

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2655

AFTER RECESS
12:01 P.M.

PIPELINE
IMPACT

Chairman Freeman called the meeting back to order and said they would go on to discuss pipeline funding.

Sen. Groh said the Senate had appropriated \$11.6 million to the Office of the Governor and requested that he allocate it in the fashion indicated in the Senate Budget, but the appropriations would be to the Office of the Governor. To the extent that the allocation is inaccurate or inappropriate, the Governor could file a Revised Program with Budget and Audit, and they could reallocate within those categories. Sen. Groh said that would be his motion, and so moved.

Mr. Warwick objected for the purposes of discussion. He said he would hope to include money for funding of Senate Bill No. 517.

Sen. Ray said there was \$934,800 for CIB. Sen. Groh said that money actually funds the State Troopers and doesn't fund the Criminal Investigation Bill. Sen. Groh proposed an allocation of an additional amount to the Department of Public Safety to fund SB 517.

Mr. Freeman asked whether that was within the \$11.6 million.

Sen. Groh replied yes, but said that they would have to reallocate the money amount the various departments in order to fulfill their decisions.

Sen. Butrovitch said he wouldn't object provided the \$934,800 remained intact as it is. Sen. Groh thought everybody agreed to that.

RECESS Meeting recessed at 12:05 P.M.

AFTER RECESS
12:08 P.M.

Chairman Freeman called the meeting back to order.

Mr. Warwick amended the motion to allow for reallocation of the \$600.0 as follows: an additional \$305,000 to the Department of Public Safety for expansion of the CIB Unit of the Alaska State Troopers; \$135,000 to the Department of Law for additional Prosecutors and Support Staff and Administrators Statewide; and \$160,000 to the Department of Health and Social Services for Corrections Personnel for the Third Judicial District. He said that the allocation as such would be taken out of the Foundation Support, where they presently have \$7 million. Sen. Ray objected.

Meeting recessed at 12:15 P.M.

AFTER RECESS
12:16 P.M.

Chairman Freeman called the meeting back to order.

Sen. Ray removed his objection. The question was called on the amended motion. There was no objection, it was so ordered. The question was then called on the main motion. There was no objection, it was so ordered.

MUNICI-
PAL PIPE-
LINE IM-
PACT
GRANTS

Chairman Freeman said they would go on to discuss the Municipal Pipeline Impact Grants.

A Recess was called at 12:20 P.M.

AFTER RECESS
12:23 P.M.

Chairman Freeman called the meeting back to order.

Sen. Groh said the House had approved \$14.2 million, \$1 million of which was unspecified. The Senate had originally approved \$22.5 million. Sen. Groh believed he had a compromise proposal that would establish the budget at \$10 million plus \$10 million in discretionary grants under Senate Bill No. 382. He so moved.

INTENT

Mr. Freeman said it was his understanding that the INTENT was to make a percentage reduction in the figures of the \$13.2 million which the House had approved in order to bring it down to the \$10 million level, and \$10 million would be appropriated to accomodate SB 382, and the House would remove the \$1 million unspecified grant. Sen. Groh told him he was right. Sen. Ray objected because he didn't think they should remove the unspecified grant.

Mr. Saylor asked whether they would be establishing percentages at this time. Mr. Warwick said they would and admitted there might be a problem with the Anchorage appropriations.

Mr. Freeman said that Anchorage seemed to be the point of contention.

Mr. Saylor said that an agreement had been made with the Speaker to split the amount 50-50 between the Anchorage Borough and the City of Anchorage. However, the speaker was now denying such an agreement. Mr. Saylor said he had that obligation to live up to at this time.

Sen. Groh asked if it was possible to go through the new allocations one step at a time.

Mr. Warwick said that each of the specific grants had been multiplied by 75.76 in order to make the percentage reduction. They were as follows:

North Star Borough	\$3,030.0
City of Fairbanks	606.0
City of North Pole	152.0
City of Anchorage	1,894.0
Anchorage Borough	1,325.0
City of Valdez	2,046.0
City of Big Delta	379.0
North Slope Borough	379.0
City of Barrow	189.0

A Recess was called at 12:30 P.M.

AFTER RECESS
12:31 P.M.

INTENT

Sen. Ray moved that the INTENT on the Pipeline Monitoring budget be that the sum of \$35,000 be allocated for the documentation of the pipeline.

A Recess was called at 12:31 P.M.

AFTER RECESS
12:32 P.M.

The question was called on Sen. Ray's motion. There was no objection, it was so ordered.

Mr. Freeman moved \$3,030.0 for North Star Borough. There was no objection, it was so ordered.

Mr. Freeman moved \$606.0 for the City of Fairbanks. There was no objection, it was so ordered.

Mr. Freeman moved \$152.0 for the City of North Pole. There was no objection, it was so ordered.

Mr. Freeman moved \$189.0 for the City of Barrow. There was no objection, it was so ordered.

Mr. Freeman moved \$379.0 for the North Slope Borough. There was no objection, it was so ordered.

Mr. Freeman moved \$379.0 for the City of Big Delta. There was no objection, it was so ordered.

Mr. Freeman moved \$2,046.0 for the City of Valdez. There was no objection, it was so ordered.

Sen. Ray moved \$1,894 for the City of Anchorage. Mr. Saylor objected

and amended the motion to allow \$1,610 for the City of Anchorage.

The question was called on the amended motion, and the motion failed 3:3 with Mr. Warwick, Mr. Saylor, and Sen. Groh in favor of the motion.

Meeting recessed at 12:52 P.M.

AFTER RECESS
1:04 P.M.

Mr. Saylor moved and asked unanimous consent to split the funds 50-50 between the Borough and the City of Anchorage. Sen. Ray objected. The question was called, and the motion failed 3:3 with Sen. Groh, Mr. Warwick, and Mr. Saylor voting in favor of the motion.

Mr. Warwick moved that they make the figure for the City of Anchorage \$1,710, and the figure for the Borough \$1,510. Sen. Ray objected. The question was called, and the motion failed 3:3 with Mr. Warwick, Mr. Saylor, and Sen. Groh voting in favor of the motion.

A Recess was called at 1:07 P.M.

AFTER RECESS
1:16 P.M.

Sen. Ray moved \$1,894 for the City of Anchorage, and \$1,326 for the Anchorage Borough. Mr. Saylor objected. The question was called, and the vote was 4:2 with Mr. Saylor and Mr. Warwick voting against the motion. Thus, the motion failed.

Sen. Ray started to leave the meeting, but Mr. Freeman said there were a few other problems he would like to see resolved.

DEPT. OF
PUBLIC
SAFETY
ENFORCE-
MENT

Sen. Ray said that in the Department of Public Safety, Enforcement, the \$166,400, which they had appropriated to come from program receipts, would be coming from general funds. He moved that they show it as General Fund instead of Program Receipts. There was no objection, it was so ordered.

VACANCY
& TURN-
OVER

Mr. Freeman said he would like to see the question on Vacancy and Turn-over settled. This had to do with the reduction factor in their pay scale. He was referring to page 1028 under General Government. The House has a figure of \$29,736.6 and the Senate has a figure of \$28,269.5. He said that they had to reconcile the figures.

PAY
INCREASES

Mr. Warwick moved to instruct the staff to determine the cost of pay increases that ultimately pass the Legislature and fund that at 90%. There was no objection, it was so ordered.

SECTION
13

Sen. Groh said there was another problem regarding Section 13. He moved that they take the same position they did this year, and allow the Governor the latitude to allocate between appropriation items.

Mr. Warwick asked for clarification of the motion. Sen. Groh said that in the House version, they would strike line 11. On line 12, after "the" they would strike "unspecified grants, pipeline impact funds" and strike the words "and" and "the". Mr. Warwick objected. Mr. Saylor objected.

CAPITAL
IMPROVE-
MENTS

Sen. Ray asked they recess. Mr. Warwick objected. He was not sure the document was clear as to the effective date of capital improvements. He moved to make the effective date immediate after passage. Sen. Ray objected until he had time to look at it.

The question was called on Mr. Warwick's motion, and the motion failed 4:2 with Senators Ray and Butrovitch not voting.

Meeting recessed at 1:25 P.M.

AFTER RECESS

3:45

Returning to the subject of distribution of the direct appropriation grants to impacted municipalities, Mr. Saylor moved and asked unanimous consent that the City of Anchorage be appropriated \$1,894.0 and the Borough be appropriated \$1325.0. There being no objection, it was so ordered.

Mr. Warwick stated that there were a few additional items which he moved be included in the budget. He moved and asked unanimous consent that \$1 million be added to the Medicaid budget and that \$125,000 for Old Age Assistance and \$125,000 for Aid to the Disabled be added to the budget. These are figures from supplementals that have not yet passed the House. There being no objection, it was so ordered. Mr. Warwick further moved that there be LEGISLATIVE INTENT that there be immediate effective dates on these items to take care of FY74 expenditures. No objection, so ordered. Senator Ray moved that \$122,700 be added to the Military Affairs budget and that in General Government, Payroll, \$518,900 be added to the budget; and he further moved that these two items have immediate effective dates. There being no objection, it was so ordered.

The Committee next considered Section 13 of the appropriation bill. After some discussion, Senator Groh moved and asked unanimous consent that Section 13A, 1 and 2, of the House bill be accepted. No objection, so ordered. This maintains the status quo. Senator Groh then moved that Sec. B of the House bill be amended to delete the language referring to the unspecified grants, and that the rest of the language be accepted. No objection, so ordered. Senator Groh expressed the feeling that further language in the Senate bill is unnecessary given the language adopted above in 13A of the House Budget. The Committee concurred.

Mr. Warwick moved and asked unanimous consent that there be an immediate effective date for the Municipal Impact Assistance Grants, and further moved that there be an immediate effective date for Capital Improvements. There being no objection, it was so ordered.

Mr. Warwick said that because the Committee funded the domicile program out of general fund money, there is no more need for Sec. 12 of the budget. Therefore he moved and asked unanimous consent that Sec. 12 be deleted. No objection, so ordered. There was mention of the need, in view of the action just taken, to amend Sec. 14. Mr. Hogan said that reference to Sec. 12 shall be deleted.

Senator Groh moved and asked unanimous consent that the State Impact monies have an immediate effective date. No objection, so ordered.

Senator Groh moved and asked unanimous consent that Sec. 16 and 17 be included in the document. No objection, so ordered.

Mr. Warwick mentioned the funding of bills and the need to include a list of bills intended to be funded if they pass the legislature and the amounts at which they would be funded.

Senator Groh moved that the bills that do pass shall be included. No objection, so ordered. Mr. Hogan read the list of bills to the committee.

HB 444	\$416,600
HB 682	Ø
SB 122	Ø
SB 465	Ø
SB 519	negative amount
HB 495	44,400 (
SB 386	42,000 (already enacted)
HB 777	Ø

Mr. Warwick moved that both HCR 23 and HCR 52 be funded at Ø. No objection, so ordered.

Mr. Warwick moved that \$45,000 be added to the list for an executive secretary for the Real Estate Board, to come out of the increase in license fees (per House Bill 345). No objection, so ordered.

Mr. Hogan mentioned that there are other fiscal notes which have just arrived. HB 773 has a \$2,400 note. Mr. Guthrie interjected that he had just gotten a call from the Department of Education stating that there will be no additional funds required.

Mr. Hogan mentioned that the fiscal note for SB 276 provides for \$23,000 for compensation of the Parole Board members. Senator Groh stated that this is in Senate Finance and need not be considered.

Mr. Hogan said that there is \$220,000 fiscal note attached to SCSHB 655 for the Katchemak Bay study.

Mr. Hogan mentioned that there are several retirement bills needing to be funded. Committee decided that the Retirement Section is to ask for any needed supplementals to cover these next year.

Senator Groh said whatever passes for PSF will be the amount funded for that.

Senator Groh moved to add the money to fund SB 382, which will mean an additional \$50,000 for the legislative committee to be added to the \$70,100 already in the budget, making a total of \$120,100. No objection, so ordered.

Rep. Saylor moved and asked unanimous consent that \$250,000 be added to the Public Safety budget to establish a substation for State Troopers at Eagle River pending the outcome of their election. No objection, so ordered.

Meeting adjourned at 4:00 p.m.

FREE CONFERENCE COMMITTEE MINUTES
OPERATING AND CAPITAL BUDGET
FISCAL YEAR 1976

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FREE CONFERENCE COMMITTEE

Thursday, May 22, 1975

3:40 p.m.

Present: Senators Bill Ray, John Butrovich, Kay Poland;
Representatives Hugh Malone, Ernest Haugen, Edward Naughton.

Present

Also Present: Representatives Cowper and Gruening; Legislative Finance Division staff, press, and interested persons.

The meeting convened at 3:40 p.m. Senator Ray stated that the first order of business is to elect a chairman of the Free Conference Committee.

Elect
Chairman

Senator Butrovich moved and asked unanimous consent that Senator Ray be designated as Chairman of the Free Conference Committee. No objection, so ordered.

Senator Ray briefly outlined the approach to considering the budget that was used by the committee last year, i.e., starting with the operating budget and proceed category-by-category, until completed, then consider the Capital Budget. There was no objection from committee members to this method.

