

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2644

Program

Recommendation

Administration

Office of the Commissioner

INTENT: Added the position from Marine Transportation, Promotion & Advertising, to Personal Services. Also 1.0 for Commodities.

|                             |            |            |
|-----------------------------|------------|------------|
| Administration              | 748,400    | Blue Book. |
| Central District            | 1,422,200  | Governor   |
| Interior District           | 983,100    | Blue Book  |
| Southeast District          | 626,100    | Blue Book  |
| Western District            | 235,900    | Blue Book  |
| Southcentral District       | 688,000    | Blue Book  |
| Headquarters & Laboratory   | 3,512,200  | Blue Book  |
| Maintenance                 |            |            |
| Central District            | 13,638,700 | Blue Book  |
| Interior District           | 9,549,400  | Blue Book  |
| Southeast District          | 4,890,700  | Blue Book  |
| Western District            | 1,829,200  | Blue Book  |
| Southcentral District       | 5,766,700  | Blue Book  |
| Overweight/Oversize Permits | 319,300    | Blue Book  |

The Meeting adjourned at 2:45 p.m.

ADJOURN

# SENATE FINANCE COMMITTEE

April 21, 1976

1:45 p.m.

All members of the Committee except Senator Rader.

PRESENT

Chairman Ray called the meeting to order for the purpose of closing out the EDUCATION category of the Budget. The Committee adopted the following figures:

| <u>Program</u>             | <u>Recommendation</u> | <u>EDUCATION</u>                                                                                                                                                                           |
|----------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Office of Governor         |                       |                                                                                                                                                                                            |
| Alaska Historical Comm.    | 121,800               | <u>40.5 in Contractual. No Phillipino Study.</u>                                                                                                                                           |
| Bicentennial Commission    | 49,600                |                                                                                                                                                                                            |
| Alaska Arts Council        |                       |                                                                                                                                                                                            |
| Administration & Support   | 187,000               | Breakdown:                                                                                                                                                                                 |
|                            |                       | 116.0 Pers. Serv.                                                                                                                                                                          |
|                            |                       | 38.4 Travel                                                                                                                                                                                |
|                            |                       | 29.1 Contractual                                                                                                                                                                           |
|                            |                       | 2.0 Commodities                                                                                                                                                                            |
|                            |                       | 1.5 Equipment                                                                                                                                                                              |
|                            |                       | <u>Did not allow Clerk Typist, but did allow Performing Arts Director.</u>                                                                                                                 |
| Grants                     | 875,900               | <u>INTENT: \$75,000 to be used for Alaska Institute on Arts.</u>                                                                                                                           |
| Teacher Retirement         |                       |                                                                                                                                                                                            |
| Regular TRS State          | 10,877,100            |                                                                                                                                                                                            |
| Financial Support Programs |                       |                                                                                                                                                                                            |
| Foundation Program-Reg.    | 121,500,000           | <u>INTENT: Legislature will consider a Supplemental for extraordinary costs (ex.: fuel, electricity, etc.) if costs are certified by the Department of Education as educational costs.</u> |
| Pupil Transportation--     |                       |                                                                                                                                                                                            |
| Public                     | 11,205,600            | Blue Book.                                                                                                                                                                                 |
| Pupil Transportation--     |                       |                                                                                                                                                                                            |
| Private                    | 120,000               |                                                                                                                                                                                            |
| Revenue Sharing            | 2,420,000             |                                                                                                                                                                                            |
| Debt Retirement--Local     | 9,051,600             |                                                                                                                                                                                            |
| Sabbatical Leave           | 40,000                |                                                                                                                                                                                            |
| Federal Programs           | 14,485,500            |                                                                                                                                                                                            |
| Out of District Students   | 1,300,000             |                                                                                                                                                                                            |
| Tobacco Tax Distribution   | 2,400,000             | Governor                                                                                                                                                                                   |
| Rural & Military Tuition   | 7,321,600             |                                                                                                                                                                                            |
| Supplemental Support       | 10,000                |                                                                                                                                                                                            |
| Local Formula--SOS         | 5,143,700             |                                                                                                                                                                                            |
| SOS ASHA Payments          | 313,100               |                                                                                                                                                                                            |
| Foundation Program/AUBSD   | 40,422,500            | Governor                                                                                                                                                                                   |
| Bilingual Fund             | 583,500               |                                                                                                                                                                                            |

| <u>Program</u>              | <u>Recommendation</u> |                                           |
|-----------------------------|-----------------------|-------------------------------------------|
| Financial Support Programs  |                       |                                           |
| Regional Resource Centers   | 400,000               |                                           |
| Community School Grants     | 160,600               |                                           |
| Administration & Support    |                       |                                           |
| Field Services              | 369,700               | Governor                                  |
| Finance & Accounting        | 316,900               | Governor                                  |
| Internal Support            | 286,000               | Governor                                  |
| Department Operations       | 654,000               | Governor                                  |
| Education Program Support   |                       |                                           |
| Learner Assistance          | 697,100               | Governor                                  |
| Federal Programs Admin.     | 819,800               | Governor                                  |
| Career & Voc. Education     | 438,100               | Governor                                  |
| Department of Education     |                       |                                           |
| Prof. Tchng. Prac. Comm.    | 72,000                | Breakdown:                                |
|                             |                       | 45.1 Pers. Serv.                          |
|                             |                       | 15.0 Travel                               |
|                             |                       | 8.1 Contractual                           |
|                             |                       | 2.8 Commodities                           |
| Executive Administration    |                       |                                           |
| Office of commissioner      | 958,700               | Breakdown:                                |
|                             |                       | 527.4 Pers. Serv.                         |
|                             |                       | 69.9 Travel                               |
|                             |                       | 330.3 Contractual                         |
|                             |                       | 24.3 Commodities                          |
|                             |                       | 6.8 Equipment                             |
|                             |                       | INTENT: <u>Allowed Federal positions.</u> |
| Boards & Commissions        | 88,100                | Breakdown:                                |
|                             |                       | 2.6 Pers. Serv.                           |
|                             |                       | 55.1 Travel                               |
|                             |                       | 29.7 Contractual                          |
|                             |                       | .7 Commodities                            |
| SOS Transition              |                       |                                           |
| Transition Administration/  |                       |                                           |
| SOS                         | 46,200                | Governor                                  |
| School Board Trng-Elections | 100,000               |                                           |
| Domiciliary Services        |                       |                                           |
| Boarding Home Program       | 2,788,800             |                                           |
| Department of Education     |                       |                                           |
| Correspondence Study        | 686,700               | Governor                                  |
| ARTTC                       | 620,900               |                                           |
| Student Financial Aid       |                       |                                           |
| Scholarship Loan Program    | 4,100,000             |                                           |
| Administration              | 247,200               |                                           |
| Tuition Grants              | 600,000               |                                           |
| Department of Education     |                       |                                           |
| Post-Sec. Educ. Comm.       | 275,500               |                                           |
| WICHE                       | 591,500               | Blue Book.                                |
| Manpower & Adult Education  |                       |                                           |
| Adult Basic Education       | 897,000               |                                           |
| Fire Service Training       | 197,500               | Governor                                  |
| Adult Voc. Education        | 48,000                | Governor                                  |

| <u>Program</u>           |           | <u>Recommendation</u>                                                               |
|--------------------------|-----------|-------------------------------------------------------------------------------------|
| Department of Education  |           |                                                                                     |
| Educational Broadcasting | 1,503,800 | <u>Transferred KUAK to University Budget--\$527.5.</u>                              |
| Museums                  |           |                                                                                     |
| Juneau Museum            | 408,200   | <u>Allowed New Guard Position.</u>                                                  |
| State Library            |           |                                                                                     |
| Regular Operations       | 1,382,100 |                                                                                     |
| Anchorage Media Center   | 390,300   |                                                                                     |
| Department of Education  |           |                                                                                     |
| Archives                 | Ø         | <u>Put this into Administration.</u>                                                |
| Department of H&SS       |           |                                                                                     |
| Special EDUC Grants      | 62,800    |                                                                                     |
| AMU Nursing Program      | 299,400   | <u>INTENT: If AMU no longer continues, this will be transferred to the U. of A.</u> |

The Meeting adjourned at 3:15 p.m.

ADJOURN

# SENATE FINANCE COMMITTEE

April 23, 1976

1:45 p.m.

All members of the Committee except Senators Ferguson and Rader. PRESENT

Chairman Ray called the meeting to order for the purpose of closing the UNIVERSITY OF ALASKA category of the budget.

U. of A.

| <u>Program</u>              | <u>Recommendation</u> |                                                                                                        |
|-----------------------------|-----------------------|--------------------------------------------------------------------------------------------------------|
| Statewide Administration    |                       |                                                                                                        |
| Regents & Admin.            | 481,000               | Breakdown:<br>476.3 Pers. Serv.<br>59.0 Travel<br>17.4 Contractual<br>3.3 Commodities                  |
| Admin.--Instl. Support      | 2,057,100             | Breakdown:<br>1301.6 Pers. Serv.<br>53.0 Travel<br>650.0 Contractual<br>35.0 Commodities<br>17.5 Misc. |
| Management Systems Dev.     | 300,000               |                                                                                                        |
| Aux. Srvc.--Comprr Ctr.     | 1,163,600             | Governor                                                                                               |
| CC Salaries                 | 1,598,300             | <u>Didn't allow remodeled office space.</u>                                                            |
| Regents contingency         | Ø                     |                                                                                                        |
| New Physical Plant Costs    | Ø                     | <u>Put it back into separate BRUs.</u>                                                                 |
| Organized Research          |                       |                                                                                                        |
| Geophysical Institute       | 6,387,800             | Governor                                                                                               |
| Institute of Marine Sci.    | 4,743,300             | Governor                                                                                               |
| Inst. of Water Resources    | 638,700               | Governor                                                                                               |
| Inst. of Agric. Science     | 2,712,000             | Governor                                                                                               |
| Inst. of Arctic Biology     | 1,624,000             |                                                                                                        |
| Inst. of Soc Ec. Gov Res    | 1,313,500             | Governor                                                                                               |
| Ctr No. Ed. Res.            | 664,400               | Governor                                                                                               |
| Sea Grant Program           | 992,600               |                                                                                                        |
| Arc Envir Inf Data Ctr      | 1,632,600             | Governor                                                                                               |
| Tundra Biome Center         | 539,400               | Governor                                                                                               |
| Coop Wildlife Research Unit | 263,400               |                                                                                                        |
| Min Ind Research Lab        | 227,600               | Governor                                                                                               |
| Forest Soils Lab            | 306,700               | Governor                                                                                               |
| WAMI                        | 877,900               | Governor                                                                                               |
| Ak Native Lng Center        | 333,600               | Governor                                                                                               |
| Genl Misc Research          | 766,100               |                                                                                                        |
| Naval Arctic Research Lab   | 3,325,700             |                                                                                                        |
| Fairbanks Campus            |                       |                                                                                                        |
| Instruction                 | 7,371,100             | Governor                                                                                               |
| Tanana Val CC/Instruc.      | 937,000               | <u>Governor's plus \$100.0 for Winter Studies Program</u>                                              |

| Program                      | Recommendation                                                                      |
|------------------------------|-------------------------------------------------------------------------------------|
| Fairbanks Campus             |                                                                                     |
| Tanana Val CC/Adminis.       | 442,300 Governor                                                                    |
| Acad. sup svc/libr & Med     | 1,552,500 Governor                                                                  |
| Acad. sup svcs/museum        | 345,000 Governor's <u>plus \$7.0 for locks.</u>                                     |
| Acad. sup svc/pub brdcst     | 1,273,100 Governor's <u>plus \$546.0 for KUAC.</u>                                  |
| Student Sup Svc/Stu. Srvc.   | 927,300 Governor                                                                    |
| Student Sup Svc/Intercoll    |                                                                                     |
| Athl.                        | 235,500 Governor                                                                    |
| Stud sup svc/student aid     | 424,700 Governor                                                                    |
| Inst sup/chancellor's        | 296,500 Governor                                                                    |
| Inst sup/admin svcs          | 1,094,300 Governor                                                                  |
| Inst sup/safety & sec        | 526,000 <u>Allows the new position.</u>                                             |
| Inst sup/physical plant      | 6,210,400 Governor                                                                  |
| Inst sup/admission & regis   | 377,900 Governor                                                                    |
| Inst sup/debt service        | 783,700                                                                             |
| Aux svcs/housing system      | 2,847,500 Governor                                                                  |
| Aux svcs/Yak Estates         | 399,400                                                                             |
| Aux svcs/Bookstore           | 748,100                                                                             |
| Aux svcs/student center      | 315,900                                                                             |
| Aux svcs/graphic svcs        | 336,000                                                                             |
| Aux svcs/warehouse svcs.     | 408,000                                                                             |
| Aux svcs/infirmiry dispn     | Ø                                                                                   |
| ARTTC                        | Ø                                                                                   |
| Statewide Coop Extns         | 1,614,000 <u>Put back into Education.</u>                                           |
| Southeastern Region          |                                                                                     |
| SE Senior College            | 718,200 Request                                                                     |
| Juneau-Douglas CC            | 1,086,600 Maintenance                                                               |
| Library & Media              | 162,000 Maintenance                                                                 |
| Student Support Svcs.        | 298,000                                                                             |
| Inst sup/chancellors off.    | 124,700 Request                                                                     |
| Inst sup/admin services      | 220,800 Governor                                                                    |
| Inst sup/physical plant      | 262,800 Request                                                                     |
| Inst sup/comm ctrs & pub svc | 448,300 <u>Added \$70.1 for Forestry Program and \$50.0 for Community Expansion</u> |
| Ketchikan CC/Instruction     | 364,000 Request                                                                     |
| Ketchikan CC/Library         | 61,700                                                                              |
| Ketchikan CC/Admin           | 79,400                                                                              |
| Ketchikan CC/Physical Plant  | 79,600 Request                                                                      |
| Ketchikan CC/Comm svcs       | 29,000                                                                              |
| Sitka CC/Instruction         | 275,000 <u>Governor's plus \$38.9 to implement LPN Program.</u>                     |
| Sitka CC/Library             | 22,400                                                                              |
| Sitka CC/Admin               | 74,300                                                                              |
| Sitka CC/Physical Plant      | 43,300 Request                                                                      |
| Sitka CC/SJ Consortium       | 50,000                                                                              |
| SE Aux Svc/rental property   | 27,900                                                                              |
| SE Aux Svc/SE Bookstores     | 73,800                                                                              |
| SE Aux svc/JDCC Voc Sp       | 3,000                                                                               |
| Southcentral Region          |                                                                                     |
| Anchorage Senior College     | 2,363,200 Governor                                                                  |

