

Rep. Buchholdt moved to adopt the Governor's figures for the remainder of the Marine Transportation G.F. column. No objection, so ordered. The funding on these would be as follows:

TRANSPORTATION

Cable Sheaves for Transfer Bridges	\$ 6.5
Water Tank Vent Improvements	5.4
Boiler Repairs	39.2
Sewage Holding Tank and Pumps	15.0
Bow Thruster Repair Kit	2.8
Controllable-pitch Propeller Parts	8.0
Replacement Baggage Tractors	30.0
Reduction Gear Parts	6.0
Oil Storage Tanks	24.0
Garbage Carts	5.7
Refrigerator Van Truck	18.0
Freezer and Refrigerator Units	32.0
Forklift Truck	15.0
Shoreside Electric Power	20.0
Bow Thruster Installation	92.0
Replacement Lifeboat Engine	15.0

Rep. Malone moved and asked unanimous consent that none of the funds for the Marine Transportation-Direct be used for cafeteria conversion. No objection, so ordered.

INTENT  
re  
cafeteria  
conversion

International Airports (p. 101)

Rep. Buchholdt moved that IARF funds of \$4,017.7 and Federal Funds of \$3,330.0 be appropriated for International Airports. No objection, so ordered. These funds are allocated as follows:

Increased project estimates, Anch.	\$370.0	IARF + 3,330.0 FED.
Sewer Outfall line, Anchorage	1,400.0	
Terminal Improvements, Anchorage	707.7	
Minor Improvements, Fairbanks	200.0	

Master Plan, Anchorage	150.0 IARF	<u>TRANSPORTATION</u>
Sewer Interceptor, Fairbanks	820.0	
Road Improvements, Anchorage	300.0	

Referring back to the Dept. of Highway Maintenance budget, Rep. Duncan requested that intent be added to the operating budget for the Southeast District that the Department of Highways will provide year-round maintenance for the Kluckwan cut-off road.  
No official motion was made in this regard.

Proposed  
Intent

Rep. Buchholdt said she had received a request from Rep. McKinnon for \$390.0 general funds for road improvements for LOIS DRIVE in Anchorage. This is 1.11 miles of road. This money would provide for curb and gutter construction. Rep. Buchholdt made a motion to this effect. The motion passed by a vote of 8 to 1, with Rep. Haugen opposed. The committee decided that the money should be in the form of a grant to the Anchorage Municipality from the Dept. of Highways.

Lois Drive

SOCIAL SERVICES (p. 35)

SOCIAL  
SERVICES

Palmer Pioneers Home Roof Repairs (64.0 G.F.)  
Subcommittee Chairman Itta recommended \$64.0 general funds for this item. No objection, so ordered.

Palmer Pioneers Home Exterior Painting (17.3 G.F.) Rep. Buchholdt recommended "0". No objection, so ordered.

This concluded Rep. Itta's general fund recommendations for Social Services.

Rep. Cowper moved to appropriate \$45.0 general funds for a Senior Citizens Center at Spruce Groves. This would be in the form of a grant from the Dept. of Health & Social Services to Senior Citizens of Interior Alaska, Inc., who would construct the center. No objection, the motion was adopted.

Sr. Citizens  
Center at  
Spruce Groves

HEALTH

HEALTH

Ventilation Systems-Harborview, Valdez (120.0 G.F.)  
Representative Itta moved to appropriate \$120.0 general funds for this ventilation system. No objection, so ordered.

Hot Water Tank, API, Anchorage (12.0 G.F.) Rep. Itta moved to appropriate \$12.0 general funds for the hot water tank. No objection, so ordered.

This concluded Rep. Itta's HEALTH category recommendations. The remainder of the items involve G.O. bond funds.

RECESS 4:30 - 4:45 P.M.

NRMEC

At this point, Representatives Itta\*and Buchholdt left the meeting for other appointments. All other members were present.

NATURAL RESOURCE MANAGEMENT & ENVIRONMENTAL CONSERVATION (p. 42)

Subcommittee Chairman Naughton moved to appropriate \$70.5 in general funds as follows:

Single Sideband Marine Radios	\$54.0
VHF Marine Radios	16.5

No objection, so ordered.

Rep. Naughton moved to appropriate \$62.7 general funds as follows:

VHF Portable Radios	61.5
Citizen Band Portable Radios	1.2

No objection, so ordered.

Vessels Replacement Equipment (54.0 G.F.). These funds are for marine toilets with improved sanitation devices which will meet environmental protection standards. Rep. Naughton moved to appropriate \$54.0 general funds for this item. Rep. Haugen objected.

\*(Representative Itta returned to the meeting)

The motion was adopted by a vote of 6 to 2 (Itta & Haugen opposed).

Crystal Lake Hatchery Improvements (284.0 G.F.)  
Rep. Naughton moved to appropriate \$284.0 general funds for this item. Rep. Haugen did not think that much money was needed and moved to amend the motion to \$77.0. The motion to amend carried by a vote of 6 to 2. \$77.0 was adopted.

Sonar Scanning Equipment (15.0 G.F.) Rep. Naughton moved to appropriate \$15.0 general funds. No objection, so ordered.

Rep. Naughton recommended that the Starrigavan Rearing Facility (157.5 G.F.) and Hidden-Skilak Feasibility Study (445.0 G.F.) be considered under bond issues. No objection, these items were set at "0" for general funds.

Rep. Naughton moved to appropriate \$110.0 general funds for the following:

Central District Water Inventory	\$60.0 G.F.
Southeast District Water Inventory	50.0 G.F.