Senator Ray recommended that committee members use the rest of the day to take care of miscellaneous details of their other work before commencing this committee's work. He suggested starting tomorrow morning at 8:30 a.m. on the budget. No objection from any members.

Jay Hogan asked if Senator Ray would like any staff from Budget & Management present during committee deliberations. Senator Ray replied that he would like to have a representative from that division here at all times. He added that the meeting will be open to anybody. In addition, any member may request an executive session.

Representative Malone reported that the members now have the information from the Governor on revenue projections that they need in order to proceed. The Governor has informed them that the estimated amount of "elbow room" for revenues projected for FY 1976 is \$618 million. He said he and Senator Ray have prepared a document basically stating to the administration that they are prepared to proceed on the basis of the figures supplied by the Governor's office.

Adjournment. Senator Ray adjourned the meeting at 3:45 p.m., to convene at 8:30 a.m. tomorrow morning.

Adjourn

FREE CONFERENCE COMMITTEE
Friday, May 23, 1975
8:35 a.m.

Present: Senators Ray, Butrovich, Poland; Representatives
Malone, Haugen and Naughton.

Present

Also Present: Senators Willis, Sackett; Representatives
Gruening, Buchholdt; Legislative Finance Division staff,
Division of Budget & Management staff; press, and interested
persons.

Chairman Ray called the meeting to order. He said the com-
mittee will consider the EDUCATION category, Department of
Education.

EDUCATION
(Department)

Office of the Governor, Alaska Historical Commission: It
was noted that the Senate figure is the same as the Governor's
revised budget. Representative Malone moved that the Senate
figure be adopted, with the exception of the contractual
services figure which will be \$55.5. Intent was added: The
\$15.0 over the original Senate contractual figure will be
for "impact of Filipino migration to Ala ka."

Legislative
Intent

No objection, so ordered.

Office of Governor, Bicentennial Commission: Senator Ray
recommended the House figure. Representative Naughton
insisted on the Senate figure. As a compromise the Governor's
figure of \$425.0 was accepted.

Office of Governor, Alaska State Council on the Arts: LEFT OPEN.

Dept. of Administration, Teacher Retirement: Representative
Malone moved to adopt the House figure (\$5,062.8). No objection,
so ordered.

Representative Malone moved the House figures for:

Foundation Program: \$112,364.1

Pupil Transportation/Public: \$7,859.1

Pupil Transportation/Private: \$100.0

State Impact: \$3,354.2

No objection, so ordered.

Dept. of Education, Debt Retirement/Local: LEFT OPEN at
Representative Malone's request.

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Dept. of Education, Sabbatical Leave: Senator Ray moved to adopt the Senate figure of \$40.0. No objection, so ordered.

Dept. of Education, Federal Programs: All figures are the same. \$8,200.0 approved.

Dept. of Education, Out of District Students: Senator Ray said he would accept the House figure of \$1,200.0. No objection, so ordered.

Dept. of Education, Tobacco Tax Distribution: Representative Malone moved for approval of \$1,800.0 for tobacco tax distribution. No objection, so ordered.

Dept. of Education, Nome-Beltz School. Senator Butrovich moved and asked unanimous consent that the Senate figure (\$10.0) be accepted. No objection, so ordered.

Dept. of Education, Supplementary Programs: LEFT OPEN. (Rich Guthrie explained that the House intent here stated that since there were regional centers proposed in HB 24, this function could be better performed in those centers that would be established under HB 24.)

Dept. of Education, Administration & Support, Field Services: Representative Malone moved to approve the Senate figure of \$218.5. No objection, so ordered.

Dept. of Education, Administration & Support, Finance & Accounting: The subject of a centralized accounting system for school districts was discussed. Fiscal Analyst Rich Guthrie explained that the Department of Education has been working for a couple of years on getting a centralized accounting system for all school districts in the state. This is to help small school districts with computer back-up to do their bookkeeping. The state will sell this service to the school districts to assist them in meeting state requirements for centralized accounting. Mr. Guthrie said so far they have found this to be quite successful.

Representative Naughton asked what school districts other than Anchorage are trying out this system. Mr. Guthrie replied that Selawick is one. Mr. Guthrie stated that the system is actually operated in Anchorage and the information is mailed to the school districts. Answering Representative Haugen as to what charges are made to the districts for this service, Mr. Lind said that the districts have not been charged this year--it is a "pilot program."

Rich Guthrie explained that the school districts, once they have use of this service, will not need as many clerical people to do their bookkeeping so payments for the service will be made out of local funds. He said the net cost to the local school districts is supposed to be no greater than it would be if they were keeping their own books locally. He added that he did not know whether it is a savings to them.

Senator Ray asked the staff to comment on the need for the requested position (Accountant IV). Kent Dawson said "It it is the highest priority position." Rich Guthrie stated that this is the department's primary emphasis as far as he knows. He said they are especially concerned, as new school districts develop, because they do not have the personnel to do it. This is the department's top priority--the computerized package and the new position.

Senator Ray moved to adopt the Governor's figure. This will allow the "computerized package and one new position." At Representative Malone's request, the following legislative intent was adopted for this budget: Legislative Intent: That the department will inform next year's legislature of the status of this project, and who they provided services to.

Legislative
Intent

Dept. of Education, Administration & Support, Internal Support: Representative Malone moved to adopt the Senate figure (\$252.7). No objection, so ordered.

Dept. of Education, Administration & Support, Department Operations: All figures are the same. \$573.0 adopted without objection.

Department of Education, Administration & Support, Learner Assistance: Representative Malone spoke in favor of the House contractual services figure which included funds for a "Foxfire Program".

9:30 a.m. - At Senator Butrovich's request, there was a 5 minute recess.

9:35 a.m.- The meeting was reconvened.

Senator Ray moved to accept the Senate's figures for Learner Assistance, except for Contractual. Contractual would be \$150.3, after adding \$44.3 for the "Foxfire Program". Total budget: \$563.1. No objection, so ordered.

Dept. of Education, Education Program Support, Federal Programs Administration: Senator Ray moved for \$530.6 (Senate figure). No objection, so ordered.

Dept. of Education, Education Program Support, Career & Vocational Education: Representative Haugen moved for \$351.5 (Senate figure). No objection, so ordered.

Dept. of Education, Executive Administration, Boards & Commissions: Representative Malone moved and asked unanimous consent to adopt the Senate figure (\$79.7). No objection, so ordered.

Dept. of Education, Executive Administration, Office of Commissioner: One of the differences here was that the House had included in its budget funds for an in-house study of the foundation program. This study was to determine what the level of state support should be. Senator Ray was opposed to this in-house study, saying that if it is to be done at all, it should be done by the Legislative Council, adding that "We are paying McLean money" to do that type of thing.

Representative Malone questioned allowing the Program Budget Analyst position. He said he was concerned that it might be a growing trend to place budget analysts "all over the place", and he thought they were only needed in Budget & Management and Legislative Finance.

After a discussion, Representative Malone moved that the Senate figure minus \$27.6 for the Program Budget Analyst position be approved. No objection, so ordered. Total budget: \$745.4. This disallows the Program Budget Analyst and the in-house study concerning the foundation program.

Dept. of Education, Professional Teaching Practices Commission: Representative Malone moved the "maintenance" figure of \$57.3. No objection, so ordered.

Dept. of Education, Domiciliary Services: Senator Ray moved to adopt the Governor's figure of \$2,252.0. Representative Naughton objected. Representative Malone moved to include the House intent: "Funds shall be transferred to this BRU from SOS to cover increased costs if new and expanded SOS programs or schools do not open. It is recognized that additional state funding may be required and a supplemental may be requested if federal JOM (Johnson-O'Malley) funds are not available to non-profit corporation contractors, and if Emmonak, Alakanuk and Mt. Village High Schools do not open. Representative Malone then amended his motion to state that the first line of the House intent he just read be adopted.

Ron Lind said he thought this intent, if adopted, should be put directly in the appropriation bill.

Senator Ray objected to adding the intent, stating that if Johnson-O'Malley funds are not available "that is just too bad." He pointed out that Johnson-O'Malley funds are restricted to natives only, and it would be unconstitutional to add this intent.

Senator Ray suggested adding intent to the effect that upon decentralization of SOS, the department will transfer these funds to this BRU. Senator Ray and Malone agreed that this intent should appear in the committee report. The Governor's figure for this budget was approved, together with the underlined intent.

Legislative
Intent

Dept. of Education, Correspondence Study: Rich Guthrie told the committee that the intent adopted by the Senate is that if the bill for centralized correspondence studies passes it would remove the funding that goes to the school districts for correspondence study.

10:00 a.m. - Senator Ray called a 5-minute recess.

10:05 a.m. - The meeting was reconvened.

Representative Malone moved to adopt the House figure for Correspondence Study, but add in \$300.0 for funding for centralized correspondence study for unorganized boroughs as it appears in the Senate budget. Also, add the Senate intent, with the following change: The Department of Education shall continue to provide a centralized correspondence study program.

After a discussion, Representative Malone withdrew his motion. Representative Malone then moved to adopt a total figure of \$766.7 for Co. response Study. This is the Senate figure minus money for two new positions requested. Also add intent: That the Department of Education shall continue to provide a centralized correspondence study program.

Legislative
Intent

(This disallows the two requested positions. No objection, the budget and intent were adopted.

Dept. of Education, Post-Secondary Education Commission: Representative Naughton moved to adopt \$110.4 (the same funding received last year. He explained that the Commission was not organized until about three weeks ago so the funding was not touched in FY 75 except for a contract that was signed with Clark King. He said there will be about \$70.0 from this budget that will lapse from the FY 75 appropriation. Representative Naughton stated that the figure before us now (\$86.0) was assuming that the Commission was operating; however, the appointments were not made until just recently.

No objection, \$110.4 adopted.

Dept. of Education, WICHE, Student Aid: Representative Malone moved \$511.4 for WICHE. No objection, so ordered.

Dept. of Education, ARTTC: The difference between the Senate and House budgets is that the Senate allowed only federal receipts and no general funds. Mr. Guthrie explained that in order to get federal funds there must be some local or state matching funds. Senator Ray instructed the staff to find out how much was needed in state funds in order to get the federal monies and report back to the committee.

This component was LEFT OPEN.

Dept. of Education, Student Financial Aid, Scholarship Loans:
Representative Malone moved to adopt the Senate figure (\$4,100.0), with House Intent: "All eligible applicants shall receive 100% of their approved financial need for reasonable and necessary education expenses."

Representative Malone said what he wants to accomplish by this intent is avoid proration of the amounts of the loans. For instance, many students have received a prorated amount of their request because of the amount of loan money available, since so many loan applications are received.

Senator Ray thought that adopting the exact language of the House intent "would be asking for a supplemental." He suggested adopting slightly revised language to the effect that applications shall be funded 100% in their sequence until such time as the appropriation has been encumbered.

The committee adopted the Senate budget figure of \$4,100.0, with the following Legislative Intent: "All eligible applicants shall receive 100% of their request for reasonable and necessary educational expenses within the funds allocated for this program".

Legislative
Intent

Dept. of Education, Student Financial Aid, Administration:
Senator Butrovich moved to adopt the Senate figure (\$189.1).
No objection, so ordered.

Dept. of Education, Student Financial Aid, Tuition Grants:
LEFT OPEN at Representative Malone's request.

Dept. of Education, Manpower & Adult Education, Adult Basic Education: Representative Malone asked if there was available an explanation of the difference in the Senate's and Governor's figure for Line Item 700. Mr. Guthrie said he recalls that the Senate figure was adopted at the summary level and the Senate Finance Committee instructed him to distribute it. He said he would have to get the Senate book to check this.

Representative Malone then moved to adopt the Senate figure of \$804.4 for this budget. No objection, so ordered.

Dept. of Education, Manpower & Adult Education, Fire Service Training: Senator Ray moved to adopt the Senate figure of \$167.7. No objection, so ordered.

Dept. of Education, Manpower & Adult Education, Adult Vocational Education: Senator Ray moved to adopt the House figure (\$43.6).
No objection, so ordered.

Dept. of Education, Educational Broadcasting Commission: After a discussion of this budget, the Committee decided to leave it open so Rich Guthrie could prepare a breakdown showing the respective grant allocations adopted by the House, Senate and Governor.

Dept. of Education, Museums, Juneau Museum: After a short discussion, Representative Haugen moved to accept the Senate's figure of \$333.3. No objection, so ordered.

Dept. of Education, State Library Operations: Representative Malone said he didn't think 9 new positions are needed. He suggested allowing the first five priority positions. Ron Lind stated that some of the requested positions are tied in with the media services center which is a capital project that was not allowed. He said he would have to check the detail to see which positions were tied into the media center.

This BRU was LEFT OPEN.

Dept. of Health & Social Services, Special Education Grants: All figures are the same. \$57.1 adopted without objection.

Dept. of Health & Social Services, AMU Nursing Program: All figures are the same. \$237.4 adopted without objection.

State Operated Schools: There was a general discussion concerning State Operated Schools. Representative Malone said the difference between the House and the Senate figures in this category, as a practical matter is related to the decentralization question. He said the House placed the \$52 million under the Department of Education rather than allocating it to State Operated Schools.