ProgramRecommendation

## Southcentral Region

|                               |           |                                                                                                                                |
|-------------------------------|-----------|--------------------------------------------------------------------------------------------------------------------------------|
| Anch Sr Coll/Sr Coll Admin    | 145,700   | Maintenance                                                                                                                    |
| Anch Sr Coll/Self support     | 78,500    |                                                                                                                                |
| Anchor. Comm Coll             | 8,073,900 |                                                                                                                                |
| Academ sup svc/libr & Med     | 904,200   | Governor                                                                                                                       |
| Academ sup svc/criminal Jus   | 378,400   | Governor                                                                                                                       |
| Acad sup svcs/ctr alcohol & A | 167,300   |                                                                                                                                |
| Acad sup svcs/perf arts       | 168,100   | <u>Allows \$19.8 for Performing Arts</u>                                                                                       |
| Stud sup svcs/stud affairs    | 269,200   | Governor                                                                                                                       |
| Stud sup svc/cnsling & test   | 300,600   | Governor                                                                                                                       |
| Stu sup svc/intercoll athl    | 104,900   | Governor                                                                                                                       |
| Stu sup svc/stu fin aid       | 1,750,100 | Governor                                                                                                                       |
| Inst sup/chancellors off.     | 332,400   | Governor                                                                                                                       |
| Inst sup/admin svcs           | 683,900   | Governor                                                                                                                       |
| Inst sup/physical plant       | 1,472,000 | Governor                                                                                                                       |
| Inst sup/safety & security    | 83,100    | Governor                                                                                                                       |
| Inst sup/computer services    | 354,100   | Governor                                                                                                                       |
| Inst sup/admissions & rec.    | 539,000   | Governor                                                                                                                       |
| Mat-Su CC/Instruction         | 359,000   | Maintenance                                                                                                                    |
| Mat-Su CC/Library             | 40,500    | Governor                                                                                                                       |
| Mat-Su CC/Admin               | 107,500   | Governor                                                                                                                       |
| Mat-Su CC/Phys. Plant         | 79,000    | Request                                                                                                                        |
| Aux Svcs/Anchor. Bookstore    | 779,200   |                                                                                                                                |
| Aux Svcs/Anch. Food Serv.     | 508,000   |                                                                                                                                |
| Aux Svcs/Anch student centr   | 20,000    | Governor                                                                                                                       |
| Aux svcs/Mat-Su Bookstore     | 6,500     |                                                                                                                                |
| Rural Education               |           |                                                                                                                                |
| Kodiak CC Library             | 61,100    |                                                                                                                                |
| Kodiak CC Admin               | 118,400   |                                                                                                                                |
| Kodiak CC Physical Plant      | 117,700   |                                                                                                                                |
| Kenai CC Instruction*         | 525,300   | Request                                                                                                                        |
| Kenai CC Library              | 51,200    |                                                                                                                                |
| Kenai CC Admin                | 164,000   |                                                                                                                                |
| Kenai CC Physical Plant       | 68,100    | Governor                                                                                                                       |
| Kuskokwim CC/Instruction      | 1,581,700 | Maintenance                                                                                                                    |
| Kuskokwim CC/Library          | 105,400   | Maintenance                                                                                                                    |
| Kuskokwim CC/Admin            | 163,100   |                                                                                                                                |
| Kuskokwim CC Phys Plant       | 64,100    | Maintenance                                                                                                                    |
| NW CC Instruction             | 230,100   |                                                                                                                                |
| NW CC Library                 | 10,000    | Request                                                                                                                        |
| NW CC Admin                   | 105,900   | Request                                                                                                                        |
| NW CC Physical Plant          | 64,000    |                                                                                                                                |
| Outreach Extension Ctrs.      | 873,800   | <u>Governor's plus putting Coordinator in Cordova and Valdez</u>                                                               |
| Outreach Rural Areas Ctrs.    | 750,000   |                                                                                                                                |
| Outreach Central Support      | 75,000    | <u>Covers Elaine Ramos and her Secretary who are transferred out of Statewide Administration, Regents &amp; Administration</u> |
| Rur Aux Svcs/Kodiak Bookstr   | 8,000     |                                                                                                                                |
| Rur Aux Svcs/Kenai Bkstr      | 7,300     |                                                                                                                                |
| Rur Aux Svcs/Kusk Bkstr       | 7,000     |                                                                                                                                |

The meeting adjourned at 3:15 p.m.

ADJOURN

# SENATE FINANCE COMMITTEE

April 26, 1976

1:45 p.m.

All members of the Committee except Senator Rader.

PRESENT

Chairman Ray called the meeting to order for the purpose of closing out any holes left in the budget categories.

The Committee adopted the following figures in the SOCIAL SERVICES category:

SOCIAL  
SERVICES

| <u>Program</u>                                   | <u>Recommendation</u> |                                                                                                                                                      |
|--------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Program Services                                 |                       |                                                                                                                                                      |
| Foster Care                                      | 1,527,900             | Breakdown:<br>33.8 Travel<br>1,463.0 Contractual<br>31.1 Commodities                                                                                 |
| Drug Abuse Grants                                | 690,000               | INTENT: <u>\$84.0 is to go to Family House; \$73.0 is to go to Future House; and \$25.0 is to go to the Juneau Drug Abuse Program.</u>               |
| Dept. of Community & Regional Community Services | 960,000               | INTENT: <u>\$240.0 to Alaska Legal Services.</u><br>BREAKDOWN:<br>70.0 Travel<br>3.0 Commodities<br>585.0 Grants<br>Personal Services<br>Contractual |
| Work Experience                                  | 2,693,200             | Added \$602.9 of CETA Title I and put it under Personal Services.                                                                                    |
| DOE/CETA Grants                                  | 664,900               | Subtracted \$301.4 from 966.3 because of adding the CETA money to Work Experience in Dept. of Comm. & Reg.                                           |
| Grants                                           |                       |                                                                                                                                                      |
| CETA Contracts                                   | 1,204,100             | Subtracted CETA money because added it to Work Experience in Comm. & Reg.                                                                            |

The Committee adopted the following figures in the JUSTICE category of the Budget:

JUSTICE

| <u>Program</u>        | <u>Recommendation</u> |                                                                                                                               |
|-----------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Probation & Parole    |                       |                                                                                                                               |
| 3rd Judicial District | 1,280,100             | Breakdown:<br>1,070.8 Pers. Serv.<br>15.1 Travel<br>170.3 Contractual<br>13.5 Commodities<br>6.0 Equipment<br>4.5 Land, Bldg. |

Department of H&SS  
Admin/Corrections

1,017,400

Deleted In-Service Training at 186.2 and Deleted Central Office Security at 36.4; Didn't add 126.0 for Anchorage Regional Center.

Adult Confinement  
Ridgeview Women's  
Correction Center

543,300

Breakdown:  
327.6 Pers. Serv.  
170.7 Contractual

The Committee adopted the following figures in the PUBLIC PROTECTION category of the Budget: PUBLIC PROTECTION

Program

Recommendation

Traffic Safety  
Motor Vehicles Licensing 2,139,500

The Committee adopted the following figures in the EDUCATION category of the Budget: EDUCATION

Program

Recommendation

Education Program Sup.  
Career & Voc. Ed. 598,100

Added \$160.0 to fund Career & Voc. Ed. Teacher Training. (CSHB465)

The Committee adopted the following figures in the DEVELOPMENT category of the Budget: DEVELOPMENT

Program

Recommendation

C&RA  
Administrative Serv.

INTENT: Instruct Department of Administration, Division of Personnel to upgrade Administrative Officer from a range 19 to a range 21, and the Director from a range 24 to a range 26. Leave funding as it is.

The Committee adopted the following figures in the GENERAL GOVERNMENT category of the Budget: GENERAL GOVERNMENT

Program

Recommendation

Office of Governor  
Statewide Planning 816,700

INTENT: Regional Profiles shall be published; \$200,000 for EDA Planning.  
Didn't add Fisheries Council, and cut the Public Forum at 200.0

| <u>Program</u>         | <u>Recommendation</u> |                                                                                            |
|------------------------|-----------------------|--------------------------------------------------------------------------------------------|
| General Services       | 6,030,600             | BREAKDOWN:                                                                                 |
| Archives               |                       | 271.6 Pers. Serv.                                                                          |
|                        |                       | 3.3 Travel                                                                                 |
|                        |                       | 230.7 Contractual                                                                          |
|                        |                       | 6.7 Commodities                                                                            |
|                        |                       | 13.9 Equipment                                                                             |
|                        |                       | 104.4 Land, Bldgs.                                                                         |
| Central Duplicating    | 417,000               | BREAKDOWN:                                                                                 |
|                        |                       | 229.4 Pers. Serv.                                                                          |
|                        |                       | 2.5 Travel                                                                                 |
|                        |                       | 34.3 Contractual                                                                           |
|                        |                       | 150.8 Commodities                                                                          |
| Property & Records     | 122,800               | BREAKDOWN                                                                                  |
|                        |                       | 96.5 Pers. Serv.                                                                           |
|                        |                       | 5.2 Travel                                                                                 |
|                        |                       | 19.6 Contractual                                                                           |
|                        |                       | 1.4 Commodities                                                                            |
|                        |                       | .1 Equipment                                                                               |
| Office of the Governor |                       |                                                                                            |
| Telecommunications     | 484,100               | INTENT: <u>Added \$40.0 in Contractual</u><br><u>for Production Studio for Legal Srvc.</u> |

The Committee did the following in the HEALTH budget: HEALTH

In Health they added intent that \$53.2 go for ARCA.

The meeting adjourned at 3:25 p.m. ADJOURN

SENATE FINANCE COMMITTEE  
May 11, 1976

All members of the Committee.

PRESENT

Chairman Ray called the meeting to order and said they would consider the Capital Budget for FY 77. The Committee adopted the figures in the column labeled "Senate Finance" on the attached sheets.

CAPITAL  
BUDGET

1977 CAPITAL BUDGET

| <u>EDUCATION</u>                                                                                                                       | <u>Governor</u> | <u>House<br/>Finance</u> | <u>Senate<br/>Finance</u> |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------|---------------------------|
| Film Acquisition State Library, Juneau                                                                                                 | 100.0           | 50.0                     | 100.0                     |
| Security Enclosure State Office Building, Juneau                                                                                       |                 |                          | 25.0                      |
| Rare Alaskana, Juneau                                                                                                                  | 10.0            | -0-                      | 10.0                      |
| Acquisition for Museum Collection, Juneau                                                                                              | 25.0            | -0-                      | 25.0                      |
| Russian Orthodox Historic Site Renovation, Juneau                                                                                      |                 |                          | 25.0                      |
| Replace Carpeting & Outside Lighting, Juneau                                                                                           | 32.0            | -0-                      | 32.0                      |
| Production Studio Equipment FM Radio Station, Kodiak                                                                                   | 16.9            | -0-                      | 16.9                      |
| KOTZ Radio Equipment, Kotzebue                                                                                                         |                 |                          | 15.0                      |
| Sewer Facility Repair, Metlakatla & Alakaket                                                                                           | 65.0            | -0-                      | 65.0                      |
| Mini T.V. Station, Kivalina                                                                                                            |                 |                          | 7.5                       |
| Extension of translator system to balance of<br>Western Kenai Peninsula & Mat-Su Borough and a<br>Mini T.V. Station in Seward (\$18.4) | -0-             | 108.4                    | 108.4                     |
| Vocational Education Center Study, Tok                                                                                                 |                 |                          | 20.0                      |
| Water & Sewer Project, Tanana                                                                                                          |                 |                          | 60.0                      |
| <u>UNIVERSITY OF ALASKA</u>                                                                                                            |                 |                          |                           |
| U. OF A. Bldg. Safety & Use Improvements, Fairbanks                                                                                    | 300.0           | -0-                      | 300.0                     |
| Complete Instructional T.V. System (KYUK Trans-<br>lators) - Kuskokwim C.C.                                                            | -0-             | 222.0                    | 222.0                     |
| Anchorage Campus Consortium Library                                                                                                    | -0-             | 50.0                     | 50.0                      |

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| <u>UNIVERSITY OF ALASKA (Continued)</u>                          | <u>Governor</u> | <u>House<br/>Finance</u> | <u>Senate<br/>Finance</u> |
|------------------------------------------------------------------|-----------------|--------------------------|---------------------------|
| Anchorage Campus Consortium Library Media Center                 |                 |                          | 250.0                     |
| Rare Books for Rasmussen Library                                 | -0-             | 10.0                     | 10.0                      |
| Extension Center, Dillingham                                     |                 |                          | 750.0                     |
| Extension Center Equipment, Kotzebue                             |                 |                          | 10.0                      |
| Architectural Barrier Removal, Anchorage Campus                  |                 |                          | 250.0                     |
| <u>SOCIAL SERVICES</u>                                           |                 |                          |                           |
| Employment Center Renovation, Kotzebue                           |                 |                          | 2.5                       |
| Palmer Pioneers Home Roof Repair                                 | 64.0            | 64.0                     | 64.0                      |
| Palmer Pioneers Home Exterior Painting                           | 17.3            | -0-                      | 17.3                      |
| Senior Citizen Center at Spruce Groves                           | -0-             | 45.0                     | 45.0                      |
| Senior Citizen Center at Chugiak                                 |                 |                          | 25.0                      |
| Senior Citizen Center at Kotzebue                                |                 |                          | 12.5                      |
| <u>HEALTH</u>                                                    |                 |                          |                           |
| Cordova Health & Family Services Center (150.0 fed. & 86.5 P.R.) | 236.5           | 236.5                    | 236.5                     |
| Kenai Health Center (\$150.0 fed & \$110.0 P.R.)                 | 260.0           | 260.0                    | 260.0                     |
| Harborview Ventilation Systems, Valdez                           | 120.0           | 120.0                    | 120.0                     |
| API Hot Water Tank, Anchorage                                    | 12.0            | 12.0                     | 12.0                      |
| Sitka Community Hospital (FED)                                   | 1,400.0         | 1,400.0                  | 1,400.0                   |
| Fairbanks Health Center (FED)                                    | 150.0           | 150.0                    | 150.0                     |
| Fairbanks Breast Cancer Demography X-Ray Unit                    |                 |                          | 30.0                      |

| <u>HEALTH (Continued)</u>                                           |       | <u>Governor</u> | <u>House<br/>Finance</u> | <u>Senate<br/>Finance</u> |
|---------------------------------------------------------------------|-------|-----------------|--------------------------|---------------------------|
| Barrow Health Center                                                | (FED) | 150.0           | 150.0                    | 150.0                     |
| Unalaska Health Center                                              |       |                 |                          | 50.0                      |
| Fort Yukon Health Center                                            |       |                 |                          | 200.0                     |
| Tok Clinic Repairs                                                  |       |                 |                          | 10.0                      |
| Mountain Village Health Clinic                                      |       |                 |                          | 100.0                     |
| <u>NATURAL RESOURCE MANAGEMENT &amp; ENVIRONMENTAL CONSERVATION</u> |       |                 |                          |                           |
| (State Parks)                                                       |       |                 |                          |                           |
| Utility Improvements, Nancy Lake                                    | (FED) | 25.0            | 25.0                     | 25.0                      |
| Clam Gulch Parking Improvements, Kenai                              | (FED) | 50.0            | 50.0                     | 50.0                      |
| Recreation Area Acquisition, Nancy Lake                             | (FED) | 400.0           | 400.0                    | 150.0 <sup>43-</sup>      |
| Denali State Park Acquisition, Mat-Su Borough                       | (FED) | 375.0           | 375.0                    | 375.0                     |
| Dry Creek Archaeological Site, Healy                                | (FED) | 75.0            | 75.0                     | 75.0                      |
| Chugach State Park Acquisition, Anchorage                           | (FED) | 1,000.0         | 1,000.0                  | 1,000.0                   |
| Harriet Hunt Lake Recreation Area Development                       |       |                 |                          | 50.0                      |
| Chilkat State Park Development, Haines                              | (FED) | 150.0           | 150.0                    | 150.0                     |
| Chilkat State Park Acquisition, Haines                              | (FED) | 150.0           | 150.0                    | 400.0                     |
| Deep Creek Wayside Acquisition & Dev., Kenai                        | (FED) | 75.0            | 75.0                     | 75.0                      |
| Fort Abercrombie Historical Park Development                        | (FED) | 250.0           | 250.0                    | 250.0                     |
| Kodiak                                                              |       |                 |                          |                           |
| Denali State Park, Development, Mat-Su Borough                      | (FED) | 235.0           | 235.0                    | 235.0                     |
| Kenai Peninsula Development, Kenai                                  | (FED) | 255.0           | 255.0                    | 255.0                     |

| <u>NAT. RES. MANAGEMENT &amp; ENV. CONS. (Continued)</u>                                   | <u>Governor</u>                      | <u>House Finance</u> | <u>Senate Finance</u>                |
|--------------------------------------------------------------------------------------------|--------------------------------------|----------------------|--------------------------------------|
| (State Parks, Continued)                                                                   |                                      |                      |                                      |
| Kachemak Bay State Park Acquisition, Homer (FED)                                           | 300.0                                | 300.0                | 300.0                                |
| Pleasant Camp Acquisition & Adaptive Use, Haines (FED)                                     | 75.0                                 | 75.0                 | 75.0                                 |
| Nilichik Camp Development, Kenai (FED)                                                     | 75.0                                 | 75.0                 | 75.0                                 |
| Caines Head Recreation Area Development, Seward (FED)                                      | 800.0                                | 800.0                | 800.0                                |
| Chugach State Park Development, Anchorage (FED)                                            | 725.0                                | 725.0                | 725.0                                |
| Vessel Equipment Replacement - various                                                     | 54.0                                 | 54.0                 | 54.0                                 |
| Pybus Bay Acquaculture Study                                                               |                                      |                      | 25.0                                 |
| Crystal Lake Hatchery Improvement, Petersburg                                              | 284.0                                | 77.0                 | 284.0                                |
| Cape Blossom Chum Fishery Project                                                          |                                      |                      | 15.0                                 |
| Sonar Scanning Equipment, SE Alaska                                                        | 15.0                                 | 15.0                 | 15.0                                 |
| Deer Mountain Hatchery Repairs & Equipment, Ketchikan                                      |                                      |                      | 30.0                                 |
| Starrigavan Bay Weir & Dock Improvement, Sitka                                             | <sup>157.5</sup><br><del>157.0</del> | -0-                  | <sup>157.5</sup><br><del>157.0</del> |
| Central District Water Inventory Equipment                                                 | 60.0                                 | 60.0                 | 60.0                                 |
| SE District Water Inventory Equipment, SE                                                  | 50.0                                 | 50.0                 | 50.0                                 |
| Fairbanks Regional Office Generator, Fbx.                                                  | 22.3                                 | -0-                  | 22.3                                 |
| Sockeye Substrate Incubation Units-Design Hidden Skilak, construction Crooked Creek, Kenai | 445.0                                | -0-                  | 445.0                                |
| Chilkoot Weir Addition, SE                                                                 | 63.6                                 | -0-                  | 63.6                                 |
| Big Lake Expansion, Central Alaska                                                         | 315.0                                | 315.0                | 315.0                                |
| Rabbit Creek Rifle Range                                                                   |                                      |                      | 50.0                                 |
| Montana Creek Trap Range                                                                   |                                      |                      | 25.0                                 |