EDUCATION
(State Operated
Schools)

Rich Guthrie stated that the total figure that is shown in the book for the Senate is just for Rural Schools--the run does not give a total Senate figure for SOS.

Senator Ray instructed Mr. Guthrie to prepare an information sheet showing House and Senate figures so the committee would have something to work with. Mr. Guthrie said he would have this after lunch.

Recess: The meeting was recessed at 11:05 a.m.

Recess

AFTER RECESS
1:55 P.M.

Members of the Free Conference Committee. Staff from Legislative Finance and Division of Budget & Management. Present

Sen. Ray called the meeting to order to close the budget for STATE-OPERATED SCHOOLS. EDUCATION

Rural Schools - The committee noted that the Senate figures, except for Correspondence Study, reflected the Governor's revised figures. Rep. Malone moved the Senate figures for S.O.S. Rural Schools, totalling \$34,692.7, and asked unanimous consent. No objection, so ordered.

On-Base Schools - Senate figures again were the same as the revisions submitted by the Governor's Budget Review Committee and were adopted. The intent was that the Department of Administration shall transfer tuition funds as outlined in the 5/5/75 memo in order to implement CH 13, SLA 1975.

Central Office - The committee suggested intent to the effect that no more funds would be appropriated next year for the Central Office, and Mr. Guthrie was instructed to include this in a letter of intent stating that State-Operated Schools would be eliminated by next year in accordance with Senate Bill 35. Funding was to be distributed by the Dept. of Education. Since this intent was dependent upon passage of S.B. 35, Rep. Naughton suggested this BRU be left open and the committee would return to it at a later time. Committee agreed, and Central Office was left open.

Debt Service - Governor, House and Senate figures were identical and approved as follows: Rep. Haugen moved 7,715.2 for the University of Alaska; Rep. Naughton moved 5,529.7 for General Education; Rep. Naughton moved 325.5 for Libraries. No objection, so ordered.

The meeting recessed at 2:15 P.M.

Recess

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AFTER RECESS
3:25 P.M.

Members of the Free Conference Committee. Staff from
Legislative Finance and Division of Budget & Management.
Don Dafoe, Vice President, University of Alaska.

Present

Sen. Ray called the meeting to order to close the budget
for the University of Alaska.

EDUCATION

Statewide Administration

Regents & Administration - Mr. Malone noted that the University was requesting a \$300,000 statewide systems contract to develop financial reporting and make better use of their data processing. He asked Mr. Don Dafoe from the University of Alaska to report on this request.

Mr. Dafoe said the University was unhappy with their software system's inability to provide accurate and timely information. The problem was one of management and one of outmoded systems, and the University questioned if additional staff should be hired or expertise purchased. After intensive study, the University representatives discussed revamping the software system with the Computer Center for the general ledger and payroll systems. In another year, student personnel could be added to the system. If the Computer Center could produce the necessary data, the University was thinking seriously about contracting with them for total computer services. The State of Oregon is working with the Computer Center at the present time on a total education system, and they are reasonably satisfied with it. The University would need \$300,000 to begin the revision of the software system. The hardware system has not been discussed, but the University has been updating to Honeywell equipment since the present IBM system does not have the capability and advisors indicate that this would be a good move. It would take about a year to put in remote terminals in Anchorage and Fairbanks.

Mr. Dafoe continued by saying the reorganization underway immediately would be primarily in academic and research areas in terms of Fairbanks, Juneau and Anchorage campuses. It is the University's intent to bring the campuses closer together for a greater input of talent. The regents have approved a plan where there would be a chancellor for each campus rather than a provost, keeping Southeast, Fairbanks and Anchorage as separate entities, but including them in outreach programs. In conclusion, Mr. Dafoe stated the University has brought in advisors to lay out a schedule of converting and improving software, and it is their opinion that the University would be better off taking the contract route rather than building up their own staff.

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Mr. Malone said it was his understanding that if the system did not work in one year, further changes would be made. Mr. Dafoe replied this was basically true. It was the opinion of the University that they could do a better job of budget development and they were anxious to work with representatives of the legislature and Budget & Management. Mr. Malone suggested adding \$300,000 in this sub-program for a statewide systems contract; however, Mr. Dafoe suggested the funds be appropriated to Planning & Land Development. Sen. Ray asked how many members of the committee were in favor of this addition; three members of the House and one member of the Senate voted in favor of the addition. Motion failed.

Sen. Ray then moved a total figure for Statewide Administration of \$2,470.0, with the provision that the committee rescind its action on the previous vote. There was no objection. Sen. Ray moved to rescind action on the vote to add \$300,000 to Planning & Land Development. No objection. Sen. Ray moved to add \$300,000 for systems development, and all members voted in favor of the motion. This brought the total for Statewide Administration to \$2,770.0. Mr. Malone asked that intent be included on systems development that a complete report be submitted on the new system to the legislature at the beginning of the next session. This was approved by the committee.

Statewide Public Service - It was noted by the committee that two Fisheries and Marine Advisory Agents were included in the House budget. Mr. Malone moved the House figure of \$1,370.0. Sen. Ray objected. Upon vote, all members were in favor of the motion except Sen. Ray. Motion carried.

Organized Research

Geophysical Institute - Governor, House and Senate recommendations were the same, \$1,601.0, and this figure was accepted by the committee.

Marine Science Institute - Studies requested by the House under this program were discussed, and included a recommendation for a clam toxicity study for \$40,000. After discussion, the committee left this BRU open.

The committee agreed to accept figures under Organized Research where the Governor, House and Senate recommendations were identical, and approved the following:

<u>Water Resources Institute</u>	131.5
<u>Arctic Biology Institute</u>	594.6
<u>Social Econ & Govt Research</u>	375.8

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<u>Sea Grant Program</u>	196.3
<u>Tundra Biome Center</u>	70.0
<u>Wildlife Research Unit</u>	37.7
<u>Forest Soils Lab</u>	74.7
<u>WAMI</u>	308.1
<u>Miscellaneous Research</u>	127.5

Agricultural Science Institute - Sen. Butrovich moved the Senate figure of 1,063.4. No objection.

CNER - Mr. Malone moved to adopt the Senate figure, with the addition of \$200,000 for the Alaska Native Language Center. The committee discussed this addition, and decided to leave the BRU open for further discussion.

The meeting recessed at 4:20 P.M.

Recess

AFTER RECESS
4:35 P.M.

Sen. Ray called the meeting to order.

CNER - Mr. Malone repeated his motion to add \$200,000 for the Alaska Native Language Center. Upon vote, two members of the House and one member of the Senate voted in favor of the motion. Motion failed. Sen. Ray moved the Senate figure of 316.3. Two members of the Senate and no members of the House voted in favor, motion failed. CNER was left open.

Arctic Environment Data Center - Mr. Malone noted the House recommendation included the Governor's revisions, and moved the House figure of \$490.1. No objection.

Mineral Industry Research Lab - Sen. Ray moved the Senate figure of 108.3. No objection.

Northern Regional Center - The committee decided to leave this BRU open for the present time.

Fairbanks Campus - Sen. Ray suggested a total of \$15,900.0 for the Fairbanks Campus, which was discussed by the committee. It was agreed this category would be left open at this time.

Southeast Regional Center - Mr. Malone moved the House figure of 409.2. Motion failed, and the BRU was left open.

Juneau Campus - Mr. Malone moved the House figure of 1,301.6. Motion failed, and the BRU was left open.

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Ketchikan Community College - Sen. Poland moved the Senate figure. Motion failed, and the BRU was left open.

Sitka Community College - Sen. Ray moved the House figure of \$285.5 and asked unanimous consent. No objection.

Southcentral Regional Center - Sen. Ray moved the figure \$1,451.5, and Mr. Malone objected. The BRU was left open.

Anchorage Campus - Mr. Haugen moved the House figure. Motion failed, and the BRU was left open.

The meeting adjourned at 5:20 P.M.

Adjourn

5/23/75

FREE CONFERENCE COMMITTEE
Saturday, May 24, 1975
9:10 a.m.

Members present: Senators Ray, Butrovich, and Poland, Representa- PRESENT
tives Malone, Haugen, and Naughton.

Also present were: Senator Sackett; Representative Bucholdt;
Kent Dawson, Judy Crondahl, and Ron Lind, Division of Budget and
Management; and members of the press.

Office of the Governor, Board of Child Advocacy. Sen. Ray men- SOCIAL
tioned that the Senate had recommended disallowing the requested SERVICES
reclassification of positions. The reclassifications would
create an increase of \$7,000-\$8,000 for only two employees.
Sen. Butrovich moved that the Committee adopt the Senate figure
of \$76.8 for the Board of Child Advocacy. There was no objection;
it was so ordered.

Office of the Governor, Pioneers Home Advisory Board. Representa-
tive Malone moved and asked unanimous consent that the Committee
adopt the Senate recommendation of \$10.7 for the Pioneers Home
Advisory Board. There was no objection; it was so ordered.

Office of the Governor, Alaska Plan Committee. There was a gen-
eral discussion of this budget request component. Rep. Malone
mentioned that since the Governor's budget was put together, which
shows no funding for FY 76, the Alaska Plan Committee was put in
business and was operating. Sen. Ray asked if there was a bill in
the legislature concerning the Alaska Plan Committee. Sen. Butrovich
stated that he recalled that money was appropriated (approximately
\$64,000) under a Revised Program in order to get the people on
the job. Rep. Naughton said the Revised Program was for \$66,200
and then there was an appropriation of about \$22,800. He clarified
that this was only for the integration of equivalency panels;
this budget request is funding for operating the shop itself.
Rep. Malone asked Kent Dawson what was supposed to be the source
of funds for the Alaska Plan Committee for FY 1976. Mr. Dawson
replied that there was a bill in the legislature for a special
appropriation for FY 76. Originally it was for \$300,000, but has
since been reduced to \$75,000. This is the only funding he knew
of for FY 76. Rep. Naughton clarified the bill is HB-184 which makes
an appropriation to the Human Rights Commission. The Commission
in turn would sign a contract with the Alaska Plan Committee.
This just deals with the equivalency panels. The rest still would
have to be funded. Sen. Butrovich questioned whether or not the
Revised Program would cover the necessary funding. As a result
Rep. Malone requested that this budget component be left open
until a firm figure was obtained. The Committee was in agreement;
it was so ordered. THIS BRU LEFT OPENED.

5/24/75

Department of Administration, Donated Commodities. Sen. Butrovich moved the Senate recommendation of \$53.3. There was no objection; it was so ordered.

Department of Administration, Longevity Bonus. Sen. Ray stated that there was a Senate intent for this component which he read: A supplemental will be entertained by the by the legislature if the average monthly grants exceed \$7,200." Rep. Malone stated that there was a supplemental of \$340,000. He thinks this is somewhat under the FY 76 actual cost. Sen. Ray recommended the Committee adopt the Senate figure of \$6,338.1, reading the following explanation from the Senate's Blue Book: "Allow grants to approximately 5,350 recipients (adjusting for partial payments to some). Trends in excess of a 5,200 caseload will be the basis for a supplemental appropriation." Rep. Malone said he would like to ask at what level the number of recipients was now, also the amount of the FY 76 supplemental. Kent Dawson answered that the supplemental request was \$420,000. Sen. Ray said that this was cut, in fact it was cut twice. Sen. Ray moved the figure of \$6,500.0 be adopted along with the Senate intent. There was no objection; it was so ordered.

Legis-
lative
Intent

Department of Administration, Pioneers Homes. Rep. Malone moved that the Committee adopt the Senate figures for all of the Pioneers Homes. There was no objection; it was so ordered.

Sitka Home - \$1,600.2
Fairbanks Home - \$1,640.4
Palmer Home - \$1,303.1
Central Office - \$95.5
Anchorage Home - --
Kotzebue Home - \$78.0

Department of Administration, Minority Training. Rep. Malone moved that the Committee adopt the House recommendation of \$78.3 along with the following intent: That this program is to be phased out during FY 1976. The Committee was informed by Budget and Management that the State is having more and more difficulty in actually showing we do have minorities on board. This BRU will allow the State to show the Federal Government that we actually have minority programs and have the people on board. This will show that there is something we are funding in our own area to bring up minority employment. Rep. Malone expressed his feeling that the money would be better spent in the Alaska Plan. The Alaska Plan is a program that would get the people a decent wage. As he understands it, the Minority Training Program places the people at the lowest pay ranges. Kent Dawson explained one reason the pay scale works out low is that these people only work part of a year. Sen. Ray suggested that the Committee give some kind of a notice through a letter to the Administration. Rep. Malone said that he would like to go further in the proposed intent by stating "include recommendation to Administration that emphasis be placed, instead, on decent jobs in the private sector."