NAT. RES. MANAGEMENT & ENV. CONS. (Continued)

|  | <u>Governor</u> | <u>House<br/>Finance</u> | <u>Senate<br/>Finance</u> |
|--|-----------------|--------------------------|---------------------------|
|--|-----------------|--------------------------|---------------------------|

## (State Parks, Continued)

Tutka Expansion, Homer

420.0

420.0

420.0

## (Dept. of Public Safety)

Single Sideband Marine Radios, Statewide

54.0

54.0

54.0

VHF Marine Radios, Statewide

16.5

16.5

16.5

VHF Portable Radios

61.5

61.5

61.5

Citizen Band Portable Radios, Statewide

1.2

1.2

1.2

## (Dept. of Env. Conservation)

Oil Spill Analysis Equipment

145.0

145.0

145.0

Water &amp; Sewer Study, Wasilla

35.0

PUBLIC PROTECTION

## (Dept. of Military Affairs)

Minor Construction Fund, various locations

40.0

-0-

40.0

Construction Maintenance Shop, Juneau (FED)

239.5

239.5

239.5

Construction Maintenance Shop, Nome (FED)

216.0

216.0

216.0

Construction Maintenance Shop, Bethel (FED)

216.0

216.0

216.0

Multi-Unit Armory Construction, Anchorage (FED)

3,313.7

3,313.7

3,313.7

Armory Repair, Juneau

-0-

50.0

50.0

## (Dept. of Public Safety)

Fire Truck, Galena

25.0

| <u>ADMINISTRATION OF JUSTICE</u>                       | <u>Governor</u> | <u>House Finance</u> | <u>Senate Finance</u> |
|--------------------------------------------------------|-----------------|----------------------|-----------------------|
| (Dept. of Health & Social Services)                    |                 |                      |                       |
| Sewer System Improvement Correction Center, Palmer     | 150.0           | -0-                  | 150.0                 |
| LEAA Match, Scamom Bay Jail                            |                 |                      | 5.0                   |
| (Dept. of Public Safety)                               |                 |                      |                       |
| Construct & Equip Firing Range, Sitka                  | 48.0            | 50.0                 | 48.0                  |
| Mobile Quarters Trooper Academy, Sitka                 |                 |                      | 35.0                  |
| Correctional Institution, Barrow                       | -0-             | 900.0                | -0-                   |
| (Alaska Court System)                                  |                 |                      |                       |
| Barrow Court Building                                  | -0-             | 1,500.0              | -0-                   |
| Kenai Court & Office Bldg. Improvements                | -0-             | 104.0                | 104.0                 |
| Sitka Court & Office Bldg. Improvements                | -0-             | 137.4                | 137.4                 |
| Kodiak Court & Office Bldg. Remodeling                 | -0-             | 76.8                 | 76.8                  |
| <u>DEVELOPMENT</u>                                     |                 |                      |                       |
| (Dept. of Revenue)                                     |                 |                      |                       |
| Increased Resources for Municipal Bond Bank, Statewide | 1,500.0         | -0-                  | 1,500.0               |
| (Dept. of Community & Regional Affairs)                |                 |                      |                       |
| Arctic Brotherhood Hall Renovation, Skagway            |                 |                      | 10.0                  |
| (Dept. of Commerce)                                    |                 |                      |                       |
| Matching EDA "304", Statewide                          | 80.0            | 80.0                 | 80.0                  |
| (Dept. of Natural Resources)                           |                 |                      |                       |
| Totem Restoration, Saxman                              |                 |                      | 20.0                  |

SENATE FINANCE COMMITTEE  
January 13, 1976  
9:15 a.m.

The following members of the Committee were present: Senators Ray, Butrovich, Poland, Chance, and Ferguson. Mr. Joe LaRocca was present from the press. PRESENT

Senator Ray called the meeting to order and informed the Committee that this year all of their meetings would be taped, and if members wanted a transcript of a particular meeting, they would be given a cassette of it upon request. TAPES OF MEETINGS

Senator Ray went on to say that he was requesting four sets of the Red Budget Books so that each member would be able to have a copy of his section of the budget. He added that Budget and Management had requested time to present an overview of the budget to them, and he would set up a meeting for that purpose. RED BUDGET BOOKS

Senator Ferguson was welcomed to the Committee as a replacement for Senator Hohman, who had resigned. FERGUSON

The meeting adjourned at 9:20 a.m. ADJOURN

SENATE FINANCE COMMITTEE

January 15, 1976

9:10 a.m.

The following members of the Committee were present: Senators Ray, Poland, Chance, and Ferguson.

PRESENT

Chairman Ray called the meeting to order and announced that he had talked with Rep. Malone about setting up a joint public hearing with House Finance to go over the information they have on the ferries. (The meeting will be in the Governor's Conference Room on January 21 at 2:00 p.m.).

JOINT  
HEARING  
ON THE  
FERRIES

Chairman Ray stated that they would be receiving their copies of the Red Budget books today and then they would be cross-indexed with the information they had in the blue books. He said his intent was to start closing budgets in possibly 50 days.

BUDGET  
SCHEDULE

The meeting adjourned at 9:15 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 16, 1976  
9:10 a.m.

All members of the Committee except Senator Rader.

PRESENT

Chairman Ray called the meeting to order and called attention to the list of Bills in Committee. He noted that most of the bills from last year had been reviewed at least twice and that additional back-up material had been added to their files during the interim.

BILLS IN

Senator Ray made the following bill assignments:

BILL  
ASSIGNMENTS

SB 175 - Poland  
SB 186 - Sackett  
SB 239 - Ferguson  
SB 271 - Butrovitch  
SB 335 - Chance  
SB 381 - Ray  
SB 400 - Rader  
SB 427 - Poland  
SB 429 - Ray  
SB 460 - Ferguson  
SB 464 - Butrovitch  
HB 68 - Chance  
CSHB 142 - Ferguson  
CSHB 143 - Ferguson  
HB 195 - Butrovitch  
CSHB 211 - Sackett  
CSHB 246am - Ray  
CS SSHB 272am - Butrovitch  
HB 274 - Ray  
CSHB 330 - Chance  
HB 332 - Chance  
HB 335 - Chance  
HB 373am - Ray  
HB 374 - Rader  
HB 375 - Rader  
HB 408 - Ray  
CS SSHB 431 - Ray  
CS SSHB 432 - Sackett  
CSHB 448 - Chance  
HB 503 - Ray

Senator Ray told the Committee that any bills ready for discussion on Monday would be taken up.

The meeting adjourned at 9:30 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 19, 1976  
9:10 a.m.

All members of the Committee except Senators Butrovitch and Chance. PRESENT

Chairman Ray called the meeting to order and reminded the Committee that he would appreciate them acting as rapidly as possible on all new Bill assignments.

There was general discussion on the scheduling of budget hearings. It was decided that Administration of Justice would be first.

Mr. Schroeder, Fiscal Analyst, noted that Administration has combined most of what used to be Pipeline Impact Budgets with the Operating Budgets.

Senator Ray brought SENATE BILL NO. 481 (extending the existence of the Alaska Fire Fighter Training Center Commission) up for discussion. He said that what it did was let them go for another five months to end up their work. SB 481

Senator Sackett moved and asked unanimous consent that SB 481 be put out with a "Do Pass" recommendation. There being no objection, it was so ordered.

Senator Ray then made the following Bill Assignments:

BILL  
ASSIGN-  
MENTS

SB 491 - Ray  
SB 496 - Butrovitch  
SB 497 - Rader  
SB 510 - Rader  
SB 511 - Rader  
SB 518 - Ferguson

The meeting adjourned at 9:25 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 20, 1976  
9:00 a.m.

All members of the Committee. The following members of the Press: Elaine Mitchell, Joe La Rocca, and Cheryl Probst. PRESENT

Chairman Ray called the meeting to order and brought SENATE SB 491 BILL NO. 491 (State aid to school districts affected by state activities) up for discussion. Senator Ray explained this Bill was to amend the law and close up its loop holes. It seems that the municipalities are taxing the State and the private lessee and are getting a double tax.

Senator Chance asked some of the specific abuses and Senator Ray said the Anchorage Airport, the Fairbanks Airport, and the Teamsters' Mall.

Senator Ray said that under this Bill they would charge the private lessee and not the State.

Senator Rader noted that when a piece of property is leased there are two estates, so there were two tax situations here. There was further discussion, and Senator Rader felt they should have someone in to talk with them about it.

Senator Ferguson said he would check with someone and try to have him at the 9:00 a.m. meeting tomorrow.

Senator Butrovitch said he would like to report on SENATE SB 496 BILL NO. 496 (Benefits for Members of the Alaska National Guard and Naval Militia) at tomorrow morning's meeting also.

Senator Ray brought SENATE BILL NO. 530 (Special appropriation to Dept. of Health & Social Services for vendor claims) up for discussion. These were vendor's warrants which had not been paid. SB 530

Senator Sackett moved that the Bill be put out with a "Do Motion Pass" recommendation. The motion carried with 4 voting "Do Pass" and 3 voting "No Recommendation".

Senator Ray said he would try to set up a meeting with Budget and Management for 2:00 this afternoon so they could get an overview on the budget.

The meeting recessed at 9:25 a.m. RECESS

SENATE FINANCE COMMITTEE

January 21, 1976

9:05 a.m.

All members of the Committee. Joe La Rocca and Elaine Mitchell PRESENT  
from the Press.

Chairman Ray called the meeting to order and asked Senator  
Ferguson to report on SENATE BILL NO. 491 (State aid to school SB 491  
districts affected by state activities).

Senator Ferguson had Bill Thompson, Director of Management and  
Finance, Department of Education, and Ken Grieser, Deputy Dir-  
ector, present to explain to the Committee about SB 491.

Mr. Thompson said the purpose of the Bill is to close a couple  
of loop holes in the law. The State aid affected by state acti-  
vities is to compensate districts who have parents who live or  
work on State property in lieu of tax payments on state lands.  
He said there were cases where the State makes payments even  
though it is not really State activity which is occurring and  
there is no adverse impact upon the District. These amendments  
provide that if the Municipality can tax the property, then the  
State will not pay for those children. For example, the Teamsters'  
Mall is on State leased land and the children of all the parents  
who are working in the Mall can be submitted as related to State  
activity and yet the Mall is taxed by the Anchorage Borough.  
Another case is where the parents live in one district and work  
in another district. For example they live in Matanuska-Susitna  
and work in Anchorage. The State activity is occurring elsewhere  
and causes no adverse effect on the district in which they live.  
It is likewise with people working on the Pipeline. Another  
example is the leased property at the Anchorage and Fairbanks  
International Airports--they estimate that 50% of the property  
is leased to airlines and also subject to be taxed by the muni-  
cipalities.

Senator Ray asked if the municipalities were getting double taxes  
on this, and Mr. Thompson said yes.

Senator Rader said the Teamsters' Mall is on State property.  
The Teamsters presently pay taxes on the Mall and the State also  
makes contributions because it owns the land. This Bill would  
take away the State's contribution for the land. Senator Rader  
wanted to know if they were going to tax the Teamsters for the  
land.

Mr. Thompson said no. He said the State was paying on the  
basis of the people who work in the Mall.

Senator Chance noted that they were paying in this way in lieu of being taxed on the land. This Bill would deprive the municipality of tax on the land.

Senator Butrovitch felt they would be over-correcting if they also deprived the municipalities of taxing the value of the land.

Senator Rader felt it was unreasonable for the State to pay 25% for the students because their parents work in the Teamsters' Mall. He thought they ought to get the State Assessor to look at the problem. He said if they were going to make payments in lieu of taxation that it should probably be on the value of the property. He suggested that the Administration meet with the State Assessor and see if something could be done. He agreed with Senators Butrovitch and Chance that this was an over-correction.

Senator Chance also wished to know which school districts were going to be losing how many dollars out of their budgets.

Senator Ferguson moved that they put out SB 491 with "individual recommendations. The vote was 3:4, and the motion failed. motion

Senator Rader stated that a knowledge of what is being taxed and what isn't and the values were critical points here. He said they had the people who could get this information and he suggested they get it. If the Committee had the information before them, perhaps they could come up with a reasonable method of solving the inequity.

Senator Chance asked them to find out what other properties were effected in addition to the Teamsters' Mall, and the two airports.

Senator Ray then brought HOUSE BILL NO. 542 (Extending the existence of the Alaska Fire Fighter Training Center Commission) up for consideration. HB 542

Senator Sackett moved and asked unanimous consent that HB 542 be put out with a "Do Pass" recommendation. There being no objection, it was so ordered. motion

Senator Butrovitch asked to bring SENATE BILL NO. 496 (Benefits for Members of the Alaska National Guard and Naval Militia) up for discussion. SB 496

Senator Butrovitch said that under the Bill, members of the Alaska National Guard would be covered under the Workmen's Compensation Act. He had contacted the Guard, and the carriers have been paying National Guard claims when they are on active duty called up by the Governor. The Bill would allow them

per diem equal to what State employees get. He stressed that was only when they were on active duty called up by the Governor. The Federal government takes care of their regular duty.

Senator Ray asked why it included commissioned and warrant officers. Senator Butrovitch didn't know why.

Senator Butrovitch went on to say that it carried no fiscal note, or rather a blank one. They had gone back to all of the disasters where the Guard was called up by the Governor and figured what the cost would have been had this Bill been in effect.

There was some discussion on the Bill during which most of the members were concerned about the per diem since the members of the National Guard would be provided with room and board in addition.

Senator Butrovitch moved that they put SB 496 out with "Individual" recommendations. The vote was 3:4, and the motion failed. Motion

The meeting recessed at 9:45 a.m.

RECESS

SENATE FINANCE COMMITTEE  
January 22, 1976  
9:05 a.m.

All members of the Committee except Senators Sackett and Rader. PRESENT  
Elaine Mitchell from the Press.

Chairman Ray called the meeting to order and asked if anyone  
had a Bill to be considered.

Senator Ferguson brought up SENATE BILL NO. 491 (State aid to SB 491  
school districts affected by state activities). He then moved  
that SB 491 be put out with individual recommendations. The  
motion carried 4:1, and the Bill went out with a majority vot-  
ing "Without Recommendation".

Senator Ray then summed up the Joint House /Senate Finance Com- Meeting  
mittee meeting they had had yesterday with the Division of with  
Marine Transportation for those members of the Committee who Division  
hadn't been in attendance. The Department people had indicated of Marine  
they had used money for programs other than had been appropriated Trans.  
for. Senator Ray felt that the members of the two Committees  
had let the Department know they weren't to "play around with  
the Columbia" until they were given a direct appropriation for  
the specific purpose of cafeteria conversion. It was too late  
to do anything about the Malaspina.

General discussion followed.

The Committee adjourned at 9:25 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 23, 1976  
9:00 a.m.

All members of the Committee. Joe La Rocca from the Press PRESENT  
arrived later in the meeting.

Chairman Ray called the meeting to order. He asked Senator  
Rader to report on SENATE BILL NO. 497 (Exemption of pensions SB 497  
and annuities from the Alaska income tax).

Senator Rader felt the Bill to be a good one, and moved and Motion  
asked unanimous consent that SB 497 be put out with a "Do  
Pass" recommendation. There was no objection, and it was so  
ordered.