Legis-
lative
Intent

Legis-
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Intent
Inclu-
sion

In answer to Rep. Malone's earlier request, Budget and Management stated their records indicate that the positions filled by people through the Minority Training Program as pay range 6; it is one of the States standard pay ranges. This range is low. However, after the training period is completed, the person can go into another job and be paid the range of that job. He stated further that the majority of the people are in the clerical area. Sen. Ray asked where most of the jobs and schools were located. It was answered that they were not located in one area. Basically, the people are employed in three locations - Juneau, Anchorage, and LBA (this is a code, at this time the Budget and Management Analysts do not know what the code represents). Sen. Ray said he doesn't go for eliminating this program entirely until possibly next year. There are people in the program this year and eliminating the program would be pulling the rug out from underneath them. He would suggest an intent that would state that this is the last year of funding. At the suggestion of Sen. Butrovich, the Committee left this BRU open in order to find out how the Administration feels about this program. THIS BRU WAS LEFT OPEN.

Department of Education, Vocational Rehabilitation, Counseling and Placement and Services to Clients. Rep. Malone stated that the House wanted emphasis placed on services to Clients and the Counseling and Placement deemphasized. He moved that the Committee adopt the House figures for counseling and Placement and Services to Clients of \$982.3 and \$1,714.4 respectively. Kent Dawson objected, stating that if the House figure was accepted, there would be difficulty in administering the program. Rep. Malone answered that it was the House's thinking that the main direction of Vocational Rehabilitation program is to provide services to provide a chance to people going through the program. The emphasis now is out of balance--it is true in Alaska, government employment is and will remain an important factor; however, the private sector is growing. If we train the people to take the private positions, there will be more people in Alaska at work. This is the reason for the shift in emphasis. He went on to say that this State has the highest unemployment problem in the nation and yet we have the biggest construction job in the history of the world going on. We are providing jobs to people in Oklahoma and the rest of the world instead of our own people. Sen. Ray stated that there is no way the employment on the pipeline can be controlled. All we, the State, can do is chip away at the edges. The only avenue left to us is to provide training centers. It was agreed to leave this BRU open. THIS BRU LEFT OPEN.

The meeting adjourned for the day at 9:50 a.m.

ADJOURN

FREE CONFERENCE COMMITTEE
Sunday, May 25, 1975
1:05 p.m.

Members present: Senators Ray, Butrovich, and Poland; Representatives Malone, Haugen, and Naughton. PRESENT

Also present: Kent Dawson, Ron Lind, and Mike Orelve, Budget and Management Division.

Department of Education, Vocational Rehabilitation, Administration. Representative Naughton moved the Senate figure of \$321.7. There was no objection, it was so ordered. SOCIAL SERVICES

Department of Education, Vocational Rehabilitation, Specialized Facilities. Rep. Malone moved the Senate figure of \$58.9. There was no objection, it was so ordered.

Department of Education, Vocational Rehabilitation, Minor Medical and Disability Determination. Sen. Butrovich moved the Senate figure of \$370.9. There was no objection, it was so ordered.

Department of Education, Vocational Rehabilitation, Employment of the Handicapped. Sen. Ray moved the Governor's figure of \$20.5. There was no objection, it was so ordered.

Department of Education, Youth Employment Service. Sen. Ray asked Kent Dawson if the Governor's figure of \$136.5 was correct. Mr. Dawson answered that it was. Rep. Naughton moved the Committee adopt the Governor's figure of \$136.5. There was no objection, it was so ordered.

Department of Education, MDTA/CETA, Administration. Sen. Butrovich mentioned that it looks like Federal receipts were lost. Kent Dawson informed the Committee that the two positions were apparently Revised Program positions and they are presently filled. Ron Lind stated that the question seemed to be whether or not the additional amount of money of \$3.2 million of the Labor Department is included. This may not be critical if the two positions are not in there. Sen. Butrovich asked what were interagency receipts? Kent Dawson answered that this was CETA money from the Department of Labor. Sen. Ray stated that it is not the Senate's position to eliminate the Department of Labor from here. Kent Dawson stated that one problem with the \$3.2 million is that it is to be matched one-half by General Funds. This is a 50-50 match, and we wouldn't be able to pick this up.

The Senate figure of 321.7 was moved. Rep. Malone objected for further discussion. Re. Malone asked Budget and Management where the \$3.2 million appeared in the budget. He asked if it wasn't under the CETA PLI grants. Ron Lind answered it was an amount recommended by the Governor and it was not reflected in the Governor's forms. Kent Dawson added that the Department was negotiating for 100% Federal funding, the same as they have had in the past, but the negotiations were not working out. Rep. Malone said he would like to go into those two positions. He inquired on the

CETA PLI project for \$1.6 million in Federal funds, was this to be matched in General Funds in like amounts? He also wanted to know what the money would be used for. It was answered that this is supplemental CETA money to be used for the same programs that CETA in the past has been used for. The programs are training courses throughout the State through the University, etc. Ron Lind explained that the reason there must be a one-half General Fund match is that the Federal Government must extend itself this year to cover increasing demands for these funds in other areas. The General Fund is definitely locked into this for picking up the Federal funding. Rep. Malone stated that he thinks the House would like to look into this further. He is not sure there is a valid objection, but would like to leave this category open for the time being. THIS BRU LEFT OPEN.

Department of Education, MDTA/CETA, Grants. Sen. Butrovich moved the figure of \$507.3. There was no objection, it was so ordered.

Department of Education, MDTA/CETA, Grants (PLI). Sen. Butrovich moved the figure of \$750.0. There was no objection, it was so ordered.

Department of Education, Skill Center. Sen. Ray asked Milt Barker why there wasn't any figure from the Senate on grants and shared revenue. Milt answered that he did not know, it may have been overlooked. Ron Lind explained that the \$150 thousand was added from General Fund money in an attempt to allow the skill center to operate at near full capacity. This would assure nearly 80 slots filled. Ron Lind continued that the House changed this and funded this item by CETA funds. Mr. Orelove explained that CETA was furnishing slots in the skill center along with other programs; there is not enough money in CETA for all of the programs. Therefore, the request is being made out of General Funds. Sen. Ray moved that the Committee adopt the figure of \$1,720.0 (this is the Senate figure plus the \$150 thousand Federal Grants). There was no objection, it was so ordered.

Kent Dawson asked if it was the Committee's intent that General Funds be used for funding all grants. Chairman Ray answered yes.

Department of Health and Social Services, Assistance Payments, AFDC. Milt Barker explained for the Senate that their recommendation was based on the actual figures of April of this year of 11,322 persons at \$88.46 a month. There is also an intent. Rep. Malone moved that the Committee adopt the Senate figure of \$12,014.5 for AFDC, but combine the House and Senate Intents. There was no objection, it was so ordered.

Senate Intent: A) All legally obligated payments will be made.
B) No funds are to be transferred out of this BRU.

Legis-
lative
Intents

House Intent: A) No eligibility is to be granted on the basis of unborn children; (B) Funds are to be used only to pay assistance.

Department of Health and Social Services, Assistance Payments, Old Age Assistance. Milt Barker explained that again, the actual figures of April 1975, 1899 people at \$48.89 a month, were used as a base. Rep. Malone moved that the Committee adopt the Senate figure of \$1,114.1 with combined House and Senate intents. Ron Lind had a question on the intent. In the Old Age Assistance area, it is tied in with the Alaska Longevity Waiver. If the Federal waiver is not removed, the agency is authorized to make the payments. You are not reducing the old age payments because of the Longevity Bonus? Rep. Malone answered that the Longevity Bonus ceases at the end of December, he didn't understand the problem. As an explanation, Sen. Ray read the following Free Conference Committee intent: It is the intent of the Free Conference Committee on the Budget that when determining eligibility and the amount of the assistance payment the Alaska Longevity Bonus shall not be a consideration. In the event that the current Federal waiver is not renewed and the proposed Federal legislation is not enacted, the Department is authorized to make payments in accordance with the needs standards as provided by Alaska law. Rep. Malone moved that the Free Conference intent that was just read be included in his motion so that the motion has the combined House and Senate intents along with the statement on the Longevity Bonus. Rep. Malone asked for unanimous consent on his motion. There was no objection, it was so ordered.

Legis-
lative
Intent

House Intent: Funds will be used to pay assistance.

Senate Intent: (A) All legally obligated payments will be made;
(B) No funds will be transferred out of this BRU.

Legis-
lative
Intents

Department of Health and Social Services, Assistance Payments, Longevity Bonus Project. The Committee adopted the Senate figure of \$17.0 without objection.

Department of Health and Social Services, Assistance Payments, Aid to the Blind. Sen. Ray moved that the Committee adopt the \$64.6 Senate figure with the combined House and Senate intents. There was no objection, it was so ordered.

House Intent: Funds will be used only to pay assistance.

Senate Intent: (A) All legally obligated payments will be made;
(B) No funds will be transferred out of this BRU.

Legis-
lative
Intents

Department of Health and Social Services, Assistance Payments, Aid to the Disabled. Rep. Malone moved that the Committee adopt the senate figure of \$1,161.5 with the combined House and Senate intents. There was no objection, it was so ordered.

House Intent: Funds will be used only to pay assistance.

Senate Intent: (A) All legally obligated payments will be made;
(B) No funds will be transferred out of this BRU.

Legis-
lative
Intents

Department of Health and Social Services, Assistance Payments, General Relief. Rep. Malone asked if it was the Senate's intention in their intent to provide funds for general relief and not for studies and such. Sen. Ray answered that this was correct. Rep. Malone moved and asked that the Committee adopt the figure of \$401.0 along with the combined House and Senate intents. There was no objection, it was so ordered.

House Intent: Funds will be used only to pay assistance.

Legis-
lative
Intents

Senate Intent: The eligibility determination function should be expedited through group intake, computation, updated manuals, and other methods to minimize general relief payments to those who will be subsequently eligible for assistance.

Department of Health and Social Services, Program Services, Homemaker Services. Sen. Ray remarked that the legislature insisted on funding this program at this level despite the Administration's reluctance. Ron Lind responded saying that the Administration, after reviewing this BRU again now feels that the request level is the amount needed to continue this program. Their original stance was a result of conflicting information from the agency. The Administration has since received additional data. Sen. Butrovich moved that the Committee adopt the Senate figure of \$400.0 plus the combined House and Senate intents. Rep. Malone asked that item (A) of the House intent definitely be included in the intent. There was no objection, it was so ordered.

House Intent: (A) Funds are to be used only for Homemaker Services; (B) A supplemental will be considered if contracts are established by the Department for a greater level of services.

Legis-
lative
Intents

Senate Intent: The Department of Health and Social Services should take steps to insure that Homemaker services are provided only for appropriate needs and at appropriate levels of care; the recommendations in the fiscal audit of March 12, 1975 should be considered for implementation.

Department of Health & Social Services, Program Services, Foster Care. Sen. Ray moved that the Committee adopt the House figure of \$1,500.0. Budget and Management informed the Committee that this figure ignores the bills that come in during July and August that must be paid and are not covered by the prior year's appropriations. Sen. Ray responded that it is the feeling of the Senate that the authorization of approximately \$1.2 million for additional Day Care Centers should take care of this. Rep. Malone moved that the following be combined in the intent section of the House intent "funds to be used only for Foster Care". Kent Dawson objected to Sen. Ray's recommendation saying that there was no statute on the books allowing payments to be made this way. The House figure of \$1,500.0 was adopted with the following intents.

House Intent: Funds are to be used only for Foster Care.

Legis-
lative
Intent

Senate Intent: (A) All legally obligated payments will be made. (B) No funds will be transferred out of this BRU.

Department of Health and Social Services, Program Services, Institutional Care. Sen. Poland moved the Committee adopt the Senate figure of \$1,811.3 with combined House and Senate intents. There was no objection, it was so ordered.

House Intent: Funds are to be used only for institutional care.

Legis-
lative
Intent

Senate Intent: (A) All legally obligated payments will be made;
(B) No funds will be transferred out of this BRU.

Department of Health and Social Services, Program Services, Day Care. Sen. Ray asked Milt Barker to explain what the Senate intent was about. Milt Barker answered that it relates to the ratio of care-takers to children in the day care centers and homes. The intent is superfluous in that if we receive Title XX reimbursement, the homes must operate under the standards set by Title XX. Sen. Ray moved the Committee adopt the Senate figure of \$590.0 Rep. Malone objected. A hand vote was taken, Senators Butrovich, Ray and Poland voted in favor of the motion. The motion failed. Rep. Malone moved that the Committee adopt the House figure of \$714.1. A hand vote was taken, Representatives Naughton, Malone, and Haugen voted in favor of the House figure, the motion failed. THIS BRU WAS LEFT OPEN.

Department of Health and Social Services, Program Services, Adoption. Sen. Poland moved that the Senate figure of \$34.5 be adopted. There was no objection, it was so ordered.

Department of Health and Social Services, Program Services, Protective Services. Rep. Malone moved that the Committee adopt the Senate figures of \$313.4 along with the combined House and Senate intents. There was no objection, it was so ordered.

House Intent: Funds are to be used only for protective services.

Legis-
lative
Intent

Senate Intent: A \$45,000 contract is to be provided to the Anchorage Task Force on child protection to organize similar efforts in other areas of Alaska.

Department of Health and Social Services, Program Services, Other Services. Sen. Ray asked that this category be left open. There was no objection. THIS BRU LEFT OPEN.