Discussion followed on the problems they were having in Fiscal  
getting fiscal notes for some of the Governor's bills. Sen. Note  
Ray suggested drafting a bill that would say all bills at the Bill Draft  
request of the administration had to have fiscal notes. The  
Committee thought that it wouldn't hurt to do this, so Jay  
Hogan was asked to prepare a draft.

[Joe LaRocca entered at this time.]

Senator Ray brought SENATE BILL NO. 222 (Relating to early SB 222  
service credit under the public employees' retirement system)  
up for consideration. This added employees of the Alaska Road  
Commission and Bureau of Public Roads into the PERS.

It was moved that SB 222 be put out with individual recommen- Motion  
dations. The motion carried, and the Bill went out with a  
majority voting "Without Recommendation".

The meeting adjourned at 9:20 a.m. ADJOURN

SENATE FINANCE COMMITTEE

January 26, 1976

9:05 a.m.

Senators Ray, Poland, Chance, Rader, Sackett, and Ferguson were present. Senator Butrovitch arrived later in the meeting. Elaine Mitchell was present from the Press. PRESENT

Chairman Ray called the meeting to order. The first order of business was the bill which had been drafted saying that all bills at the request of the administration had to have fiscal notes. He asked if there was any objection to putting this out as a Finance Committee Bill. There was no objection, and it was so ordered. Fiscal Note Bill

Senator Ray then brought up SENATE BILL NO. 541 (Supplemental appropriation for Teachers' Retirement System) for consideration. He explained this was the State's match for the teachers' retirement, and it had to be paid. SB 541

Sen. Ray moved that SB 541 be put out with a "Do Pass" recommendation. There was no objection, it was so ordered. Motion

Senator Ray went on to SENATE BILL NO. 547 (Teacher retirement fractional credit and retirement credit for military service). He explained that this Bill had passed the Legislature last year in the form of SB 380, but had been vetoed by the Governor because it had the wrong information in it. SB 547

There was some question in the Committee's minds because credit for military service was added into this bill although it had not been included in SB 380. They requested that Sen. Croft, the sponsor of the bill, be called in to testify.

[The Committee was at ease while they waited for Sen. Croft.]

Sen. Croft explained that this bill was technically correct, and that the fiscal note was the same as what it had been for SB 380 last year. Senator Ray asked why it wouldn't cost more since there were additional people being added in. Sen. Croft said that Mr. Gates in the Retirement Section felt the fiscal note to be correct.

Sen. Croft. went on to say that the original SB 380 hadn't had the credit for military service in it, and if the Committee wished to report SB 541 out with just the fractional service credit, it would be all right with him.

[Sen. Huber came in at this time.]

Senator Chance moved that they strike Sections 2 and 3 from the bill. Senator Ray amended the motion to include Section 4. There was no objection to the motion as amended, and it was Motion

so ordered. Senator requested that the changes be made, and stated that they would bring the bill up again tomorrow morning.

Senator Ferguson brought up SENATE BILL NO. 518 (Monetary gifts to the U. of A.). He said this was a piece of clean up work proposed by the Governor to stop some concern that has been around for some time. He referred them to the cover letter and said it was correct.

Senator Ferguson moved that they put SB 518 out with individual recommendations, and the motion carried. The Bill went out with a majority voting "Do Pass". Motion

The meeting adjourned at 9:30 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 27, 1976  
9:10 a.m.

All members of the Committee except Senator Sackett, who arrived later in the meeting. PRESENT

Chairman Ray called the meeting to order and called their attention to the Finance Committee Substitute which had been prepared for SENATE BILL NO. 547 (Teacher retirement fractional credit and retirement credit for military service) per their instructions yesterday. SB 547

Senator Chance moved that they put the bill out with a "Do Pass" recommendation, and the motion carried. Motion

Senator Ray brought SENATE BILL NO. 476 (relating to the Alaska longevity bonus) up for consideration. SB 476

The Committee went along with the HESS Committee Substitute in so far as it provided for a monthly bonus of \$125, but most of them didn't want the section which allowed a cost of living adjustment.

Senator Rader moved to amend SB 476 on page 1, line 14, by deleting "\$150" and inserting "\$125". The motion carried. Motion

Senator Rader then moved that SB 476 as amended be reported out with a "Do Pass" recommendation. The motion carried 4:2 with Sen. Ray voting to pass the original bill and Sen. Chance voting to pass the HESS Committee Substitute.

Senator Ray then brought SENATE BILL NO. 578 (Relating to fiscal notes) which the Finance Committee had had prepared. SB 578

There was some dissatisfaction with the Bill because it referred to all Bills, not just the Governors'. It was felt that if the Departments were the only ones to prepare fiscal notes, they could hold up the legislation which they didn't like. Sen. Ray felt that the fiscal note didn't have to come from Administration, but rather a legislator could put his own fiscal note on a bill. Senator Ray told the members to think about the bill, and they would bring it up again.

Senator Ray asked if there was anyone interested in bringing up HOUSE BILL NO. 373am (Financial Assistance for oil-development-impacted municipalities). No member expressed interest. HB 373am

Senator Ray brought SENATE BILL NO. 436 (Relating to grants for municipal tourist centers) up for consideration. SB 436

Senator Chanced moved they amend SB 436 on page 1, line 11 by adding the words "commerce and" before the word "economic". There Motion

# **CORRECTION**

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

SENATE FINANCE COMMITTEE  
January 27, 1976  
9:10 a.m.

All members of the Committee except Senator Sackett, who arrived later in the meeting. PRESENT

Chairman Ray called the meeting to order and called their attention to the Finance Committee Substitute which had been prepared for SENATE BILL NO. 547 (Teacher retirement fractional credit and retirement credit for military service) per their instructions yesterday. SB 547

Senator Chance moved that they put the bill out with a "Do Pass" recommendation, and the motion carried. Motion

Senator Ray brought SENATE BILL NO. 476 (relating to the Alaska longevity bonus) up for consideration. SB 476

The Committee went along with the HESS Committee Substitute in so far as it provided for a monthly bonus of \$125, but most of them didn't want the section which allowed a cost of living adjustment.

Senator Rader moved to amend SB 476 on page 1, line 14, by deleting "\$150" and inserting "\$125". The motion carried. Motion

Senator Rader then moved that SB 476 as amended be reported out with a "Do Pass" recommendation. The motion carried 4:2 with Sen. Ray voting to pass the original bill and Sen. Chance voting to pass the HESS Committee Substitute.

Senator Ray then brought SENATE BILL NO. 578 (Relating to fiscal notes) which the Finance Committee had had prepared. SB 578

There was some dissatisfaction with the Bill because it referred to all Bills, not just the Governors'. It was felt that if the Departments were the only ones to prepare fiscal notes, they could hold up the legislation which they didn't like. Sen. Ray felt that the fiscal note didn't have to come from Administration, but rather a legislator could put his own fiscal note on a bill. Senator Ray told the members to think about the bill, and they would bring it up again.

Senator Ray asked if there was anyone interested in bringing up HOUSE BILL NO. 373am (Financial Assistance for oil-development-impacted municipalities). No member expressed interest. HB 373am

Senator Ray brought SENATE BILL NO. 436 (Relating to grants for municipal tourist centers) up for consideration. SB 436

Senator Chanced moved they amend SB 436 on page 1, line 11 by adding the words "commerce and" before the word "economic". There Motion

was no objection, and it was so ordered.

Senator Chance then moved that SB 436 as amended be put out with Motion a "Do Pass" recommendation. The motion carried 4:2.

Senator Ray made the following Bill Assignment:

Bill  
Assign-  
ment

SB 532 - Chance

[Sen. Sackett arrived.]

Senator Rader brought SENATE BILL NO. 511 (Administration and enforcement of state revenue laws) up for consideration. He said this was simply a matter of uniformity; it was part of the Dept. of Revenue's attempts to straighten up and standardize its procedures. He added that HB 211 should probably accompany this bill as a package.

SB 511

Senator Rader moved that they put SB 511 out with a "Do Pass" recommendation. The motion carried 5:2.

Motion

Senator Sackett brought COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 211 (Administration of state tax and revenue laws) up for consideration. He said this bill brought about six different taxes into one administrative bill and tried to standardize the provisions.

CSHB 211

Senator Sackett moved that they put CSHB 211 out with a "Do Pass" Motion recommendation. The motion carried 5:2.

The meeting adjourned at 9:45 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 28, 1976  
9:15 a.m.

All members except Senators Rader and Ferguson.

Chairman Ray called the meeting to order. He had a draft of a possible Committee Substitute for SENATE BILL NO. 578 (Relating to fiscal notes) before him. SB 578

There was some discussion of this, and Senator Ray called for an Executive Session at 9:18 a.m. EXECUTIVE SESSION

AFTER EXECUTIVE SESSION  
9:25 a.m.

Senator Ray made the following Bill Assignments:

SCR 63 - Butrovitch  
SB 521 - Sackett

Bill  
Assign-  
ments

Senator Ray said that as soon as they received the Short Forms they could start working on the budget. He said they would have a week to look over the short forms before they started Committee work.

General Committee Discussion followed.

The meeting adjourned at 9:45 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
January 29, 1976  
9:05 a.m.

All members of the Committee. Joe LaRocca and Elaine Mitchell PRESENT  
from the Press.

Chairman Ray called the meeting to order. He made the follow- Bill  
ing Bill Assignments: Assign-  
ments

SB 551 - Sackett  
CS SB 477 - Rader (He said this should be amended to include  
U.S. Corp of Engineers Security Guards)

Senator Rader said he was ready now to report out COMMITTEE SUB- CS SB 477  
STITUTE FOR SENATE BILL NO. 477 (Relating to particularization  
of persons entitled to service credit).

Senator Rader moved the following amendment to CS SB 477: On Amendment  
page 1, line 22, after "Civil Aeronautics Administration Secur-  
ity Guards," add "U.S. Army Corp of Engineers security guards,".  
There being no objection, it was so ordered.

Senator Rader then moved that CS SB 477 as amended be put out Motion  
with a "Do Pass" recommendation. The motion carried 5:2.

Senator Sackett then reported on SENATE BILL NO. 521 (Relating SB 521  
to gifts and income received by the Alaska Historical Commission).  
Senator Sackett said the Governor's Office wanted to delete  
Section 2 regarding the Executive Order. He so moved. There Amendment  
was no objection, and it was so ordered.

Senator Sackett then moved they put out SB 521 as amended with Motion  
a "Do Pass" Recommendation. There was no objection, it was so  
ordered.

Senator Ray made some additional Bill Assignments: Bill  
Assign-  
ments

SB 584 - Rader  
SB 539 - Butrovitch

The Meeting adjourned at 9:25 a.m. ADJOURN

SENATE FINANCE COMMITTEES  
January 30, 1976  
9:10 a.m.

All members except Senators Ferguson and Sackett. Elaine Mitchell PRESENT  
from the Press.

Chairman Ray called the meeting to order, and made the following Bill  
Bill Assignments: Assign-  
ments

SB 531 - Butrovitch  
SB 552 - Poland  
SB 590 - Sackett  
SB 591 - Butrovitch

Senator Ray said people had expressed interest in HB 143, SB 186,  
and HB 170, but after looking at them, no one was ready to take  
them up for discussion.

General Committee Discussion followed.

The Meeting adjourned at 9:30 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
February 2, 1976  
9:05 a.m.

Senators Ray, Poland, Chance, and Butrovitch were present. PRESENT  
Cheryl Probst from the Press was also present.

Chairman Ray called the meeting to order and referred the members to the new Committee Substitute for SENATE BILL NO. 578 CS SB 578  
(An Act relating to fiscal notes).

Senator Chance moved and asked unanimous consent that CS for SB 578 be put out with a "Do Pass" recommendation. There was Motion  
no objection, and it was so ordered.

Senator Ray made the following Bill Assignment: Bill  
Assignment  
SCR 63 - Poland

Senator Ray noted that they now had COMMITTEE SUBSTITUE FOR HOUSE BILL NO. 213 (Relating to the University of Alaska) in CS HB 213  
Committee. This would require the U. of A. to make a written report on all receipts and expenditures so the Legislature could at least know what is happening. There was further discussion on the problems they have had with the U. of A. budget in the past.

The meeting adjourned at 9:25 a.m. ADJOURN

SENATE FINANCE COMMITTEE

February 3, 1976

9:00 a.m.

All members except Senators Ferguson and Sackett. Joe LaRocca PRESENT and Elaine Mitchell were present from the Press. Andy Warwick, Commissioner of Administration, was also present.

Chairman Ray called the meeting to order and brought up COMMIT- CS HB 628 TEE SUBSTITUTE FOR HOUSE BILL NO. 628 (Supplemental appropriation for state employees covered by collective bargaining). He asked Commissioner Warwick to discuss the Bill.

Commissioner Warwick said the Bill was a supplemental which, in effect, pays for various salary increase adjustments that the State's Collective Bargaining agreements have called for. He said that Sec. 1 covered the Confidential unit which includes 120 employees at a cost of \$481,700. Section 2 allows \$4,856,600 to fund the General Government increase. There is a total of 4,880 employees in this unit. The money covers the 9% they will get effective as of January. Commissioner Warwick explained that they had estimated the Consumer Price Index to go up 14% in 1975. They have tied the cost of living increase to the CPI, which will be released in the last week of February for 1975. He pointed out that they wanted the money so that when the CPI came out, they would be able to pay the employees without delay. He added that all of the cost-of-living adjustments were estimates, but that they would have definitive information on about the 20th of February.

Going on to Section 3 of the Bill, Commissioner Warwick said it allowed the sum of \$1,001,500 to pay the 835 employees in the Supervisory unit. This Section is one of the places where the Committee Substitute is different from the original bill because the House Finance Committee has allowed an additional \$4700 in interest. They felt that the pay should have been retroactive because the contract was signed before the Legislature adjourned last year.

Section 4 appropriates \$5,351,700 for Tri-Trades. This is retroactive, but there is no interest allowed because the contract was signed after the Legislature adjourned last year--he thought it was in September. However, it is retroactive to January 1 of 1975.

Commissioner Warwick said that Section 5 allowed \$2,226,163 for the Fiscal Year ending June 30, 1976 to pay cost-of-living adjustments. This is another place where the House Finance Committee tacked on \$5300 in interest for the portion of contracts signed in Calendar Year 1975.

Senator Ray questioned whether the Administration had taken notice of Section 4, Chapter 138, Session Laws of Alaska, 1975. He then read the Section. Senator Warwick replied that Tri-Trades was exempted from that Act, but were covered by a signed agreement.

Commissioner Warwick pointed out that HB 497 had asked for an estimated amount of money to fund Tri-Trades, but the House Finance Committee last year had chosen not to act on the Bill presumably because no agreement had been signed at that time and they didn't know how much to appropriate.

Senator Ray was concerned as to whether any consideration had been given to permanent Legislative Employees by the Legislative Council. Senator Chance said they hadn't discussed it, but Commissioner Warwick thought the Senate State Affairs Committee was amending SB 499 (An Act relating to the method of compensating state officers and employees) to take up permanent employees of the Legislature and the Executive Branch.

Senator Chance asked whether the units which were allowed interest were the ones whose contracts were signed before the Legislature adjourned last year, and Commissioner Warwick said that was true.

Senator Chance moved that they put the Bill out with individual recommendations. The motion carried, and the Bill went out with all five members voting "Do Pass".

Motion

Senator Ray made the following Bill Assignment:

Bill  
Assign-  
ment

SCR 68 - Butrovitch

Senator Ray told the Committee he was presently researching the bonding capacity and bonding construction, and that he should have something solid by next week.

Bonding

Senator Sackett asked if they had anything from Bond Counsel, and Senator Ray said no, but he supposed they could have him come in and talk to them.

Senator Ray then asked the general feeling among the members regarding hydro-electric projects. The authorization bill was passed last year and a study was done, the results of which should be ready in the next couple of weeks. It was decided that individual Senators who were interested would sponsor a bill to fund such projects.

Senator Ray also discussed the possibility of having the Budget Documents released to the Legislative Finance Division on a confidential basis a week in advance of the Governor's Budget Message in order to speed up the process of getting short forms. The Committee seemed to agree that was something to look into.

The meeting adjourned at 9:30 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 4, 1976

9:00 a.m.

All members except Senators Rader and Ferguson--Ferguson arrived later in the meeting. Joe LaRocca, Elaine Mitchell, and Cheryl Probst (who arrived a few minutes later) were present from the Press.

PRESENT

Chairman Ray called the meeting to order, and made the following Bill Assignments.

Bill  
Assign-  
ments

SB 585 - Chance

SB 586 - Chance

Senator Ray then brought up HOUSE JOINT RESOLUTION NO. 15 (Amendment to Article VII, Subsection 2 of the Alaska Constitution). He read a letter from Avrum Gross, Attorney General, dated Feb. 3, 1976. The letter said, in effect, that for all intensive purposes, the Resolution doesn't do anything. (See Bill File for copy of the letter.)

HJR 15

[Cheryl Probst arrived at this time.]

[Senator Rodey arrived at this time.]

Senator Ray brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 213 (Relating to the University of Alaska).

CS HB 213

Senator Chance moved that CS HB 213 be put out with a "Do Pass" recommendation. The motion carried.

Motion

[Senator Ferguson arrived at this time.]

Senator Ray stated that Senator Rodey was present to testify on SENATE BILL NO. 186 (Relating to taxable property under oil and gas pipeline transportation tax).

SB 186

Senator Rodey said this Bill was a bit of catch up work. What it does is add refineries to the classification of property that can have a tax levied on it. The only property that would be effected at this time is a \$500 million dollar liquifidation plant in Kenai, all of which is exported with the State deriving no benefit from it. The Bill would allow the local government to tax it at a normal rate, but the State could get anything above the local rate up to 20 Mills. Thus, if there was a 10 mill local levy, the State could also receive a 10 mill levy.

Senator Rodey pointed out that this would be an additional source of revenue to the State without having to levy a tax on the Alaskan Citizens.

Senator Rodey said that right now the Kenai Plant fell under the Tax Incentive Act, so it actually would not be effected by this Bill until that Act expires in 1978. At that time the State could tax it.

Senator Chance moved that they put CS SB 186 out with "Individual" recommendations. The motion carried, and the Bill went out with a majority voting "Without Recommendation".

Motion

The meeting adjourned at 9:25 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 5, 1976

9:05 a.m.

All members of the Committee except Senator Rader. Joe LaRocca and Elaine Mitchell from the Press. PRESENT

Chairman Ray called the meeting to order. He called attention to a draft of a bill which was designed to get a copy of the Budget Documents to the Legislative Finance Division on a confidential basis by the first week of January.

The Committee agreed to have the Bill introduced as a Finance Committee Bill with a Committee Report attached. Senator Sackett moved to report the bill out with a "Do Pass" recommendation. There was no objection, it was so ordered.

Motion

[Richard Bradley, from the Attorney General's Office arrived.]

Senator Ray brought up SENATE BILL NO. 491/(State aid to school districts affected by state activities). He said the districts were requesting State aid for private properties situated on State land, such as the Teamster's Mall. The question the Finance Committee had was as to whether this Bill was the proper vehicle to guarantee there was no way for the municipality to double tax.

SB 491

Senator Chance said her objection had been because it was claimed that the municipalities were taxing both the land and the property against the lease holder for the improvements and the State was giving in lieu of tax payments on the same thing.

Mr. Bradley said he had been told he was to speak on property taxes, so he was not really prepared to speak on this bill. He left to get the attorney who had drafted this Bill for the Governor. Ron Lorensen soon arrived.

Senator Ray explained to Mr. Lorensen they wanted wording saying the districts or municipalities, in lieu of taxes, may receive monies from the State on State land, but not on any private improvements for private properties situated on this land.

Mr. Lorensen felt that the following amendment might solve their problem: at line 17, delete all new (underlined) material through line 19; at line 17 after "from it", insert the following: "however, if the lesee's interest, or some portion of it, or improvements on the property are subject to taxation by or payments in lieu of taxes to the political subdivision, then the additional yearly allotment for that property shall be prorated based on the ratio which the value of the property and improvements not subject to taxation or payments in lieu of taxes bears to the total value of the property and improvements. "

Senator Butrovitch felt the amendment made the Bill state the State would only be paid in the cases where the local taxing entities couldn't reach the property, and then there could not be a case of double taxing.

Senator Sackett asked what would happen if the leased property was valued below what it should be. There was some discussion of this problem.

Senator Ferguson moved they adopt the amendment. There was no objection, it was so ordered.

Motion

Senator Chance thought she might like to see an additional amendment that would allow the municipality to work out an adjustment on the valuation of the property, rather than just base it on a low valuation established for leasing the land from the State.

Mr. Lorensen stated that most of the leases are readjusted and revaluated every five years on the market value. This is actually written into the leases. The new value is established based on the value of the property as enhanced by the improvements.

Mr. Lorensen gave the following example. He told them to assume that the total value of the Teamsters' Mall and the property on which it sits is \$100,000. The land itself is worth \$10,000. What they were saying by amending the bill as they had done was that the ratio was 10:100. This will be the value for the Mini 874 allotments. The other 90% is fully taxable by the municipality.

Senator Ray asked the Committee to look over the Bill and do any further research they wished, and they would bring it up again at tomorrow's meeting.

Senator Chance asked Mr. Lorensen to check out the leases on the Teamsters' Mall and also the leases for the property at the Anchorage and Fairbanks International Airports to make sure they had the language included in them which would see that the leases were readjusted and valued every five years.

The meeting adjourned at 9:50 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 9, 1976

9:10 a.m.

All members except Senators Sackett and Rader. Cheryl Probst and Joe LaRocca, from the Press. Ron Lorensen, from the Attorney General's Office was also in attendance.

PRESENT

Chairman Ray called the meeting to order and made the following comments:

Bill  
Assign-  
ments

SB 252 - Chance  
SB 619 - Poland  
SCR 73 - Ray  
CS SSHB 64 - Ray  
SB 595 - Ray  
SB 606 - Butrovitch  
HB 658 - Ray

Senator Ray brought SENATE BILL NO. 491 (State aid to school districts affected by state activities) up for discussion. He asked Senator Chance if she had had a chance to do any further research on the Bill.

SB 491

Senator Chance replied she had spoken with Nat Cole, who had stated the amendment they had adopted at their last meeting would be an administrative nightmare that would add to the fiscal note and further decrease the savings realized. She said he had suggested another amendment: On line 17, put a period after the word "it". She said this would leave off the parents who are working on the pipeline. This would take care of the in lieu of taxes payments the school districts are charging outside of the school district.

Senator Chance added that she had checked with the Borough Assessor in Anchorage and was told that they appraise the land, determine what the taxes would be if it were privately owned, and then subtract what the State pays, and bill the lease holder for the difference.

Senator Butrovitch had information which indicated they taxed both the land and the improvements thereon. He said the tax on the land is called the "fee on the lease". On new leases, this is 90% of what the lease would be.

Senator Ray asked staff to call Nat Cole and have him come before the Committee.

There was a five minute at ease while the Committee waited for Mr. Cole.

[Joe LaRocca left at this time.]

When Mr. Cole arrived, Chairman Ray called the meeting back to order. He explained to Mr. Cole that the Committee's main interest was that when the local taxing authority can not reach certain State lands within their boundaries by taxation, and they have State people working or living on it, they want the State to pay in lieu of taxes, the portion of the entitlement to school aid. In other words, they want to make sure the State doesn't get "ripped off" in any case where the municipality can reach property by taxation.

Mr. Cole stated that the amendment they had adopted would take care of their problem, but it might create a tremendous administrative problem in doing it. It would require a great deal of research at the local school level, as well as a great deal of verification at the State level.

[Cheryl Probst left at this time.]

It seemed to Senator Ray they would just have to make the municipalities validate their claims. Mr. Cole said that was correct, but the big problem will be whether or not it will be worth it to the municipalities to even attempt the job.

Mr. Cole said that looking at it from the school district and municipality point of view, the work it would take him to verify this would be such that he wouldn't even attempt to verify it, and this would reduce payments the State would have to make because the municipalities wouldn't submit anything.

Senator Poland wondered why they couldn't just get a list of all State lands from the Assessor's Office or the municipalities, and just not worry about the rest of it. Senator Butrovitch agreed that was what was needed, plus an indication that they weren't taxing the land. Senator Poland said they should go further and indicate that they could not tax the land.

Senator Butrovitch suggested that they set a future time for this meeting and have at least the two major districts come down and make their "pitch".

Mr. Cole said that the Superintendents would be in Juneau on Thursday and Friday of this week, and he was sure they would be happy to come in and discuss the matter.

Senator Ray said that would be fine.

The meeting was adjourned at 9:50 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
February 10, 1976  
9:05 a.m.

Senators Ray, Poland, Chance, and Rader. Elaine Mitchell from the Press, and John VanHaut, NEA were also present. PRESENT

Chairman Ray called the meeting to order and brought up SENATE CONCURRENT RESOLUTION NO. 74 (Expenditure of funds appropriated for satellite ground stations to include television capabilities). SCR 74

Senator Chance moved that they put SCR 74 out with a "Do Pass" recommendation. There was no objection, it was so ordered. Motion

Senator Ray made the following Bill Assignment: Bill Assignment

SB 623 - Ray

Senator Ray then brought up SENATE CONCURRENT RESOLUTION NO. 73 (Certain local service roads and trails be given high priority during FY 76 construction session). SCR 73

Senator Chance moved they put out SCR 73 with individual recommendations. There was no objection, and the resolution went out with a majority voting "Do Pass". Motion

Senator Ray asked if the Committee wanted to bring up HOUSE BILL NO. 120 (Relating to eye examinations for needy persons). The members seemed to feel they needed someone to come in and discuss the Bill with them. HB 120

Senator Ray asked staff to have someone at tomorrow morning's meeting.

Senator Ray brought SENATE BILL NO. 585 ( G.O. Bonds for constructing alcoholic treatment facilities) up for consideration. SB 585

Senator Rader noted that the Governor had put a \$240 million limit on bond projects. Senator Ray said that he had already sent the Governor a letter regarding this. He read a copy of it to the Committee.

Senator Chance moved SB 585 out with a "Do Pass" recommendation, and the motion carried. Motion

Senator Ray brought COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 143 (Relating to the regulation of post-secondary education) up for discussion. CSHB 143

Senator Rader didn't feel they should be spending money in areas where there was not yet a problem.

Senator Chance felt that now was the time to prevent a problem from occurring.

After some discussion of that nature, it was decided to hold the bill until a later date.

Senator Ray brought SENATE BILL NO. 532 (Making a supplemental appropriation to the Dept. of Health and Social Services, Harborview Memorial Hospital) up for discussion.

SB 532

The Committee wanted to have more information on this Bill. Senator Ray asked Bob Schroeder to find out about the Bill.

Senator Ray then brought up SENATE BILL NO. 531 (Supplemental appropriation to Dept. of Health & Social Services for mental health contract institutions). He thought SB 531 and 532 ought to have been one supplemental. Senator Chance noted that the memo was written as if the two bills were one supplemental.

SB 531

Senator Chance asked Debbie Staack from the Research Division of Legislative Affairs to come and report to the Finance Committee on SB 531.

Ms. Staack had researched the Bill and had prepared a report which she went over with the Committee. See Bill File for a copy of the report.

When she had concluded her presentation, Senator Ray asked that she get together with Milt Barker and formulate ideas and come up with a proposed drop in the supplemental.

The meeting adjourned at 9:50 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 11, 1976

9:00 a.m.

All members of the Committee. The following people were also present: Dr. John Dalton, Division of Public Assistance, Dept. of Health and Social Services; Don DaFoe, Executive Vice President, University of Alaska; Jerry Fastman, Systems Computer Technology; Bob Moser, Systems Computer Technology; and Joe LaRocca from the Press.

PRESENT

Chairman Ray called the meeting to order and made the following bill assignments:

Bill  
Assign-  
ments

HB 284 - Rader

SB 609 - Ray

Senator Ray brought up HOUSE BILL NO. 120 (Relating to eye examinations for needy persons). He asked Dr. John Dalton how they had arrived at the figure of 1,150 people who might use the appropriation and the average cost per examination. HB 120

Dr. Dalton was not sure how the 1,150 figure was arrived at, but thought it was probably a percentage type of thing based on the 16,000 people on Medicaid.

Dr. Dalton stated that passage of the bill would make it possible for persons to go to an optometrist or an ophthalmologist whereas before they were limited to services provided by an ophthalmologist. In as much as ophthalmologist services are not available in every community, passage of House Bill 120 would make eye exams and refractions easily obtainable by more needy persons.

Dr. Dalton explained that they expected useage of the program to go up if services were extended to optometrists simply because there are more optometrists and they are more accessible.

There was some question as to whether the appropriated amount would include cost of glasses as well as eye examinations. Since Dr. Dalton did not know for sure, Senator Ray asked him to find out. The Committee also wanted information as to who is being paid now, and under what authority.

Senator Ray said they would postpone any action on HB 120 until they had received the above information from Dr. Dalton.

(HB 120 Tape S76-5 2696-2950)

Senator Ray then asked Dr. DaFoe, from the University of Alaska, U. of A. to speak on the University's Computer Center Operations.

Computer  
Center  
Operations

Dr. DaFoe explained that the U. of A. had been given funding for a three year program for updating their computer operations. To accomplish this, they had contracted with the Systems & Computer Technology Corporation to operate the computer center as well as to revise and revamp the soft ware systems.

Dr. DaFoe introduced Mr. Fastman and Mr. Moser of the Systems & Computer Technology Corporation, and said they would report on the progress that has been made.

Mr. Fastman said that their Corporation did all of the Financial Systems Development for 60 institutions of higher education throughout the country. He said he would be presenting a status and answering any questions they might have relative to current or future plans in both systems and operations areas.

[Senator Ray turned the chair over to Senator Poland and left the meeting at this time.]

Mr. Fastman told them their contract to develop a completely new financial system for the University started on October 1, 1975.

[Sen. Ferguson left at this time. Joe LaRocca also left.]

Mr. Fastman went on to say that all of the people who will use the data have been involved in the specification stage. Implementation started on December 1 and will run through the August 1.

Mr. Fastman referred to the Status Report Handout and said that so far they have met all of the deadlines on the schedule and all of those items have been completed. (For copy of Status Report see attachment to these minutes.)

He went on to say that the reports they will be producing will satisfy all of the University's operating and management needs in all financial areas.

Senator Rader asked about the size of the contract, and Mr. Fastman said it was \$300,000 per year. He added that the Computer System used before was an IBM 360 system which had been developed 9 years ago. This was in need of tremendous up-grading and even then would not have satisfied current needs.

Senator Rader asked about clerical savings, and Mr. Fastman replied that many computers had been sold on the basis of clerical savings, but in his experience this hasn't been realized. He explained that rather than an immediate savings in clerical work, they were actually changing the clerical duties. The increased efficiency gives increased information and the clerical people are freed from old duties are now being applied in other operations to use that data.

Mr. Moser talked about the Computer Network throughout the State. He explained that the State Central Site was installed and operational. The Fairbanks node, the West Ridge node, and the Anchorage node are all installed and operational. the Juneau node will be operational in July of 1976.

He said their request for next year is to extend new current equipment to the other campuses throughout the State. They have never been serviced by a University-wide computer system.

Senator Rader asked what type of computer the State has, and Mr. Moser said it was an IBM 370-145 which is primarily an administrative kind of computer which doesn't have the time sharing interactive capabilities that the Honeywell computer has. The Honeywell computer was designed more for the student academic kind of work.

As it was nearing session time, Vice Chairman Poland said they would have to adjourn the meeting.

Before adjourning, Senator Chance introduced Paul Troeh and Al Olsen of the Arctic Winter Games - re SB 591, \$130,000 for the Arctic Winter Games in Quebec. They will be available to talk to the individual Games Senators while they are in town today.

The meeting adjourned at 9:55 a.m.