Department of Health and Social Services, Alcantra, Operations. Rep. Malone moved that the Committee adopt the Senate figure of \$548.1 and combining with it the House intent. Sen. Ray after reading the House intent said that he was not aware that there was any capital improvements plan. The Senate did not include this in the budget and the Senate did not intend to put it in the budget. Rep. Haugen said there will be some controversy on whether this BRU should continue to have this facility or to put it someplace else. Rep. Malone concurred that this is the problem and it is not resolved yet. Sen. Ray objected, saying he did not want the budget to be bound by what

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Commissioner Williamson says. There is no guarantee that Commissioner Williamson will be her to implement it. Rep. Malone moved that the Committee adopt the Senate figure of \$548.1 and an intent amended as follows: "Further funding of Capital improvements is to be withheld until the Department determines...."

House Intent: (A) Further funding of Capital Improvements is to be withheld until Commissioner Williamson completes a study of Alcantra's future role in the provision of child care services; (B) Alcantra is to be included as a subject of interim study by the legislature along with McLaughlin. Legislative Intent

House Intent, Section (A) as amended: (A) Further funding of Capital Improvements is to be withheld until the Department determines Alcantra's future role in the provision of child care services.

THIS BRU LEFT OPEN.

Department of Health and Social Services, Alcantra, Debt Service. The Committee adopted the figure of \$132.8 without objection.

Department of Education, Social Services, Social Work. Sen. Ray mentioned that the difference between the Senate and House figures was that the House allowed seven Childcare Specialists and the Senate allowed 10. The Department requested 13. Sen. Ray felt there was a need for a Social Worker in the Aleut Chain. Rep. Malone asked him if he was familiar with the function of a Social Worker in the chain. Sen. Ray responded there was a good reason for the request. This is one area of the State that should have at least one Social Worker. He had asked the Department about transferring a position to the Aleut chain, but they said that in order to do this, they would have to deny another area the same services. Kent Dawson informed the Committee that there is currently a person in the Aleut area funded with vacancy money. Rep. Malone said it has come to his attention that there is a need for an Eligibility Worker, especially in connection with the Food Stamp Program. He wondered if these are two separate needs. Sen. Ray responded saying that the Eligibility Worker would come under contractual services. Ron Lind said that it would be a temporary person under contractual services. Ron Lind went on to inform the Committee that there was a budget revision on this component from the Governor's Office. He read an April 21 memo explaining that the request for the revision was because there was underfunding of rents in the original request.

The meeting recessed at 2:00 p.m.

RECESS

AFTER RECESS

2:10 p.m.

Dept. of HSS, Social Services, Social Work: Senator Ray moved and asked unanimous consent to adopt the following budget and intent:

SOCIAL
SERVICES

Personal Services	2,280.0	
Travel	86.2	(House)
Contractual Services	378.6	"
Commodities	26.3	"
Equipment	12.0	"
Total	2,783.1	

Legislative Intent: There will be one Social Worker position allowed for each of the following: Wrangell, Aleutian Chain and McGrath.

Legislative
Intent

There being no objection, it was so ordered.

Dept. of HSS, Social Services, Pipeline-Social Services: Senator Ray moved and asked unanimous consent to adopt the Governor figure (\$24.6). No objection, so ordered.

Dept. of HSS, Eligibility, Eligibility Determination: Senator Butrovich moved to adopt the Senate figure (\$2,025.0). Representative Malone requested that the House intent be incorporated on the three specified eligibility workers. Mr. Lind asked if the Senate figure would include the 6 permanent part time positions. Senator Ray said it would. Mr. Lind stated that the agency is concerned about the two clerk typist and two manager positions. He said they need more clerical support for their professional staff. Milt Barker said the Senate allowed 94 positions without specifying which ones. Senator Ray noted that the Clerk III in Ketchikan, Clerk I in Seward and the Clerk I in Fairbanks are the department's top priority and none of these were allowed by the House. He suggested letting the House name the three highest priority positions, adding that he wants to give the department some latitude.

After a short discussion, intent was adopted as follows:
Allow new positions (Eligibility Workers) in Bethel, Fairbanks and Sand Point, plus three positions to be determined by the Department. The 6 permanent part time positions are also approved.

Legislative
Intent

The Senate figure of \$2,025.0 was approved.

Dept. of HSS, Administration (F&CS), Central Office: It was noted that both the House and Senate had disallowed funds in contractual for a study of the division. Also under contractual, the House had allowed only \$70.0 in legal services. Mr. Lind explained that the department has stated that they cannot live with the limited amount under contractual for

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legal services. They will need at least the difference between the request and the Senate figure--about \$35.0. Senator Ray then suggested the following for this budget:

Personal Services:	\$280.4
Travel	15.7
Contractual	115.6
Commodities	5.7
Total	<u>\$417.9</u>

Representative Malone moved for a total budget of \$417.9 for this BRU, with intent that the study requested in the contractual line item is disallowed. No objection, so ordered.

Legislative
Intent

Dept. of HSS, Administration (F&CS), Field Services Support:
Senator Butrovich moved to adopt the Senate figure of \$729.2.
No objection, so ordered.

Dept. of HSS, Staff Development: Milt Barker reported that most of this goes to the University of Alaska. He said \$76.0 was for the University of Utah item. Mr. Lind asked for clarification: "In the Senate where the reduction was made in federal funds, was it the intent that they could not come back with an RP if the federal funds become available?" Senator Ray noted that the Senate had taken out \$60.0 for the University of Utah contract. Mr. Lind asked if it was decided by the agency that they could use it with another institution, could they come back with an RP? Senator Ray replied "yes." Senator Ray asked for an explanation of the Administrative Assistant position. Mr. Lind said it is 75% federally-funded, and the position would be used to improve the coding in the department of Health & Social Services.

Senator Ray suggested the following budget for this BRU:

Personal Services	\$ 56.9
Travel	80.0
Contractual	580.0
Commodities	1.7
Total	<u>\$718.6</u>

Senator Butrovich moved to adopt these figures. No objection, so ordered. This does not allow any new positions.

Dept. of HSS, WIN AFDC, WIN: Representative Haugen moved to adopt the Senate figure (\$1,218.0). Representative Malone explained that the differences in the two budgets is that the House budget has two new positions and the Senate has the same as the Governor. What the House has done is provide an increase in contractual services for day care programs. He noted that if you take out the general fund costs for the positions and added back in \$10.0, it would be the House figure.

Senator Ray objected to adding \$100.0 for day care in this budget. He felt we should go along with the administration.

The budget for WIN, AFDC was LEFT OPEN.

Dept. of HSS, Office of Aging: Senator Ray moved to adopt the Governor's figure (\$1,382.6). No objection, so ordered.

Dept. of HSS, Alcoholism, Administration: THIS BRU LEFT OPEN. Milt Barker stated that the Senate allowed a research analyst which the Governor did not. This was a position that was being allowed under the additional pipeline grant they are receiving. Kent Dawson stated that there was a revision by the Governor adding 3 positions to provide evaluation services in the administration component. He said there is an RP in Budget & Audit to be submitted at the next meeting that addresses that for this year. He added that there is no increase in general fund monies for this--it is funded from program receipts. He said for FY '76 they sent a revision over to have the positions funded similiarly in the '76 budget and also asked that \$270.0 in general funds be added for Grants. He said the Senate budget added \$100.0 for grants.

Senator Ray wanted to know where the research analyst fits in. Mike Orelove of Budget & Management replied that this position was in the agency's original request which the Governor disallowed. Kent Dawson explained that the rationale for having evaluation positions is that currently the office is primarily just sending money out and does not have much evaluation of how effective most of the programs are--they would have a better handle on it if it was evaluated.

Representative Malone said his view is that if we are going to put more into alcoholism it should be in grants, noting, however, that even if we double money in grants, there will be more people afflicted by alcoholism next year than this year. In any event, he didn't feel that adding more in administration would help.

Senator Ray moved to adopt the Governor's figure (\$230.8). Representative Malone objected.

At Representative Malone's request, this BRU was LEFT OPEN.

Dept. of HSS, Alcoholism, Grants: LEFT OPEN

Dept. of HSS, Drug Abuse, Administration: Representative Malone moved to adopt the House figure. Senator Ray moved to adopt the Governor's figure for personal services (\$65.3) since this is only a 3 man shop and he thought the V/T taken by the House was to high. The rest of the figures could be the House figures. No objection, so ordered. Total budget: \$215.4.

Dept. of HSS, Drug Abuse, Grants: LEFT OPEN at Senator Ray's request. He commented that the Senate is not interested in increasing the Fairbanks Methadone program.

Dept. of HSS, Administration (DHSS), Ofc. of Commissioner:
Commenting on the Program Budget Analyst position, Mr. Lind said Budget & Management wanted someone in this department who has analytical abilities and does not have an on-going staff function within the department.

Representative Malone moved to adopt the House figure of \$188.2. This would disallow the Program Budget Analyst. Senator Ray objected. He said he gets the impression that the position was being disallowed simply because it is stationed in Juneau. Representative Malone explained that his objection is to having program budget analysts scattered throughout the state. His feeling is that if they are scattered around, instead of becoming a coordinating point for Budget & Management, it would become a tool of the program managers in the department. He thought any program budget analysts should go in the Office of Budget & Management.

Kent Dawson stated that currently they have a problem with the quality of budgets they get from the agencies. He felt the way to improve the situation is to provide the agencies with staff trained in program analysis. The staff in Budget & Management thought this preferable to having all of them centrally located in Budget & Management.

2:55 p.m. - A five-minute recess was declared.

3:00 p.m. - The meeting was reconvened.

This BRU was LEFT OPEN.

Dept. of HSS, Administration (DHSS), Director/Regional Offices:
At Senator Ray's request, this BRU was LEFT OPEN.

Dept. of HSS, Administration (DHSS), Personnel: Representative Malone moved to adopt the Senate figure. Kent Dawson spoke in favor of the Accounting Clerk position for Anchorage that was denied, saying that the position would be used to speed up processing of checks so there won't be late pay penalties under the Tri Trades agreement. Representative Naughton was opposed to allowing the position since he did not see the value of it. Kent Dawson stated that the new payroll system will resolve some of the problems but they need this position to get the information into the system.

This BRU was LEFT OPEN.

Dept. of HSS, Administration (DHSS), Supply: Representative Naughton moved to adopt the Senate figure (\$209.0). No objection, so ordered.

Dept. of HSS, Administration (DHSS), Financial Management:
BRU LEFT OPEN at Representative Malone's request (until Program Budget Analyst question is settled)

Dept. of HSS, Administration (DHSS), Graphic Arts/Library:
Senator Butrovich moved to adopt the Senate figure (\$63.1).
No objection, so ordered.

(There was a short discussion here concerning the vacancy factors applied by the House and Senate)

Dept. of HSS, QC/Collection Agency: Mr. Lind spoke in favor of the positions that were not allowed, i.e., an Anchorage Clerk position and a Fairbanks investigator. He said currently there is one clerk serving 9 professionals in Anchorage and there is no investigator stationed in Fairbanks. He said the department would like to have both of these positions reinstated if possible.

Senator Butrovich moved to adopt the Senate figure. No objection, so ordered.

Representative Malone called attention to the House intent on the child support enforcement program. He said we do have an effort in the State right now. We have some people in the Department of Law chasing after delinquent parents. He said the House recommends that the State pull the present effort together to see if they can pick up some federal funding for it. He added that "this program did not meet with much approval in the House, however." Representative Haugen said he believed the federal government will force us to implement a program in 1977.

Milt Barker testified that after investigating this, it appears that if we do not fund the program, the federal government will do everything they can to maximize any penalties they can assess against us. For instance, they will withhold 5% of their share of AFDC payments after January 1, 1977 and will try to make it retroactive to October 1975. They will also assess 3% for each element of non-compliance on all SRS monies coming into the State. In addition, they say we will not be able to get 75% funding from them as the federal share of the child support enforcement program--that we will have to take it out of our Title 20 funds. He remarked that "It sounds like they're serious."

Representative Malone's view was that he is not interested in putting this in the budget, and if the federal government intends to impound funds on us, he suggested that we sue them.

Dept. of Labor, Fishermans Fund: Senator Ray moved to adopt the Governor's figure (\$217.9). No objection, so ordered.

Dept. of Labor, Second Injury Fund: Senator Ray moved to adopt the Governor's figure. No objection, so ordered. (\$268.6).

Dept. of Labor, Employment Security, Pipeline-Employment Security: At Representative Malone's request, this BRU was LEFT OPEN. He explained that his problem with this one is that no explanation was given to the House Finance Committee on where the funds were flowing, despite attempts to get a breakdown. As an example, he pointed out that no information was given for the large amount in the "Miscellaneous" line item. Basically, the House position is that the appropriations in Miscellaneous need some explanation.

In this regard, Kent Dawson explained that the amount of federal money that will be available is a "guess" so to immediately implement the program they put money in Miscellaneous--it is basically a contingency item. He said they can work it either way--put the money in here or go through Budget & Audit.

This item was LEFT OPEN.

Dept. of Labor, Employment Security, Employment Services: LEFT OPEN at Representative Malone's request. (Same problem with the figure in Miscellaneous)

Dept. of Labor, Employment Security, Unemployment Insurance: LEFT OPEN.

Dept. of Labor, Employment Security, Food Stamps: Senator Butrovich moved to adopt the Senate figure (\$171.5). A hand count was taken, and the motion passed unanimously.