ADJOURN

ATTACHMENT TO MINUTES OF 2/11/76

STATUS REPORT  
University of Alaska  
Management Contracts With  
Systems & Computer Technology Corporation  
February 12, 1976

A. Facilities Management

1. Organization (handout)

Improved quality of staff  
Brought to full strength  
Expanded to support statewide network

2. Functional Areas

a) Administrative Systems

Conversion effort to be complete March 31  
Maintenance on existing systems

b) Operations

Data Entry

Increased staff to handle workload  
Installing key-disk hardware  
Documented data entry work

Data Control

Implemented production scheduling  
Improved job book documentation

Operations

Operating two facilities  
Increasing physical security

Other

Implementing tape library procedures  
Writing Honeywell billing system  
Developing standards manual

c) Academic Services

Increasing level of user services  
Implementing software packages  
Providing user training and documentation

d) Computer Network (handout)

State (central) site installed & operational  
Fairbanks node operational  
West Ridge node installed & operational  
Anchorage node installed & operational  
Juneau node to be operational July 1976

3. Additional Comments

Development of four year master plan  
Additional support to Anchorage ADP staff

B. Financial Systems

1. Systems Design Specifications

- General Ledger Module - complete; final document delivered
- Payroll Module - complete; final document delivered
- Budget Preparation Module - complete; final document being printed
- Purchasing and Payment Module - complete; final document being printed
- Revenue Module - complete; final document being printed

2. Implementation

- a) General Ledger Module
  - the new financial nucleus of the system, including program and cost accounting to be operational by July 1, 1976
- b) Payroll Module
  - initial conversion of payroll master file accomplished 12/15/75 - 12/20/75 in Portland
  - final conversion of payroll master file accomplished 1/19/76 - 1/30/76
  - training of users began 1/12/76 and formal training sessions completed 1/27/76. informal training is on-going process
  - first bi-weekly time sheets produced 1/26/76
  - first monthly time sheets produced 1/30/76
  - systems tables produced and transaction input edit and validation programs tested 1/19/76 - 1/30/76
  - process file maintenance corrections and system table updates 1/26/76 - 2/14/76
  - run system test dummy monthly payroll 2/14/76
  - run system test dummy bi-weekly payroll 2/16/76
  - run parallel monthly payroll 2/17/76
  - run parallel bi-weekly payroll 2/19/76
  - run actual monthly payroll 2/22/76
  - run actual bi-weekly payroll 2/24/76
- c) Payroll Module/Position Control
  - to be implemented April 1, 1976
- d) Payroll Module/Distribution
  - to be interfaced with new general ledger July 1, 1976
- e) Budget Preparation Module
  - to be operational April 1, 1976
- f) Purchasing and Payment Module
  - to be operational July 1, 1976
- g) Revenue Module
  - to be operational after July 1, 1976

SENATE FINANCE COMMITTEE  
February 12, 1976  
9:00 a.m.

All members of the Committee except Senator Poland. Elaine Mitchell from the Press. PRESENT

Chairman Ray called the meeting to order and made the following Bill Assignments: Bill Assignments

SB 461 - Butrovitch  
CS SB 480 - Sackett  
CS SB 499 - Sackett

Senator Ray brought up SENATE CONCURRENT RESOLUTION NO. 68 (Relating to construction of a road between Noatak and Navyoarak, and to the Noorvik gravel source road). He said the only reason he brought it up was because the wording needed to be changed. The Legislature never directs the Governor to do anything. Senator Butrovitch said that he and Senator Ferguson would get together and straighten it out. SCR 68

Senator Sackett asked to bring up SENATE BILL NO. 595 (Special appropriation to the Dept. of Education for the Alaska Skill Center). SB 595

Senator Chance said that they had backed up and taken the Finance Committee's suggestion from last year that they buy the materials and use the students to do some of the construction.

Senator Butrovitch thought they ought to do this in Free Conference Committee. There was agreement from some of the Senators. Senator Ray put the Bill back into the files.

Senator Sackett then reported on HOUSE BILL NO. 551 (Supplemental appropriation to the Legislative Affairs Agency). \$900,076 was the amount being asked for. Sen. Sackett passed out copies of the justification from the LAA which is itemized and explained for each amount. (See Bill file.) It was broken down into seven areas. HB 551

One of these areas was entitled "Errors' in FY 76 Appropriation". In Sen. Sackett's opinion the \$50,000 Contractual for interim committee's was not an error. Myrt Charney had gone back to the Free Conference Committee Minutes and made an interpretation, which was not what the Committee had intended, but one which Mr. Charney felt showed that the Committee had meant to put an additional \$50,000 in for contractual for interim committees.

Senator Ray had a question in the "Unexpected Interim Costs" area. He asked about the \$151,800 to the Interim Telecommunications Committee.

Senator Chance said the money was for a contract with consultants Stanley and Merrick who were keeping us informed on the battle going on between the Administration and RCA. They have been involved in negotiations all of the way through, as well as making recommendations. They are currently on contract to the Legislature.

Senator Sackett said that the Legislative Intent as shown in the Free Conference Committee Minutes stated that the \$151,000 was supposed to be fit into the amount allocated. He then read the FCC Minutes.

Senator Ray was upset that Legislative Council went directly against the Legislative Intent.

There was further discussion on the matter, and the discussion soon became general. This led Senator Ferguson to air a complaint that he had about the Legislative Affairs Agency.

Senator Ferguson said he had been having a problem getting an assistant to help him out with the Health, Education, and Social Services Committee.

Senator Ray said they would get Greg Erickson down to clear this up.

When Mr. Erickson arrived, Senator Ferguson asked what his researchers were doing.

Mr. Erickson replied that he had three research interns who were responsible to him. There were also three Legal interns who report to Bill Barrier. Mr. Erickson's interns worked in three specialized areas: Criminal Justice and Education; Data maintenance and the Directory of Social Services; and Natural Resources, Coastal Zone Management, and those areas.

Mr. Erickson explained that the work came through his office on work orders. He added that work orders were necessary any time a written report was required, although it was not necessary when a legislator wanted to talk to a researcher and get his advice.

Senator Ferguson thought it was a difficult matter to get anyone to do work for a Committee.

Senator Chance said she hadn't realized Senator Ferguson was having so much trouble, and that she thought she could help him out.

The meeting adjourned at 9:55 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 13, 1976

9:00 a.m.

All members of the Committee except Senator Ferguson. The following people were also present: Mr. Montgomery, Superintendent of the Anchorage School District; Mr. Sagler, Assistant Superintendent of the Fairbanks School District; Mr. Grieser and Mr. Cole from the Department of Education; and Ralph McGrath, President of the Alaska Community College Association of Teachers. PRESENT

Chairman Ray called the meeting to order and brought up SENATE BILL SB 491 NO. 491 (State aid to school districts affected by state activities). He asked Mr. Montgomery, Superintendent of the Anchorage School District, to speak on the matter.

Mr. Montgomery stated that if SB 491 were to be implemented this late in the season, it would be disastrous in its effect upon the school district (he felt he was talking about both the Anchorage and the Fairbanks school districts). He agreed that portions of the philosophy in the bill might be valid, but it would create a hardship on the districts at this late time.

He went on to say there were other inequities in large districts and small districts, and this was one way to "bridge the gap". He said the amendment which was proposed the other day would be rather difficult to administer. For example, there are 500 land leases at the International Airport in Anchorage. Each lease starts and ends at varying times. So, if that amendment passed, there would only be about 11% of the approximate \$1 million restored.

Mr. Montgomery requested that consideration be given to not passing SB 491 for this session.

Senator Ray pointed out that they could pass it with an effective date clause that would protect them for this session.

Mr. Montgomery said the school districts were on a fiscal year basis. Currently they are in the stage of the first draft of the budget for the school board. It must go to the Borough Assembly on March 30.

Senator Rader asked Mr. Montgomery if he had any other suggestions on handling the inequity.

Mr. Montgomery replied that he did. He referred them to Sec. 14.17.041, and said that when it was originally written, it may have been valid, but now the larger school districts were taking a beating. This particular statute says in section (b) that in computing instructional units, if a school district has up to 3,005 students, it will be computed using 19 students as the divider, but if the district has 3,006 or more students that 19 figure changes to 23. He thought it would be more fair if the 23 figure were lowered for the larger districts.

Mr. Montgomery also suggested that they make the effective date for SB 491 July 1, 1977, if they pass it.

Senator Ray pointed out there was a bill in now to raise the foundation program. He said that if that were raised, then maybe the Anchorage School District could "scrimp" through.

Senator Rader moved that they hold SB 491 until they considered the bill which would raise the foundation. Chairman Ray said he was out of order.

Mr. Sagler, Assistant Superintendent of the Fairbanks School District, spoke next. He said the loss they would incur would be about \$235,000. They also feel they are going to have to see the Borough Assembly with this increased budget with the possibility of an increased mill levy. They estimated that the Borough could recoup through taxing of the leaseholders at the Alaska Railroad and the International Airport about half of that. But, this money goes to the Borough Assembly, and not to the School District. There is no guarantee that they would get it. They are facing five different negotiation packages right now, and if the bill passes, they have no way of putting a dollar figure on it.

Senator Chance pointed out there will be a \$1,000 increase that all of the school districts will get to cover inflationary costs, so that with that increase, Anchorage will just break even. They will not end up with anything to cover inflation.

[Tape # S76-6 1093-1580]

Chairman Ray moved on to another subject at this time. He asked Ralph McGrath, President of the Alaska Community College Association of Teachers, to make his presentation.

Mr. McGrath was not here to plead for anything. He wished to identify some of the issues raised relative to funding of their Collective bargaining agreement.

COMMUNITY  
COLLEGE  
ASSOC. OF  
TEACHERS

The first point he made was to emphasize the concern with the use or misuse of the monies appropriated by the Free Conference Committee on SB 76 to fund their contract. Their major reservation was to the actual use of the money as directed in line items in the FCC analysis. He hoped that, if during this particular legislative session there were any investigations or auditing of the University's budget as relates to SB 76, they would have an opportunity to be made aware of it so they could provide their analysis.

Along those lines, they were concerned that the University would shortly be requesting an additional \$500,000 to fund added costs of their collective bargaining unit. They were concerned as to the purpose of that \$500,000.

He mentioned the funding of the Tanana Valley Community College. In their opinion, this is at least the third time it has been funded.

Another area of concern is that after a year and a half of the University's time to clean up its house, it is clear that its is as disorganized as it was two years ago. The up-shot is that the Community College faculty statewide, and its 24 member executive board, have unanimously endorsed the outline included in the McLaine Report which calls for complete separation of the Community Colleges from the University of Alaska.

His final comment was that the negotiations with the University of Alaska for the current contract was terminated at the request of the University. He was not sure of the reasons in this particular matter, but was concerned that the University had brought in a "hired gun" to stop things when they were beginning to negotiate.

At 9:25 Senator Butrovitch called an Executive Session.

EXECUTIVE  
SESSION

The meeting adjourned at 9:45 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
February 16, 1976  
3:55 P.M.

All members with the exception of Senator Sackett. Present

Senator Ray called the meeting to order.

Senator Chance requested immediate consideration of COMMITTEE SUBSTITUTE HOUSE BILL NO. 647 (An Act appropriating to the Office of the Governor, Athletic Commission; and providing for an effective date). The bill was referred to Finance today, but quick action was necessary in order to meet the deadline of Feb. 18. Sen. Chance explained the funds would pay 75% of the costs of individuals competing in the Arctic Winter Games, to be held in Quebec. CSHB 647

The committee questioned the necessity of funding the transportation costs for participants in the Games, and Sen. Chance said the Athletic Commission in the Governor's Office does receive \$15,000 in the budget and this was the first request since 1970 for additional support (\$98,300 for CS). Sen. Ferguson noted \$50,000 had been appropriated when the Games were held in Anchorage two years ago. Sen. Ray explained that Air Canada would provide flights to Quebec, across Canada from Alaska, and gave a brief history of the previous games and costs. Sen. Ferguson added the Canadian government would pay the costs of food and lodging, which the U. S. government did when the games were held in Anchorage. Students were selected from various schools, and six people were scheduled to attend from Northwest Alaska. Sen. Poland objected to the cost, saying many schools in her district did not even have a gymnasium. Sen. Rader also objected strongly to the cost, saying he could not imagine turning down any program if the Finance Committee funded this "vacation" for participants in the Arctic Winter Games.

Sen. Rader moved the amended figure of \$10,000. Sen. Ray moved the amended figure of \$50,000. Sen. Chance moved the amended figure of \$75,000. Sen. Ray asked who was in favor of discussing CSHB 647 at the present time, and three members voted in favor of further discussion. The bill was returned to the file.

Sen. Ray assigned the following bills:

SB 605  
SSSB 606

Sen. Ray  
Sen. Butrovich

SB 605  
SSSB 606

Sen. Ray requested the chairmen of other committees to note budget hearings would be held starting next Monday, February 23, in the afternoons. Administration of Justice would be the first category for review.

The meeting adjourned at 4:15 P.M.

Adjourn

SENATE FINANCE COMMITTEE  
February 17, 1976  
9:05 a.m.

All members except Senators Rader and Ferguson (Sen. Ferguson arrived later in the meeting.) PRESENT

Chairman Ray called the meeting to order. He asked the Committee what they wanted to do with HOUSE BILL NO. 551 (Supplemental Appropriation to the Legislative Affairs Agency). HB 551

Senator Chance moved that they put HB 551 out with individual recommendations. The motion carried, and the bill went out with a majority voting "No Recommendation". Motion

Representative Gruening arrived at this time.

Senator Ray brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 647 (Appropriation to the Office of the Governor for the Athletic Commission). Rep. Gruening was the prime sponsor of the original bill. CS HB 647

Senator Sackett asked how many Indians would be participating in the Arctic Winter Games. He specified that Eskimoes were not counted as Indians. Rep. Gruening was not sure.

Senator Ray asked how many were participating from Southeastern. Rep. Gruening said there would be about 20 to 25 people. He didn't know the exact number because the people had not yet been chosen. However, he said there were about 25 participating from Southeastern in the 1974 games which were held in Anchorage.

[Elaine Mitchell arrived at this time.]

It was necessary to wait for Sen. Ferguson to arrive before they could pass the bill out of Committee.

Senator Poland asked to bring up HOUSE BILL NO. 658 (Relating to the Joint Federal-State Land Use Planning Commission). Senator Poland felt it was critical to extend its existence until June 30, 1979. HB 658

Senator Chance noted that the Commission was already funded for the first half of the year, and the amount on the Fiscal Note included funding for the last half of the year.

Senator Chance moved they put HB 658 out with individual recommendations. The motion carried, and the bill went out with a majority voting "Do Pass". Motion

[Senator Ferguson arrived at this time.]

Since Sen. Ferguson was present, Sen. Ray again brought up HB 647 HB 647  
for consideration. Sen. Ray reminded the Committee there was  
a motion to amend the amount to \$75,000. He called a vote on Amendment  
the amendment, and the motion carried.

Sen. Sackett moved that HB 647 as amended be put out with a "Do Motion  
Pass" recommendation. The motion carried 4:2.

Senator Ray brought up HOUSE BILL NO. 120 (Eye examinations for HB 120  
needy persons).

The Committee agreed that they wanted to make sure eye glasses  
were included in the amount. Senator Chance thought they ought  
to put their own fiscal note on the bill.

Senator Ray said they would have to amend the language. Sen.  
Chance said she would call Debbie Staack in Legislative Affairs  
to see what the federal language is for providing the same ser-  
vices. Sen. Ray asked her to have the information ready so they  
could meet for a few minutes after session.

Sen. Ray then made the following bill assignment:

Bill  
Assign-  
ment

HB 693 am - Butrovich

The meeting recessed at 10:45 a.m.

RECESS

[As it turned out, the following meeting was postponed  
until 9:00 a.m. February 18.]

SENATE FINANCE COMMITTEE

February 18, 1976

9:05 a.m.

All members except Senator Ferguson. Elain Mitchell and Cheryl Probst, from the Press. PRESENT

Chairman Ray called the meeting to order, and brought up SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 120 (Relating to eye examinations for needy persons) up for consideration. The CS adds eye glasses to the bill. SCS HB 120

Senator Chance moved that they adopt the Committee Substitute and put it out with a "Do Pass" recommendation. There was no objection and it was so ordered. Motion

Senator Ray then brought up SENATE BILL NO. 491 (State aid to school districts affected by state activities). He referred them to the second amendment which Mr. Cole had suggested: SB 491

At line 17, delete: all new (underlined) material through line 19; Amendment

At line 17, after "from it", insert: "however, if either the lesee's interest, or some portion of it, or improvements on the property are subject to taxation by or payments in lieu of taxes to the political subdivision, then the additional yearly allotment for that property shall be one half of the entitlement computed under (a) of this section. If both the lesee's interest, or some portion of it, and improvements on the property are subject to taxation or payment in lieu of taxes to the political subdivision, then the additional yearly allotment for that property shall be one fourth of the entitlement computed under (a) of this section."