Dept. of Labor, Employment Security, Computer Placement: THIS BRU LEFT OPEN. Representative Malone had questioned Budget & Management staff about \$227.0 that the department had received that was appropriated by the Legislature for one thing, and he believed the agency decided to use for something else. Kent Dawson said he would check on the status of these funds.

Senator Ray requested that the staff to find out where the federal receipts go.

Dept. of Labor, Employment Security, Administration (ES): THIS BRU LEFT OPEN.

Dept. of Labor, Alyeska Training: Representative Naughton moved to approve \$750.0 for this budget. No objection, so ordered.

Dept. of Labor, CETA, Title I: THIS BRU LEFT OPEN. Representative Malone said the same problem exists here. They were unable to identify what a portion of the \$4 million in Miscellaneous was for or if it is available.

Dept. of Labor, CETA, Title II: Representative Malone moved to adopt the Senate figure (\$5,470.4). No objection, so ordered.

Dept. of Labor, CETA, Pipeline-CETA: THIS BRU LEFT OPEN at Representative Malone's request.

Dept. of Labor, CETA, Governor's Grant: Senator Butrovich moved to adopt the Senate figure. Representative Malone objected, and requested that this be left open. This BRU was LEFT OPEN.

Dept. of Labor, Contracts, WIN: Representative Naughton moved to adopt the Governor's figure. (\$1,500.8). No objection, so ordered.

Dept. of Labor, Contracts, Hitchhike: Representative Naughton moved to adopt the Senate figure (\$202.7). No objection, so ordered.

Dept. of Labor, Grants: Senator Ray moved to adopt the Governor's figure for the entire Grants BRU (\$1,976.4). (This takes care of Job Corps, Labor Market Information, Service Contracts (CETA)). No objection, so ordered.

Dept. of Labor, Office of Commissioner: Senator Ray asked what the new position of Administrative Officer will do. Milt Barker replied that this position will make efforts toward Alaska hire.

Representative Malone moved and asked unanimous consent to adopt the Senate figure (\$429.9). No objection, so ordered.

Dept. of Commerce, Veterans Service Council: Senator Butrovich moved to adopt the Senate figure (\$51.3). No objection, so ordered.

Dept. of CRA, Economic Opportunity: Representative Malone moved to adopt the House budget (\$566.7) which would include a \$200.0 grant for Alaska Legal Services, Inc. The motion failed, with Representative Malone and Naughton voting in favor of the motion.

THIS BRU LEFT OPEN.

Dept. of CRA, Senior Citizens Tax Exemption: \$950.0 approved. (all figures are the same).

Dept. of CRA, Neighborhood Youth Corps: Representative Naughton moved to adopt the Senate figure (\$2,500.0). No objection, so ordered.

State Bond Committee, Debt Service: Representative Naughton moved to adopt the Governor's figure of \$828.6. No objection, so ordered.

This concluded the SOCIAL SERVICES category.

Dept. of HSS, Nursing, Rural Nursing: Senator Ray moved to adopt the Senate figure (\$1,219.2). Representative Naughton objected. He questioned how the Senate could allow 43 full time positions and come under the House figure on personal services. Senator Ray replied that the Senate took 75% V/T in this area and the House took 66-2/3%. Representative Malone said he did not think there is any objection but we should check to make sure there is enough funding to provide for the new position.

Senator Ray restated his motion to adopt \$1,219.2. No objection, so ordered.

Dept. of HSS, Nursing, General Nursing: Senator Ray moved to adopt \$959.6 for personal services. This would include the Public Health Nurse for Prince of Wales Island. He moved for the following line items:

Travel:	\$35.0	
Contractual:	106.0	
Commodities:	22.0	
Equipment	4.5	Total: \$1,127.1.

Kent Dawson said the vacancy could be a problem according to the agency. (the Senate V/T).

Representative Malone moved to adopt the total figure of \$1,127.1. No objection, so ordered.

Department of Health & Social Services, Nursing, Home Health Service. Kent Dawson informed the Committee that in all the health programs that have 314-D Federal funds, the funding will most likely be "0". The budget request should be revised to fund out of General Funds in some areas instead of Federal funds to take care of this. There is a likelihood that the 314-D funds will not be available in FY 76.

Representative Malone moved that the Committee adopt the Senate figure of \$24.7 for this BRU. There was no objection, it was so ordered.

Department of Health and Social Services, Nursing, Administration. Rep. Malone read the Senate explanation concerning positions authorized but not filled out of the Budget Summary. He stated that this position request is in the Mental Health budget; why has the Senate put in the need for a new supervisor? Milt Barker answered that Sen. Sackett, who chaired the sub-committee on the Senate side for this category, was appointed to keep the budget within some guidelines. Sen. Ray explained the Senates application of vacancy turnover to new positions. In some BRUs the Senate applied vacancy turnover. They resubmitted a portion of the money and then allowed the new positions to be funded within the allocation if possible. In this manner they would try to give as much of the positions as possible and still comply to the request of the Administration and to keep the budget within reason.

Rep. Naughton moved that the Committee adopt the Senate figure of \$476.3 for this BRU. There was no objection, it was so ordered.

Department of Health and Social Services, Nursing, Early Screening. Senator Butrovich moved that the Committee adopt the Senate's figure of \$137.7. Rep. Naughton objected for purposes of discussion. He wanted to know about the Greater Anchorage Borough contract. Sen. Ray replied that it is fully funded. Rep. Malone said the House would have no objection to the total figure if the language is kept that the Greater Anchorage Borough contract increase is allowed. Sen. Ray said there was no objection. The Senate figure was accepted.

Department of Health and Social Services, Communicable Disease Control, TB Control. Rep. Malone noted that both the House and Senate budgets do not allow the Inhalation Therapist. He asked Budget and Management to explain. Jeff Morrison explained that the Inhalation Therapist position that was in the Governor's request was in it on the assumption the 314D funds would be available. Now that these funds are not available, the Inhalation Therapist is not needed. Sen. Ray called to Rep. Malone's attention that the Senate did not take any vacancy turnover in this BRU. Rep. Malone stated this was no problem. Rep. Naughton moved that the Committee adopt the Senate's figure of \$573.7. There was no objection, it was so ordered. Ron Lind pointed out to the Committee that in this particular BRU there is \$23,000 of Federal 314D funds. Sen. Ray gave the following intent:

Free Conference Committee Intent: It is the intent of the Committee if these Federal funds are not forthcoming they will be replaced by General Funds in this particular BRU.

Legis-
lative
Intent

Milt Barker asked Chairman Ray if he wanted it funded this way in the budget or should the Department come in with a supplemental? Sen. Ray answered, "let the Department come in with a supplemental."

Department of Health and Social Services, Communicable Disease Control, VD Control. Rep. Naughton moved that the Committee adopt the House figure of \$142.5. There was no objection, it was so ordered.

Department of Health and Social Services, Communicable Disease Control, Immunization. Rep. Malone moved that the Senate figure of \$52.1 be adopted. There was no objection.

Department of Health and Social Services, Communicable Disease Control, Epidemiology. Representative Malone moved the House figure of \$142.2. Sen. Ray objected for further discussion. It is the Senate's feeling that we should not replace the Federal assignee with General Fund money. If the Federal people find no need for the position, why should the State fund it? The position was previously federally funded. Rep. Naughton said the House was aware that the position was federally funded. Ron Lind informed the Committee that the \$10,000 Federal funding was 314D funds. Rep. Malone stated that the Department should be able to limp along with General Funds

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in this program with the House figure. Sen. Ray said there was no objection, it was so ordered.

Department of Health and Social Services, Environmental Health, General Sanitation. Sen. Ray said there was a problem. The clerk typist position is vacant and the Sanitary Engineer position was eliminated, but the House still took vacancy turnover. There was a general discussion on the method of taking vacancy turnover and Milt Barker explained that the House took two-thirds more than should be taken. Rep. Malone asked about the Sanitary Engineer position. Jeff Morrison explained that there is difficulty in recruiting these in Fairbanks and Valdez. This position has been vacant a long time. It was held in reserve because there was a Federal assignee to take care of these tasks. In effect, that position has been double budgeted for the last several years. The Feds are paying the salary. The salary is paid out of 314D funds. If you want the position to continue as it exists now you can continue the position and not the funding. There is also \$70,000 Federal 314D funds in this program. Sen. Ray asked Budget and Management, what do you feel about eliminating the positions vacant as of February 25 of this year? Kent Dawson answered that this is one way of reducing the budget. Ron Lind explained that some Federal Agency is receiving 314D funds and they are providing the program with this position in addition to the \$70,000. You will lose the \$70,000 plus the position they funded. That is why the position is vacant. Rep. Malone asked, the State has no knowledge of how long a position will remain with a program if it is supplied by the Federal Government? Jeff Morrison answered that the Federal agencies just puts them in and pulls them out. THIS BRU WAS LEFT OPEN.

Department of Health and Social Services, Environmental Health, Seafood Sanitation. Sen. Ray moved that the Committee adopt the Senate figure of \$85.8. He informed the rest of the Committee members that this program really involves southeast Alaska even though the description in the budget gives the location as Juneau. Rep. Malone brought up the vacancy rate factor taken in the Senate recommendation. He is not sure of the ratio in this program. If 16.3 is taken out the positions in the Senate figure would be below the House figure which was for two permanent full-time positions instead of three. He asked Budget and Management if there would be any problem with personal services. Budget and Management answered that the solution would be simply to hire a man effective December instead of September. The manager would not recruit for a couple of months until they have generated the savings. There was no objection to the Senate figure. It was adopted.

Department of Health and Social Services, Child and Family Health. At the Committee's request, Sen. Sackett informed them that two new positions were allowed, they are public health nurses in the Child Study Center. Rep. Malone moved that the Committee adopt the following figures for Child and Family Health.

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Family Planning - \$194.2
Maternal & Child Health - \$215.3
Crippled Children - \$898.0
Communicative Disorders - \$272.3
Child Study Center - \$139.7 - with the Senate intent.
Administration - \$54.5
TOTAL - \$17,074.0

Senate Intent: Services provided by the Child Study Center, API, and the Anchorage Mental Health Center are to be coordinated so that there is no duplication of responsibility for diagnosis vs. treatment or developmental disabilities vs. mental illness.

Legis-
lative
Intent

Kent Dawson expressed his concern for the Child Study Center funding. He said that this is a mandated program under Title XX. He feels that the Title XX funds would be in jeopardy. Sen. Ray said he doesn't feel there is any problem. Rep. Malone concurred saying he thinks the program level is sufficient and as long as it wasn't reduced it will be in good shape. Ron Lind informed the Committee that there are some 314D funds in this area, in Child Study Center. Sen. Ray said the Committee would support the use of General Fund money. Ron Lind explained this is 314D funds given directly by the Federal Government--they provide an assignee. Sen. Ray asked this is \$32.1. Ron Lind answered yes, but it should be added into the Child Center area to pick up the position. He went on to say that the Federal Funds are not in the State budget. These funds go to the assignee. There are a number of assignees shown in the budget and they are funded out of 314D funds. Sen. Ray moved that the Committee adopt the following intent, there was no objection.

Free Conference Committee Intent: If the Federal money for assignees is not available, our General Fund will be increased by that much.

Legis-
lative
Intent

Department of Health and Social Services, Laboratories, Regional Laboratories. Sen. Ray asked that this BRU be left open, there was no objection. THIS BRU LEFT OPEN.

At the request of Rep. Malone, a 5 minute recess was called - 4:50 PM.

AFTER RECESS - 5 PM.

Department of Health and Social Services, Laboratories, Administration. Sen. Poland moved that the Committee adopt the Senate recommendation of \$61.8. There was no objection, it was so ordered.

Department of Health and Social Services, Health Program Support, Health Education. Sen. Butrovich moved that the Committee adopt the Senate figure of \$140.3. There was no objection, it was so ordered.

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Department of Health and Social Services, Health Program Support, Grants to GAAB. Sen. Ray noted that there were two positions, Health Education Specialist and a Clerk Typist to be transferred to the Department of Education. When the Senate looked into this, they could not find the positions. This was because the money was already spent. They do not have the positions either. Budget and Management responded that they have never heard of this. Milt Barker stated that what Sen. Ray just noted was correct. He went on to explain that the two positions are still in this budget, but the positions have not been filled. Sen. Ray asked Budget and Management to check this out. Budget and Management asked Sen. Ray if these positions were allowed as new positions last year. Sen. Ray answered yes. Rep. Haugen asked if this was 314D money. Sen. Ray answered yes, but apparently they used the 314D money somewhere else and never filled the positions. Ron Lind informed the Committee that according to the Department's statistics, they would need \$371.4 to continue the same level of service if there are no 314D funds, that would include the assignee. Sen. Ray moved that the Committee adopt the following intent, there was no objection.

Free Conference Committee Intent: It is the intent of the Free Conference Committee that these two positions will be filled immediately and the Department will inaugurate its program on loan to DOE. Legislative Intent

Rep. Haugen asked Budget and Management if they knew for sure that the Federal 314D funds will terminate this year. The response was that in the president's budget it is not included. They are anticipating what Congress will do. An assumption had to be made. The first assumption was that it would be appropriated; now they assume it will not be appropriated. Ron Lind stated for the record that 52.5 is 314D funds in this program. Sen. Ray asked if this was part of the Greater Anchorage Borough program. He feels this should be covered. Ron Lind answered that part of it is. Kent Dawson explained that on the 314D funds the problem is that the Administration is going to have to make a decision to either reduce the programs or go ahead and spend money and ask for a supplemental. This will have to be done unless the Free Conference Committee provides for General Funds or provides an intent. Sen. Ray moved that the Committee adopt the following intent, there was no objection.

Free Conference Committee Intent: It is the intent of the Free Conference Committee that General Funds be used for the Greater Anchorage Borough program. Legislative Intent

THIS BRU IS LEFT OPEN.

Department of Health and Social Services, Health Program Support, Health Information System. Sen. Ray moved that the Committee adopt the Senate figure of \$33.7. Rep. Malone asked if this included the Senate intent. Sen. Ray said yes. There was no objection, it was so ordered.

Senate Intent: In FY 77 the Health Information System component, a budget for one person, should be consolidated with Public Health Administration.

Legis-
lative
Intent

Department of Health and Social Services, Health Program Support, Registry of Human Impairments. THIS BRU IS LEFT OPEN.

Department of Health and Social Services, Health Program Support, Health Studies. THIS BRU WAS LEFT OPEN.

Department of Health & Social Services, Health Program Support, Nutrition. Sen. Ray recommended that this BRU be passed. It is not the Senate's position to contract out to Native Corporations at all. Rep. Malone moved the Senate figure of \$92.7 with the stipulation that both House and Senate intents be removed. Sen. Ray objected saying that the State does not know, if they do grant a new program, whether it would be feasible in Alaska. Rep. Malone withdrew his motion. THIS BRU LEFT OPEN.

Department of Health and Social Services, Health Support, Administration. Sen. Ray noted that the Administration eliminated this program entirely, he asked for their reason. The following was read to the Committee by Budget and Management: "This program directs and coordinates all activities of the Division of Public Health." It is to provide backup and support for the other Divisions, Health Information Systems, Health Studies, Nutrition, Health Education. It also assists in the performance of multiple services in the health care field such as the breathalyzer program. THIS BRU LEFT OPEN.

Department of Health and Social Services, Certification and Licensing. Rep. Malone moved that the Committee adopt the Senate figure of \$228.2. There was no objection, it was so ordered.

Department of Health and Social Services, Public Health Administration. The House deleted three positions. Rep. Naughton moved that the Committee adopt the House figure of \$198.6. For the record Ron Lind objected. The figure was adopted.

Department of Health and Social Services, Nursing, General Nursing (PLI). Sen. Ray moved the Governor's figure of \$84.4. There was no objection, it was so ordered.

Department of Health and Social Services, Communicable Disease Control Venereal Disease Control (PLI). Sen. Ray moved the Governor's figure of \$59.6. There was no objection, it was so ordered.

Department of Health and Social Services, Environmental Health, General Sanitation (PLI). Rep. Malone moved the House figure of \$30.5 with one Sanitarian position. There was no objection, it was so ordered.

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Department of Health and Social Services, Laboratories, Regional Laboratories (PLI). Sen. Ray mentioned that the Senate accepted no new positions, they kept what would be considered a maintenance level. Sen. Poland moved that the Senate figure of \$98.7 together with the intent be adopted. There was no objection, it was so ordered.

Senate Intent: It is the intent of the Senate that the Department is to implement a policy to require major industries to pay for the full cost of laboratory tests for personnel directly related to that industry.

Legis-
lative
Intent

Ron Lind objected to the intent saying he doesn't think it is proper. The tests are not a condition of employment. They are only sent to the State as a means of controlling VD. If the tests are to be continued the employer would have to pay for them.

Department of Health and Social Services, Alaska Psychiatric Institute. Sen. Ray moved that the Senate figure of \$4,571.3 be adopted. There was no objection, it was so ordered. Rep. Haugen asked how much was being carried on receivables for this program. Budget and Management did not know. Milt Barker answered that at one time there was an estimated \$10 million of which \$1 million would be collectable.

Department of Health and Social Services, Harborview Memorial Hospital. Sen. Ray moved the Senate figure of \$3,337.9 allowing any of the positions they want within the allocation. There was no objection, it was so ordered.

Department of Health and Social Services, Contract Institutions. Sen. Ray asked what the Fairbanks Rehabilitation Assoc. was. Milt Barker answered that it was the same as the Hope Activities Center. Sen. Ray asked Milt Barker why there was a difference of \$110,000 between the House and Senate budgets. Milt Barker answered that the analysts examined the parts as soon as the figures were given. Their actual figures are somewhat lower than the figures that were given, so the calculations are somewhat lower on the Senate side. Rep. Malone mentioned that the revised contractual services are based on the new population count. Ron Lind informed the Committee that the most recent revision is as follows: Hope (A) - 22; (B) 33; (D) 20--this is the number of people. Milt Barker mentioned that some of the vacancies are listed as patients. Sen. Ray moved the Governor's figure of \$1,055.6. There was no objection, it was so ordered.

Department of Health and Social Services, Psychiatric Security Unit. Sen. Ray asked if the construction project has gone to bid. Rep. Malone answered that as of May 15, no. Sen. Ray moved that the Committee adopt the House figure of \$218.2 with intent. There was no objection, it was so ordered.

House Intent: Funding is provided for 6 months since as of May 15 the construction project had not gone to bid. If early completion necessitates greater funding, a supplemental will be considered.

Legis-
lative
Intent

Department of Health and Social Services, State Mental Health Centers. Sen. Ray moved the Governor's figure for the following. There was no objection, it was so ordered.

Juneau - \$175.1
Anchorage - \$227.1 - with intent
Fairbanks - \$205.3

Senate Intent: \$60,000 is for the Mental Health Center in Anchorage. Legis-
lative
Intent

Ron Lind informed the committee that there is 314D Federal money in the State Mental Health Centers including the Anchorage one. Where are you going to make the transfer? Sen. Ray moved that the Committee adopt their previous 314D intent. There was no objection.

Free Conference Committee Intent: It is the intent of the Committee if these Federal funds are not forthcoming they will be replaced by General Funds in this particular BRU. Legis-
lative
Intent

Department of Health and Social Services, Community Mental Health Center. Sen. Ray moved that the Committee adopt the Senate figure of \$372.8. There was no objection, it was so ordered.

Department of Health and Social Services, Mental Health Administration Developmental Disabilities. Ron Lind said there was a change on recording this. There is \$39.1 of General Fund money in order to acquire Federal money. Funding on the Senate figure would be \$39.1 Federal Funds and \$49.3 in General Funds. This is a 70-30 match. Rep. Malone moved that the Committee adopt the Governor's figure of \$142.8. There was no objection, it was so ordered.

Department of Health and Social Services, Mental Health Administration, Administration. Sen. Ray asked what happens with the two positions in the Senate Budget. Ron Lind said the Children's Mental Health Services position #3 for program expansion and the Administrative Officer is to relieve the administrative work load in the central office. He went on to say there is a problem in both budgets for the Medicaid Projects Officer which was deleted. It was deleted from General Fund money. There is \$18.5 of 314D funding in this component also. Rep. Malone asked what the Medicaid Officer does. Jeff Morrison answered that it is a continuing position authorized on contract right now. The request is so that the State can follow through and get Medicaid funds for mental health if possible. Sen. Ray moved the Committee adopt a personal services figure of \$181.8 which will allow the Children's Mental Health position within the allocation. This would eliminate the Administrative Officer. He mentioned that \$4,000 support would be needed someplace. Ron Lind asked if the \$22.2 for interagency funding should be reduced. This was to be made only if the Medicaid Projects Officer position was created. Rep. Malone asked if the interagency receipts were

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coming from the Medicaid Program. Ron Lind answered yes, the Medical Aid component in this situation. Sen. Ray moved the following figures. There was no objection, they were adopted.

Personal Services - \$181.8
Travel - \$9.3
Contractual Services - \$70.0
Commodities - \$25.0
Equipment - \$.5
TOTAL - \$264.1

Department of Health and Social Services, Medicaid. Rep. Malone asked on the description of differences in contractual, the \$522 is this the wing completion or the API? Milt Barker answered it is API. Sen. Ray Moved that the Committee adopt the Senate figure of \$13,000.0. Rep. Malone said there was no objection to the motion but he would like to add legislative intent that "they fully fund the cost of the eligible persons." Sen. Ray moved to amend the intent "only those eligible." There was no objection, the figure and the amended intent was adopted.

Free Conference Committee Intent: The Dpartment full fund the cost of only those persons eligible. Legis-
lative
Intent

Department of Health and Social Services, General Relief. Sen. Ray moved that the Committee adopt the House figure of \$3,210.4. Ron Lind pointed out that there was a Governor's revision on this. \$3.1 million was submitted based on the prior passage of a supplemental. Rep. Malone moved that the Senate intent be included. Both the House figure and the intent were adopted.

Senate Intent: Hospitals will absorb 20% of unpaid services as charity care. Legis-
lative
Intent

Department of Health and Social Services, Medical Assistance Admin. Rep. Malone moved the Senate figure of \$758.2. There was no objection.

Department of Health and Social Services, Comprehensive Health Planning, Planning. Rep. Naughton moved that the Committee adopt the House figure of \$201.1. Sen. Ray objected and asked that this BRU be left open. THIS BRU LEFT OPEN.

Department of Health and Social Services, Comprehensive Health Planning, Facilities Development. Rep. Malone mentioned that the House figures show \$22,000 General Funds against \$60,000 Federal receipts. It looks like a 50-50 match. Milt Barker stated that when the Senate's figures were worked up they had the new legislation which was passed in 1974. This changes the ratio to 75% Federal funding. Sen. Ray asked, then the Senate's figure is the same as the House as far as funding is concerned. Milt Barker answered

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yes. Rep. Malone moved and asked unanimous consent that the Committee adopt the adjusted Senate figure. There was no objection.

Department of Health and Social Services, Comprehensive Health Planning, Emergency Medical. Sen. Ray moved that the House figure of \$48.2 be adopted. There was no objection.

State Bond Committee, Debt Service. Representative Malone moved that the Committee adopt the figure of \$763.5. It was adopted.

The meeting adjourned at 6 p.m.

ADJOURN

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FREE CONFERENCE COMMITTEE
Monday, May 26, 1975
8:50 a.m.

Present: Senators Ray, Butrovich, Poland; Representatives Malone, Haugen, Naughton.

Also Present: Legislative Finance Division staff: J. H. Hogan, Bob Grogan; Budget & Management Division staff: Kent Dawson, Ron Lind; press and interested persons.

Chairman Ray called the meeting to order and stated that the committee will proceed to consider the Natural Resources budget category.

NATURAL
RESOURCES

Office of Governor, Fisheries Commissions, Limited Entry:
Representative Naughton moved to adopt the House figure for Limited Entry and the Senate figures for the next four (International North Pacific, International Fisheries, Pacific Marine Fisheries, Law of the Sea).

Senator Ray asked how many of the positions are filled in Limited Entry. Ron Lind said during last year they have been using a lot of temporaries but by the end of '76 they should start to fall off. He said they could definitely use additional personal services money or some part of it.

No objection, the House figure was adopted.

There being no objection to Representative Naughton's motion, the Senate figure (same as Governor's) was accepted for the following components:

Ofc. of Gov., Fisheries Commissions, Int'l North Pacific;

Ofc. of Gov., Fisheries Commissions, Int'l Fisheries;

Ofc. of Gov., Fisheries Commissions, Pacific Marine Fisheries;

Ofc. of Gov., Fisheries Commissions, Law of the Sea;

Ofc. of Gov., Athletic Commission: All figures are the same for this budget (\$20.0). Representative Naughton moved to adopt \$20.0, with intent that \$2.7* is to be used as a special grant for Handicapped children--this program is called the "Special Olympics". No objection, so ordered.

*Later in the meeting, Senator Ray noted that he had received information on the amount needed for the special olympics. The figure should be \$27.0, rather than \$2.7.

Representative Naughton moved to rescind the action on the Athletic Commission. No objection, so ordered.

Representative Naughton moved to adopt \$47.0, to include money

for the special olympics. Senator Ray amended this figure to \$44.7 for the Athletic Commission, to include \$27.0 for the special olympics. Uo objection, so ordered.

Legislative
Intent

Ofc. of Gov., State Pipeline Surveillance: Representative Naughton moved to adopt \$2,045.7 for this BRU. No objection, so ordered.

Dept. of Revenue, Fish & Game Licensing: Representative Naughton moved to adopt the House figure. He said that is the Governor's request minus VTO. No objection, the House figure of \$209.1 was accepted.

Dept. of Natural Resources, Land Management, Mineral Leasing: Representative Moved to adopt the Senate figure of \$184.0. No objection, so ordered. (same as Governor's figure).

Dept. of Natural Resources, Land Management, Central Office: Representative Naughton moved to adopt the House figure of \$325.4. Senator Ray noted that the Senate did not allow the new position here.