Senator Poland moved that they adopt the amendment, and the motion carried. Motion

Senator Rader moved they amend the effective date to July 1, 1977, and the motion failed 2:4. Motion

Senator Sackett moved that they put SB 491 as amended out with individual recommendations, and it went out with a majority voting "Do Pass". Motion

Senator Ray brought up COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 480 (Relating to retirement of elected public officers). He said what it does is change the word five to eight. CS SB 480

Senator Sackett moved they put the bill out with individual recommendations. The motion carried, and the bill went out with a majority voting "Do Pass". Motion

Senator Ray next brought up COMMITTEE SUBSTITUTE FOR SENATE BILL NO. CSSB 499 499 (Method of compensating state officers and employees).

Senator Ray moved to amend the bill on page 2, line 14 by changing "\$14,720" to read "\$12,700". The motion failed 3:4. Amendment

Senator Poland suggested they amend page 2, line 23 by upping the Lt. Governor's salary to equal that of the Commissioner's.

Senator Sackett agreed, and moved that on page 2, line 23 they change "\$44,000" to read "\$48,500". The motion carried. Motion

Senator Ray renewed his motion to amend page 2, line 23. This time the motion carried 4:2. Motion

Senator Poland moved to put the bill as amended out with individual recommendations. The motion carried, and the bill went out with a majority voting "Do Pass". Motion

Senator Sackett asked to bring up SENATE BILL NO. 586 (Relating to alcoholic treatment facilities) because it was the companion bill to the bond bill SB 585. It allows the municipalities to accept the facilities after they are built. There was no objection. SB 586

Senator Sackett moved to put SB 586 out with individual recommendations. The motion carried, and the bill went out with a majority voting "Do Pass". Motion

The meeting adjourned at 9:35 a.m. ADJOURN

SENATE FINANCE COMMITTEE  
February 19, 1976  
9:00 a.m.

All members except Senators Ferguson and Rader. (Both Senators arrived later in the meeting.) Elaine Mitchell from the Press. PRESENT

Chairman Ray called the meeting to order, and made the following bill assignment:

Bill  
Assign-  
ment

HB 747 - Butrovich

Senator Ray brought SENATE CONCURRENT RESOLUTION NO. 76 (Feasibility study of an integrated transportation system for Southeast Alaska) up for consideration.

SCR 76

Senator Sackett moved to put SCR 76 out with a "Do Pass" recommendation. There was no objection, and it was so ordered.

Motion

[Senator Ferguson arrived at this time.]

Senator Ray brought SENATE CONCURRENT RESOLUTION NO. 68 (Construction of a road between Noatak and Navyoarak, and to the Noorvik gravel source road).

SCR 68

Senator Ferguson moved to delete the word "direct" on page 2, line 4, and insert the word "urge". The reason was that the Legislature should not be able to direct the governor to do something.

Motion

There was no objection to the motion, and it was so ordered.

Senator Poland moved to put SCR 68 as amended out with a "Do Pass" recommendation. There was no objection, it was so ordered.

Motion

Senator Chance asked to bring up SENATE BILL NO. 20 (Permanent part-time employment in state service). She said this would provide fringe benefits for permanent part-time employees. In figuring up hours, it would allow that people splitting a job on a two to three day basis would be able to get health insurance and retirement benefits. She said that the experience of private industry doing this is there is a lower turnover rate, lower sick leave, and they get as much as 85% productivity from part-time workers as from full time.

SB 20

Senator Ray moved they amend the bill to delete subsection (b) on page 1, line 24 through 26, and insert the following new subsection (b): "A permanent part-time employee of the state receives service credit on a pro rata basis to that which would have been earned as a permanent full-time employee."

Motion  
Amendment

There was no objection to the amendment, and it was so ordered.

[Senator Rader arrived at this time.]

Senator Chance moved that the bill be passed out as amended with Motion individual recommendations. The motion carried, and the bill went out with a majority voting "Do Pass".

The meeting adjourned at 9:35 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

February 20, 1976

9:00 a.m.

All members except Senator Ferguson (who arrived later in the Meeting). Elaine Mitchell, from the Press. (Joe LaRocca arrived later.) PRESENT

Chairman Ray called the meeting to order, and brought up HOUSE BILL NO. 170 (Relating to payments for judicial services by political subdivisions). He asked if any of the members were interested in it. None of the members showed any interest, and so the Bill was returned to the files. HB 170

Senator Ray then brought up SENATE BILL NO. 640 (Special appropriation to ACTION for the Foster Grandparent Program). SB 640

Senator Chance felt this to be a very good bill. Senior Citizens who wished could be "grandparents" to children in the institutions. These people had a lot of love to give and the children were very much in need of it. the bill appropriates a very small stipend to cover travel to the institutions and meals.

Senator Chance moved that SB 640 be put out with a "Do Pass" recommendation. The motion carried. Motion

[Senator Ferguson arrived at this time.]

[Joe LaRocca, from the Press, arrived at this time.]

Senator Ray brought up SENATE BILL NO. 664 (Relating to the making of repatriations to the taxpayer for late payment of tax refunds). SB 664

Senator Sackett moved that SB 664 be put out with a "Do Pass" recommendation. The motion carried. Motion

Senator Ray asked Senator Chance if she was ready to report on SENATE BILL NO. 252 (Relating to military service in computing retirement benefits for state employees). She said that she wasn't. Upon questioning from Senator Ray, she replied that she didn't like the bill, and after reading it, her first impression was that it was highly discriminatory. SB 252

Senator Ray said that they would meet Tuesday afternoon at 2:00 for discussion of the Administration of Justice budget. Budget

The meeting adjourned at 9:20 a.m. ADJOURN

SENATE FINANCE COMMITTEE

February 24, 1976

9:05 a.m.

All members of the Committee except Senator Rader. Mr. Gerald Hiley, Coordinator for the Adult and Manpower Programs, Dept. of Education; Bill Thomson, Director of Management and Finance, Dept. of Education; and Robert Booher, Director of the Seward Skill Center, were also present. PRESENT

Chairman Ray called the meeting to order, and brought up SENATE BILL NO. 595 (Special appropriation to the Department of Education, Alaska Skill Center). He asked the people from the Dept. of Education to speak on the Bill. SB 595

Mr. Hiley spoke in favor of the bill, saying it was proposed to construct a dormitory facility for the Seward Skill Center. This year the lease on the Van Gilder Hotel was cancelled, which left them without housing for the number of students who would have been housed there. They have done research on different approaches and have found that through Georgia-Pacific they can construct a dormitory themselves and have a much better unit than they would have if they bought portable units for approximately the same price.

Mr. Booher explained to the Committee that when the Skill Center started up six years ago, the entire school was condemned, and they have reconstructed it entirely. Now that they have finished that, they are looking around for other training programs. Rather than buy some land and build a house on it, and then sell the house and the land, they would rather do something that would help their program. By constructing a dorm, they would not only have a very good training package for the year, but they would also end up with housing for their students.

Mr. Booher added that they would go through the Division of Buildings and the regular state process. He said that if they were to acquire the money soon, they would be able to get in on the summer construction season. They expect it to take about 90 days to get the financial plans, the blue prints, etc. taken care of. If they had this full construction season, they could expect to be using the dormitory by this time next year.

Mr. Booher showed the committee a rough sketch that Georgia-Pacific had designed. It showed a two floor T-shaped building, which he explained would house a pair of restrooms on the upper floor so that both sexes could be housed there.

Senator Ray understood the time problem, however he felt that since this bill was in the form of a direct appropriation for one project, that they would be asking for trouble if they passed it out.

The bill would end up with all kinds of other things tacked onto it. He said he had talked with the Chairman of the House Finance Committee, and they would much rather put it on as a line item in the budget during Free Conference Committee. He knew that the problem was they wouldn't see that until sometime in April.

Senator Ray then brought up SENATE COMMITTEE SUBSTITUTE FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 64 (Relating to Public Employees Retirement system) Andy Warwick, Commissioner of Administration arrived to testify on the Bill. SCS SS HB 64

Mr. Warwick asked that the Committee consider an alternative to the bill in its present form. He said that if the Bill passed the Legislature, he would have to ask the Governor to veto it.

Basically, he said the Bill would add the 20 years and out provision that the Peace Officers have to the retirement system. He said the benefits would be only to a few employees, and would be very costly. The bulk of employees don't stay around for 20 years and they would end up paying for it. It would be detrimental to a person 55 or 60 years of age who was now working for the State. They would pay through increased contributions for something they would never receive.

Mr. Warwick said the contribution rate was 7% when the Bill came from the House. The Senate State Affairs reduced it to 6%. He said 6% was better than 7%, but it still took a bulk of the after tax income from the employees. If this Committee passed the Bill, he hoped they would consider reducing the contribution to 5%. It was Mr. Warwick's feeling that the bulk of employees would not benefit from the Bill, so they shouldn't have to pay for it.

Senator Ray pointed out that this Bill was the number one priority of the State employees. None of the Committee members had received anything but favorable communications from the State employees.

Senator Ray asked how Mr. Warwick would feel about raising the accrual rate to 2.5. Mr. Warwick felt that would be better than passing the 20 years and out provision.

Senator Ferguson moved that they pass out SCS SS HB 64 with individual recommendations. The motion carried, and the Bill went out with a majority voting "Do Pass". Motion

Senator Ray made the following Bill Assignments: Bill Assignments  
SB 668 - Ray  
SB 670 - Ray

The meeting recessed at 9:35 a.m. RECESS

SENATE FINANCE COMMITTEE

February 25, 1976

9:00 a.m.

All members of the Committee. The following members of Concerned Citizens were also present: Eunice Logan, Margaret Maland, and Judy Ripley. PRESENT

Chairman Ray called the meeting to order and asked members of the Concerned Citizens Organization for their comments. Concerned Citizens

These people were distressed over the problem there has been with vandalism of homes by juveniles. They argued there was a definite need for a detention center for these juveniles.

Senator Ray went on to bring up COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 605 (Supplemental appropriation for highway construction). CS SB 605

It was moved that CS SB 605 be put out with a "Do Pass" recommendation. The motion carried with two members voting "No Recommendation". Motion

Senator Ray brought up HOUSE BILL NO. 594 (Supplemental appropriation to the Division of Public Health). HB 594

It was moved and unanimous consent was asked that HB 594 be put out with a "Do Pass" recommendation. There was no objection, and it was so ordered. Motion

RECESS

The meeting recessed at 9:25 a.m.

SENATE FINANCE COMMITTEE

February 26, 1976

9:00 a.m.

All members of the Committee except Senators Sackett and Rader.  
Elaine Mitchell of the Press.

PRESENT

Chairman Ray called the meeting to order, and made the following  
Bill Assignments:

Bill  
Assign-  
ments

CS HB 459 - Poland  
CS SB 564 - Ray  
SB 579 - Butrovich  
SB 600 - Chance

Senator Ray then brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL  
NO. 143 (Regulation of postsecondary educational institutions).  
He asked if the Committee had any feelings on this Bill.

CS HB 143

Senator Chance thought it was a good bill. However, she said it  
was a matter of judgment as to whether the cost factor is worth  
what it is supposed to do. She really felt that something like  
this was needed.

Senator Ray wondered whether it should take \$109,000 to do some-  
thing like this.

Senator Chance asked about the present staff of the Postsecondary  
Education Commission. Glenn Vernon said there was an Executive  
Director and Executive Secretary for the Commission, and added that  
the Commission also handles the student loan program so there was  
a comptroller. He thought the staff was about three or four.

Senator Chance suggested passing the bill with their own fiscal  
note. The most she would want to give them would be another clerk  
typist. She thought they could get along without additional per-  
sonnel for a few years.

Senator Chance pointed out that the Commission already existed,  
and that the Bill just says it is supposed to protect the State  
against the diploma mills.

After looking through the Bill, Senator Ray said it would be cre-  
ating a mini board of regents for the University of Alaska because  
it would also be expanding the powers of the Postsecondary Educa-  
tion Commission.

Senator Chance said that anyone giving out diplomas in the State  
should have to meet some standards. Senator Ray felt the Bill did  
more than that. He thought maybe the Committee should eliminate  
some of the Bill and get down to what they really wanted.

Chairman Ray said they would meet on the Transportation Category  
of the Budget at 2:00 this afternoon.

Budget  
Meeting

The meeting recessed at 9:20 a.m.

RECESS

SENATE FINANCE COMMITTEE

February 27, 1976

9:00 a.m.

All members except Senator Sackett. Elaine Mitchell and Joe LaRocca, from the Press. Mr. Robert Gates, Retirement System, Department of Administration, was also present.

PRESENT

Chairman Ray called the meeting to order, and made the following Bill Assignment:

Bill  
Assignment

SCR 84 - Ray

Senator Ray then brought up SENATE BILL NO. 552 (Relating to Teachers' Retirement). He understood that it was mainly a house-keeping matter, and he asked Mr. Gates to go over the Bill with them.

SB 552

Mr. Gates said that it was indeed a housekeeping bill and there was no fiscal impact for this legislation. He explained that Section 1, under the current law, has several problems with compliance with the federal law. The Teachers' Retirement System has a discrimination clause which says a person can't join the TRS unless he completes his vested rights by age 65. Since this is the only statute with an age discrimination, it is their judgment it should be removed so that the school districts will be free to employ any person regardless of age if he meets the requirements. This would eliminate forced retirement because of age.

Mr. Gates went on to say that Section 2 was necessary because of a discrepancy in the statute which requires them to continue to request physicals on persons disabled up to age 65. The normal retirement is 55, and they didn't feel it was right to request a physical from people already on normal retirement.

Section 3 is one which fairly clearly sets out when benefits commence--rather than the first day of the month following their retirement, it is the normal pay day for the month following retirement.

Section 4 was included in the Bill to enable them to handle adjustments that are readjusted due to errors in calculation of benefits either over or under payments. It gives the director some latitude in being able to treat each case fairly and work out payment plans which wouldn't work undue hardships on the individual.

The final section affects future amendments to the statute. as to whether these future amendments are to be retroactive to those already on retirement.

Senator Ferguson moved that they put SB 552 out with "Individual Motion Recommendations". The motion carried, and the Bill went out with a unanimous "Do Pass" recommendation.

Senator Ray brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 143 (Regulation of postsecondary educational institutions). He had instructed Jay Hogan to write a letter of intent giving them the authority, but no personnel. This was in line with their prior discussion on the Bill. CS HB 143

Senator Ferguson moved that they put out CS HB 143 and their letter of intent with "Individual Recommendations". The motion carried and the bill went out with a majority voting "No Recommendation".

The meeting adjourned at 9:25 a.m.

ADJOURN

SENATE FINANCE COMMITTEE  
March 1, 1976  
9:00 a.m.

All members except Senator Ferguson.

PRESENT

Chairman Ray called the meeting to order, and made the following Bill Assignment:

Bill  
Assignment

SB 610 - Ray

Senator Ray said there had been a request to look at HOUSE BILL NO. 408 (Acquisition and other development of outdoor recreational, open space and historic properties). HB 408

Senator Ray said that Rep. Ted Smith, the sponsor of the bill, recommends the following amendments: Page 1, line 21, after "state", insert "or local government units"; Page 2, line 2, delete "consideration of the recommendations of" and substitute "approval by". Senator Ray said another amendment would be on page 4, line 18, after "council" add "other than ex-officio members". Senator Ray also said they would have to change the effective date to July 1, 1976.

Senator Ray said there was a fiscal note that says \$8,000 on HB 408.

Senator Chance moved they put out HB 408 with individual recommendations. Senator Sackett objected. Motion

Senator Ray wondered whether it was wise to put all of the recreational monies in the hands of a council. Senator Chance felt the membership looked broad.

Senator Sackett asked how much money was in the fund. Glen Vernon couldn't say off hand. Senator Sackett was wondering if they were creating a fund which they would have to put money into.

Senator Poland pointed out that HB 409 was a companion bill. Some of the members thought they should wait until that Bill was in Committee and consider both bills at the same time. Senator Ray said the Sponsor would be satisfied if just HB 408 passed.

The question was called. The motion failed 2:4.

Question  
on Motion

Senator Ray said maybe they could get some more information on this. Senator Chance thought they should look into the way membership was created. Senator Sackett asked why they should have

Senator Ray brought up SENATE BILL NO. 531 (Supplemental appropriation for mental health contract institutions). There was some discussion on this bill (See file for back-up information). Then Senator Ray asked Milt Barker to draft a letter for possible signature by both he and the House Finance Chairman, which would tell the Department to make a transfer of funds from Medicaid to these mental health contract institutions. SB 531

Senator Ray then brought up SENATE BILL N. 371 (Relating to child protection). SB 371

Senator Ray noted there were Judiciary Committee amendments. Senator Chance said those amendments would put it back into the exact federal language, and she didn't go along with them.

Senator Butrovitch moved to put out SB 371 with individual recommendations. The motion carried and the bill went out with a majority voting "Do Pass". Motion

Senator Ray brought up SENATE BILL NO. 474 (Relating to municipal revenue sharing). SB 474

Senator Chance moved they put SB 474 as amended by the Community and Regional Affairs Committee with individual recommendations. The motion carried with a majority voting "Do Pass". Motion

The meeting recessed at 9:50 a.m. RECESS

SENATE FINANCE COMMITTEE  
March 2, 1976  
9:05 a.m.

All members of the Committee. Joe LaRocca from the Press.

PRESENT

Chairman Ray called the meeting to order, and brought up COMMITTEE CS SB 542 SUBSTITUTE FOR SENATE BILL NO. 542 (Relating to medical assistance for needy persons). Senator Ray asked what the Committee Substitute did as far as cost. Senator Chance replied that it didn't include any money for the drug option.

After some general discussion, Senator Chance moved the bill out with individual recommendations. There was no objection, and the bill went out with a majority voting "Do Pass".

Motion

Senator Ray inquired about HOUSE BILL NO. 760 (Relating to the Executive Budget Act). Senator Rader said that was supposed to get into the whole problem of intent. He thought they should get somebody from the Attorney General's Office to come in and give them a brief on it.

Senator Ray said they would schedule that for tomorrow.

The meeting recessed at 9:30 a.m. They were scheduled to come back in on the Social Services category of the Budget at 2:00.

RECESS

SENATE FINANCE COMMITTEE

March 3, 1976

9:00 a.m.

All members of the Committee. Representative Naughton was also present. Wilson Condon and Rod Johnson were present from the Attorney General's Office.

PRESENT

Chairman Ray called the meeting to order, and asked Senator Rader to report on HOUSE BILL NO. 760 AMENDED (Relating to the Executive Budget Act).

HB 760am

Senator Rader said that the people from the Attorney General's Office would give them a rundown on the bill and also would discuss some problems with Legislative Intent.

Mr. Condon began with Legislative Intent. He talked specifically about a problem which arose with respect to the Department of Health and Social Services in the GR MED Program. The Legislature had a line item in the Budget Free Conference Committee Report which said hospitals would pay for 20% of GR MED costs which were associated with hospital care. When the new fiscal year came, the Dept. of Health and Social Services wrote a letter to the staff of the Finance Committees asking what to do. They were told they could only pay 80% of the bills. The hospitals said they couldn't do that and that they would sue. The hospitals then came to the Department of Law and asked what the "story" was. The Attorney General's Office had to say the provisions in the Legislative Intent line would not have the force of law because it didn't change the statutes on the books. Their advice to the Department was that unless they adopted a regulation saying they were only going to pay 80% then the hospitals were entitled to 100%. Legisla-  
tive Intent

Mr. Condon went on to say there were problems with all of the Intent statements actually having the force of law. He said the staff of the Finance Committees has started calling something to be Legislative Intent which has assumed a meaning all its own. In courts of law, it usually comes into play when there is an ambiguity. What has developed in the budgeting process is that these intent statements really are not there for resolving ambiguities. They are there as directions.

Senator Ray didn't feel that Mr. Condon knew what he was talking about. Senator Rader said that lawyers thought of Legislative Intent differently than laymen. What Mr. Condon was describing was what a court is going to do if they have a law suit over a problem that is not specific in the statutes.

Mr. Condon said he had been trying to say that Legislative Intent was the way legislators wanted the money spent.

Mr. Condon said they were trying to nail things down as a matter of law so that the money would have to be spent this way. There were a number of things which arose last year so that things were not nailed down.

In order to save time, Senator Butrovich asked whether it would be necessary to go a step further than the Free Conference Committee Report with its narrative and put a section in the bill saying that is what they want done and have it approved on the floor. He said there was no use in having a Free Conference Committee if its intent which is adopted on the floor isn't going to be followed. In short, he wanted to know what was necessary to make it law.

Senator Ray said that last year they had put a section in the Bill saying that the Letter of Intent approved by the Legislature (approved by both houses) was hard and fast law and should be followed as such.

Mr. Condon agreed they could incorporate something outside of the Bill and have it be a part of the law.

Mr. Condon said there were a number of facts surrounding the Free Conference Committee Report and the intent lines which the Attorney General's Office believes made those items questionable as far as being a part of the law. He added they were advising the agencies that they should follow the legislative intent.

Mr. Condon agreed that the Free Conference Committee Report was adopted as part of the budget bill, however there were problems. He thought the Attorney General's Opinion covered them.

Senator Rader read a paragraph out of the Opinion which said the Legislature left to its support staff the functions of preparing the contents of the Letter of Intent without the Legislature reviewing it. What this means, he said, is the staff in some respects, edited, clarified, altered etc. without the Legislature reviewing it.

Mr. Condon said that if these conditions were going to be included, they had to be there in a physical document that somebody could inspect. They have to be before the Legislature when it votes. He explained that after the session people from the Attorney General's Office had come to the Legislative Finance Division and tried to find the documents which were actually the ones incorporated into the budget bill. They could only find the edited versions done by the Legislative Finance Division and put out with the brown covers.

Senator Ray said there had been two copies of the Letter of Intent last year, but they had been given to the Secretary of the Senate and the Clerk of the House who had both somehow lost them.

Senator Butrovich asked whether the Attorney General's Office had advised the Department of Health & Social Services to pay 100% of the GR MED to the hospital. Mr. Condon said they had told them

they had to pay 100% up until such time when they adopted a regulation saying they would only pay 80%. They had advised the Department to adopt such a regulation. He explained that the statute says the Dept. of Health and Social Services is to determine what rate of payment to pay hospitals when GR MED recipients use hospital services. They have a standard which says they pay 100%.

Senator Ray concluded that the Department hadn't followed up Legislative Intent administratively. They should have immediately drawn up a regulation.

Mr. Condon asked Mr. Rod Johnson to go over HB 760.

HB 760

Mr. Johnson said the Department of Law had done little more than chat with the Department of Administration as to the affects of the bill. It is their feeling that the bill would require greater specificity. The net effect of the bill is it would require the Legislature to sit down and decide what is to be set out as an allocation and what should be an appropriation. That would act as a guideline to the Executive Branch. That has to be hammered out during the Session. That is basically the impact that the Department of Administration sees. It can be of benefit to both the Legislative and the Executive Branch.

Mr. Condon said on the basis of their analysis of the bill, it would be a good idea. It would mean the Executive Branch will know more precisely what the Legislature had in mind. They support the bill for the purpose of reducing institutional conflicts.

After further discussion, Senator Ray said that presently the changes between codes is made by the Head of the State agency upon approval of the Division and appropriation transfers are made by the Governor. Under this bill, they wouldn't be able to change monies that way, and money that goes down in one area will remain there.

Senator Ferguson moved they put out HB 760am with individual recommendations. There was no objection, and the bill went out with a majority voting "Do Pass".

HB 760am

Senator Ferguson asked to bring up COMMITTEE SUBSTITUTE FOR SENATE CS SB 564 BILL NO. 564 (providing for issuance of general obligation bonds in the amount of \$58,935,000 for the purpose of paying the cost of constructing, repairing, equipping and upgrading school facilities). There was no objection.

Senator Ferguson explained that the Health, Education and Social Services Committee had put out this Committee Substitute, but since then he has found some changes that need to be made. They had allowed \$15 million for the Lower Kuskokwim, but at this time, they wouldn't be able to handle it, so he wanted to give

them \$7 million and divide the rest among the rest of the State. He wanted to change water resources to water reservoirs, which was what it should have been from the start.

Senator Ferguson proposed to incorporate these changes into a Committee Substitute. He moved they adopt the Finance Committee Substitute for SB 564 and put it out with individual recommendations. There was no objection, and the Bill went out with a "Do Pass" recommendation.

Motion

Senator Ray said they would work on the Social Services Budget at 2:00 this afternoon.

The meeting recessed at 10:50 a.m.

RECESS

SENATE FINANCE COMMITTEES

March 4, 1976

9:00 a.m.

All members except Senators Ferguson and Chance. Senator Chance arrived later in the meeting. People from the Alaska State Fair Association were also present.

PRESENT

Chairman Ray called the meeting to order, and made the following Bill Assignments:

Bill  
Assign-  
ments

SB 573 - Poland  
SB 574 - Poland  
SB 580 - Sackett  
SB 582 - Sackett  
SB 564 - Butrovich

Senator Ray noted they had representation here today from the Alaska State Fair Association. He asked them to begin their testimony.

Alaska  
State  
Fair  
Assoc.

Marsha Mountain, Secretary/Treasurer for the Alaska Fair Association, introduced herself and the rest of the people in the group.

The woman from the Haines State Fair said at present they have no P.A. System on the Fair Grounds. They feel one is necessary to make general and emergency announcements. It would include the horse stables, etc. If some part of the system was portable, they could make it available to other areas in the City when the Fair was not goin on. The cost would be \$4,500.

Haines  
State  
Fair

She went on to say the lack of permanent flooring in the Fair Building has been a problem. Right now it is spread with sand and wet wood chips. For \$15,000, they could have permanent flooring at least on the main aisles and some of the most used areas.

They felt outdoor lighting was a must for the stage so that the area could be used in the evening. The cost of that would be \$5,000.

Also, as improvements are made in the building, the electrical system would have to be upgraded. They will need additional outlets and more power to run the lights. For this, they would need \$2,000.

Another thing which they need is a map of all underground wiring and also a diagram of all the lighting in the building. The cost would be \$1,000.

They will be needing partitions in Building #2. At present partitions are non-existent, and the cost would be \$5,000.

[Senator Chance arrived at this time.]

She went on to say that parking has been a big problem. So far they have had to use space available at the ball park making a two mile walk or a shuttle bus necessary. The cost to develop parking would be \$10,000.

They would like a continuation of the water system to the horse stables which would mean approximately 300 feet. The cost would be \$5,000.

The last portion of their request is for expansion of the train station and train trail. The cost would be \$1,500.

She concluded saying the total request for the Haines State Fair is \$49,000.

Ms. Mountain said that Fairbanks had requested \$349,000 originally, but had lowered that to \$166,000 because the City decided to bring water and sewer to across the street. \$166,000 is what it would cost to hook up to it. Fairbanks State Fair

Mr. Dean Blake representing the Kodiak State Fair spoke next. He said the initial request is \$33,000 for a bare minimum. There is no water system, no sanitary facilities at all, and no electricity. They have constructed a new metal building which is useless except for the summer months. The building is used for exhibits during the fair. Kodiak State Fair

He went on to say that for water, there is a river about 200 yards from the horse barn. Although they have no electricity, the Coast Guard loans them the use of a generator for the Fair. There is a power line about 1/4 of a mile from the place. He said they could generate revenue from the building by renting its space out when the Fair was not in progress, but they would need electricity. This would cost about \$13,000. Sanitary facilities would cost about \$5,000. The total would be \$33,000.

Joe Martin spoke next for the Bethel State Fair. He said Bethel doesn't have any Fair Buildings. They do have land in Bethel, but very little is useable, and the V.F.W. has offered them rights to as much useable land as they can use as long as they have the money to put up a building. They need \$35,000 to construct a 48' by 100' shell. They have the possibility of using about 12 acres if they can put something on that for their own use and the community's as well. Bethel State Fair

They are also requesting \$22,000 for construction of a wind break fence.

Another building which would be 24' by 40' could be obtained for an estimated \$23,000. This would be for plant and produce displays as well as storage.

In addition, they would like to move the old City museum building onto the Fair Grounds, and they figure that would cost about \$32,000.

The entire total for the Bethel State Fair would be \$164,000. That would bring them from 0 to something useable and give them the chance to take useable land.

The next speaker spoke for the overall State Fairs. He said that Alaska in 1975 219,803 people attended the various Fairs in Alaska. Overall State funding received was \$160,700. The original request had been \$240,000. He felt they were making an effort to get year round useage of all State Fair Buildings. Fairbanks is the most highly organized for year round useage.

He went on to speak about the Palmer State Fair. He said they were asking \$200,000. They have 220 acres of Fair Grounds and have laid 600 feet of cast iron pipe, which cost \$50 per foot when they do their own labor. The pipe is necessary because they have to run a water and sewer line all of the way around the grounds.

He went on to talk about some of the things they are doing. One of these was oral histories. He played an example of this for them on his tape recorder. They were doing a lot of history saving types of things.

Senator Ray asked if this wasn't overlapping the functions of the Alaska Historical Commission. He was told they were operating in conjunction with the Historical Commission. The Palmer State Fair received \$25,000 in a Bicentennial grant.

He said the Palmer State Fair was working in cooperation with the City of Palmer. Palmer puts its property in the State Fair Grounds and the Fair maintains and uses it.

He passed out a copy of a book which they sold. They had sold advertising in the book worth \$13,000 and it had only cost \$10,000 to put the book out. It is a history of financing areas in Alaska.

He added they were trying to be a true State Fair by getting participation from all over Alaska. One of the things they do is sponsor an art contest for all of the schools in Alaska.

The State Fair people thanked the Committee for the consideration, and left the meeting at this time.

Senator Ray commented that if the Committee desired to consider issuance of G.O. Bonds, most of the expenses presented would be covered under the Capital Budget. In the House, he said, there was a bill which was presented in the amount of \$4.15 million for various activities. Apparently, the requests have now been downgraded so that the sums they had just heard were considerably less. The House Bill has not moved since its introduction on February 17, and it is still in Resources. Considering this, he asked if they would like to introduce a Senate Finance Committee bill.

Senator Chance felt G.O. Bonds were a reasonable way of doing it since they have long range development plans. She said they might as well handle them that way.

Senator Sackett said it was o.k. with him.

Senator Rader agreed they needed a rational way of distributing the money among the communities.

Senator Ray said he would work with Alison Farnen and have her draw up a Senate Bill for their consideration.

Senator Ray brought up COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 246 AMENDED (An Act relating to liquor licenses, fees, and municipal regulation of the sale of intoxicating liquor). Senator Ray didn't feel this to be a very good bill as it would work a hardship on the licensee. The Committee did not feel compelled to take any action on the Bill.

CS HB 246

Senator Ray said they would work on General Government at 2:00.

The meeting recessed at 9:50 a.m.

RECESS

SENATE FINANCE COMMITTEE  
March 5, 1976

All members of the Committee. Elaine Mitchell, from the Press. PRESENT

Chairman Ray called the meeting to order. He told the Committee he had an amendment to HOUSE BILL NO. 760 (Executive Budget Act) which was on the Calendar today. The Department of Administration, Budget and Management, had requested that if they did this, they not make it effective immediately so that it would not take effect on the present budget. He wanted to put an effective date on of July 1, 1976. This would allow transfers between appropriations to be made on the FY 77 budget. HB 760

Senator Rader moved and asked unanimous consent that SENATE BILL NO. 685 (Special appropriation to the Department of Natural Resources for conducting negotiations with prospective purchasers of North Slope Natural Gas) be brought up for discussion. There was no objection, it was so ordered. SB 685

Senator Rader explained this bill appropriated \$50,000 for the Dept. of Natural Resources so they can hire experts to do traveling and conduct economic studies and get legal people working to do what would be necessary for sale of royalty gas. He said it was a complex situation, because if the line is certified and the royalty gas gets into interstate commerce, we may never get it out. We want this available for Alaska use.

Senator Sackett asked if we didn't already have money appropriated to the Oil and Gas Royalty Board to do this. He wanted to know what they did with all their money. Senator Rader didn't know.

Senator Rader said we have a problem because the Legislature has to agree with this in order to negotiate. If they aren't in session, it will take a special session. He didn't think anybody thought about the need for this last year because it wasn't in their budget.

Senator Sackett, Senator Poland, and Senator Ray all voiced concern over what the Gas and Royalty Board was doing.

Senator Rader stressed that this particular money was going to the Department of Natural Resources.

Senator Rader said that if they passed the bill out he would have the information about the Gas and Royalty Board before the bill got to the floor.

Senator Rader moved they put SB 685 out with a "Do Pass" recommendation. The motion carried 5:2, with two voting "No Recommendation". Motion