Ron Lind stated that they have received a letter from Land Management concerning four positions for \$78.4. He said the department claims these four positions would generate approximately 18 times more revenue to the state for sales of timber and gravel.

There being no objection, the House figure of \$325.4 was adopted.

Dept. of Natural Resources, Land Management, Southeast District: Representative Naughton moved to adopt the Governor's figure of \$205.2. No objection, so ordered.

Dept. of Natural Resources, Land Management, Southcentral District: Representative Naughton moved to adopt the House figure of \$163.8. No objection, so ordered.

Dept. of Nat. Res., Land Management, Northcentral District: Representative Naughton moved to adopt the House figure of \$180.0. No objection, so ordered.

Dept. of Nat. Res., Water Management: Representative Naughton moved to adopt the Senate figure of \$186.4. No objection, so ordered.

Dept. of Nat. Res., Cadastral Engineering: Representative Naughton moved to adopt the House figure of \$589.0. That would allow the new position of Cartographer.

Ron Lind stated that the position of Land Management Assistant was disallowed by both the Senate and House. He explained that this position is requested because of the 30 million acres of land the State expects to receive. The position would be to maintain titles and status on this additional land.

Senator Ray stated that we would have to put \$449.0 in personal services to allow the additional position of Land Management Assistant. He thought this should be rounded to \$450.0.

There being no objection, \$450.0 was accepted for personal services. This will allow both the Cartographer and Land Management Assistant. The House figures were accepted for the other line items. Total budget is \$605.0.

Dept. of Nat. Res., Administration/Land & Water: Representative Naughton moved to adopt the Governor's figure of \$754.5. No objection, so ordered.

Dept. of Nat. Res., Geophysical Program: Representative Naughton moved to adopt the House figure of \$237.6. No objection, so ordered.

Dept. of Nat. Res., Hard Minerals, Geological Investigation: Representative Naughton moved to adopt the House figure. Senator Ray moved to adopt the Governor's figure. There being no objection, the Governor's figure of \$562.3 was accepted.

Dept. of Nat. Res., Hard Minerals, Mineral Analysis & Research: Representative Naughton moved to adopt the House figure of \$157.0. No objection, so ordered.

Dept. of Nat. Res., Hard Minerals, Regulation: Representative Naughton moved to adopt the House figure of \$36.7. Senator Ray moved to adopt the Governor's figure of \$37.9. There was no objection to adopting the Governor's figure.

Dept. of Nat. Res., Hard Minerals, Administration: Representative Naughton moved to adopt the House figure of \$315.3. No objection, so ordered.

Kent Dawson told the committee that the V/T is quite hefty in this one.

Regulation

Dept. of Nat. Res., Oil & Gas: Representative Naughton moved to adopt the House figure of \$475.5. No objection, so ordered.

Dept. of Nat. Res., Oil & Gas, Administration: Representative Naughton moved to adopt the House figure of \$136.2. No objection, so ordered.

Dept. of Nat. Res., Pipeline-Oil & Gas, Pipeline-Regulation: Representative Naughton moved to adopt the House figure of \$99.8. No objection, so ordered.

Dept. of Nat. Res., Royalty Oil & Gas Board: Representative Naughton moved to adopt the House figure of \$135.9. Senator Butrovich moved to take the House figure for personal services and travel; \$50.0 for contractual, \$1.0 for commodities and \$2.4 for equipment.

Senator Butrovich noted that a letter had been received from the department concerning this BRU.

Representative Malone said the \$75.0 in contractual in the original request was based on the need to hire expert consultants in this area. He asked if \$50.0 would be sufficient for that purpose. He stated that this board makes decisions that have tremendous impact on state revenues.

Kent Dawson commented that he suspected that the contractual line item might not be a very good place to cut. He stated that consultants in this area are very expensive.

A vote was taken on Senator Butrovich's motion, and it failed with Senators Ray, Butrovich and Poland voting in favor of it.

Representative Malone moved to adopt the House figure of \$135.9, including the \$75.0 in contractual. Senator Ray objected. He felt we did not need any more experts--that we should have some expertise on the commission.

This BRU was LEFT OPEN.

Dept. of Nat. Res., Fire Protection & Suppression-State: Senator Butrovich noted that "we have a letter on this one." Kent Dawson stated that in this case it deals with the completion of the fire protection facilities and the capability of putting people on board towards the end of this fiscal year to have them benefit from training. He said these positions are not full year positions--they are for the '76 fire season starting next spring.

Representative Malone asked if this is in connection with the fire protection facilities in the capital improvement program. Mr. Dawson replied "yes".

Representative Naughton asked if there was any assurance that the bonds will be sold this year. Mr. Dawson said they recently had a \$40 million sale.

Senator Ray moved to adopt a budget of \$475.4, as follows: Personal Services: \$272.4; Travel: \$10.0; Contractual: \$167.0; Commodities: \$21.0; Equipment: \$5.0. No objection, so ordered.

Dept. of Nat. Res., Fire Protection & Suppression-BLM: Representative Naughton moved to adopt the Senate figure. Senator Ray moved to adopt the Governor's figure (420.0). No objection, so ordered. (All figures the same).

5/26/75

Dept. of Nat. Res., Forest Management/Other, Research Assistance:
Representative Naughton moved to adopt the Governor's figure (\$27.5). No objection, so ordered.

Dept. of Nat. Res., Forest Management/Other, Management & Timber Sales: Representative Naughton moved to adopt the House figure of \$122.5. No objection, so ordered.

Dept. of Nat. Res., Forest Management/Other, Administration:
Representative Naughton moved to adopt the House figure.
Senator Ray moved to adopt the Governor's figure of \$64.1.
No objection, the Governor's figure was adopted.

Dept. of Nat. Res., Conservation Action Corps: Representative Naughton moved to adopt the Governor's figure of \$300.0.
No objection, so ordered.

Dept. of Nat. Res., Parks & Recreation-Districts, Mat-Su:
Representative Naughton moved to adopt the House figure of \$251.1. Senator Butrovich said he thought the Senate's figure was better, not so much in the totals, as in the spread.

Senator Ray moved to adopt the Senate figure of \$246.3. No objection, the Senate figure was adopted.

Dept. of Nat. Res., Parks & Recreation-Districts, Chugach:
Representative Naughton moved to adopt the House figure of \$252.1. Senator Ray moved to amend that to the Senate figure of \$252.2. He said he is "looking at the spread."
After a short discussion, the Senate figure of \$252.2 was adopted without objection.

Dept. of Nat. Res., Parks & Recreation-Districts, Kenai-Kodiak:
Representative Naughton moved to adopt the House figure of \$141.7. No objection, so ordered.

Dept. of Nat. Res., Parks & Recreation-Districts-Southeast:
Senator Butrovich moved to adopt the Governor's figure of \$129.0. No objection, so ordered.

Dept. of Nat. Res., Parks & Recreation-Districts, Copper Basin:
Representative Naughton moved to adopt the House figure of \$93.5. No objection, so ordered.

Dept. of Nat. Res., Parks & Recreation-Districts, Interior:
Representative Naughton moved to adopt the Senate figure of \$235.5. No objection, so ordered.

Dept. of Nat. Res., Park Management, Operations Administration:
Representative Naughton moved to adopt the House figure of \$53.3.
No objection, so ordered.

9:40 a.m. - The meeting was recessed
11:15 a.m. The meeting was reconvened

Dept. of Nat. Res., Park Management, Park Development:
Representative Naughton moved to adopt the House figure of \$156.0.
No objection, so ordered.

Dept. of Nat. Res., Park Management, Adm. & Support: Representative Naughton moved to adopt the Senate's figure. No objection, so ordered.

Dept. of Nat. Res., Statewide Programs, Historic Preservation:
Representative Naughton moved to adopt the House figure of \$93.7. Senator Ray objected. He said "we do not need any more additional positions in Anchorage."

THIS BRU WAS LEFT OPEN.

Dept. of Nat. Res., Statewide Programs, Archaeology: Representative Naughton moved to adopt the House figure, which is the Governor's revised request. Senator Butrovich noted that the Senate had disallowed the new position. The Senate had approved the Governor's original request but there was a RP that came in and the Governor did approve the Archaeologist.

THIS BRU was left OPEN.

Dept. of Nat. Res., Statewide Programs, State-Federal Coordination:
Representative Naughton moved to adopt the House figure of \$55.5. It was noted that the Senate had reduced the contractual line item by \$6.0. Senator Butrovich referred to the item the Senate reduced which appears on page 521 of the "red book".

Senator Ray moved to adopt the Senate figure of \$51.2. No objection, so ordered.

Planning Unit:
Dept. of Nat. Res., Land Use Planning: Representative Naughton moved to adopt the Senate figure of \$74.8. No objection, so ordered.

Dept. of Nat. Res., Land Use Planning, State-Federal Commission:
Representative Naughton moved to accept the Senate figure of \$689.1. No objection, so ordered.

Dept. of Nat. Res., Office of the Commissioner: Representative Naughton moved to adopt the House figure of \$381.4. Senator Ray moved to amend the motion to adopt a total budget of \$377.1, with line items as follows: Personal Services: \$278.0; Travel: \$9.8; Contractual: \$85.0; Commodities: \$3.5; Equipment: \$.8.

No objection, Senator Ray's motion was adopted.

Dept. of Fish & Game, Commercial Fish, Research: Representative Naughton moved to adopt the House figure. Senator Ray noted that the Senate did not allow any new positions.

Mr. Lind reported that they have received a letter from the Governor on this budget. The agency advises that the Senate deleted an existing position in the White Fish Program. This position had been transferred from the FRED Division.

Senator Butrovich said it was not his intention to cut any existing positions. Answering Senator Ray, Mr. Lind said according to the letter, the total position cost is \$52.8. (this includes adjustments to the other line items).

There was some discussion about the Senate personal services amount and whether in fact there was enough in there to fund the existing position. Senator Ray's calculations showed that the Senate funded personal services to include the existing position.

Kent Dawson said he thought the position count of the Senate must be incorrect--it probably should be 20.3. Senator Ray advised the staff to change the position count then, rather than the amount of money.

Representative Naughton stated that one of the positions that the House allowed is a Biologist, who will be the expert for America on bottom fish. He stated if Congress passes the 200 mile fishery zone bill, we will need that expertise. The other position is a Biologist to do research in the Ugashik area.

This BRU was LEFT OPEN. Senator Ray disagreed with putting a position in Kodiak right now.

Dept. of Fish & Game, Commercial Fish, Management: Representative Naughton moved to adopt the House figure. Senator Poland inquired about the difference in the Senate and House figures in the Contractual line item. Senator Butrovich stated that the Senate reduced amounts for aircraft and vessel charter.

Senator Ray suggested taking all of the House figures except for Contractual Services, and setting Contractual at \$861.2. Representative Malone said he thought there is a problem because without adequate positions for monitoring the fish population, it could be destroyed in one season.

This BRU was LEFT OPEN.

Dept. of Fish & Game, Commercial Fish, Administration & Support: Senator Ray said the main difference is this budget is that the Senate did not allow the University of Alaska management study program.

Ron Lind noted that the Senate made a reduction in the area of printing in this budget. He said the agency claims there has been a tremendous increase in printing costs. Senator Butrovich stated that the Senate gave them a 15% increase for inflation. Kent Dawson said he believed the increase in printing and paper has been much greater than 15%.

THIS BRU WAS LEFT OPEN.

Dept. of Fish & Game, Commercial Fish, Federal Aid Programs:
Representative Naughton moved to adopt the Senate figure (\$1,147.8). No objection, so ordered.

Dept. of Fish & Game, Game, Investigations/Research: Senator Ray moved to adopt the Governor's figure (\$3,009.4). No objection, so ordered.

Dept. of Fish & Game, Game, Management: Senator Butrovich requested that two items be added to this budget: (1) the Upland Game Bird Program (\$25.0); and (2) Musk Ox Transplant Program (\$25.0).

Senator Ray suggested adding this \$50.0 under Miscellaneous.

Senator Butrovich remarked that on the Musk Ox Transplant program, there will be a 3 to 1 match. Mike Orelove of Budget & Management said he will check to see if the state monies could come out of Fish and Game funds rather than general fund monies.

A budget of \$302.4 was adopted. This is the Gov's figure plus \$50.0 extra in Miscellaneous for the programs mentioned by Senator Butrovich.

The following Legislative Intent was adopted: \$25.0 in Miscellaneous shall be used to implement Chapter 31 SLA 1974, the Upland Game Bird Bill, and \$25.0 is for the Musk Ox Transplant Program. Leg. Intent
It is intended that Fish & Game funds, rather than general funds be used for any state matching monies, if possible.

Dept. of Fish & Game, Game, Hunter Safety: Representative Naughton moved to adopt the House figure. Senator Ray moved to adopt the Governor's figure (\$108.3). Representative Naughton moved to adopt the House Intent: That the Department investigate the feasibility of locating a rifle range at Potter's Marsh.

Leg.
Intent

No objection, both the budget of \$108.3 and the intent were approved.

Dept. of Fish & Game, Game, Administration & Support: Senator Ray moved to adopt the Governor's figure of \$248.3. No objection, so ordered.

Representative Naughton moved to adopt the Governor's figure of \$2,395.7 total for the entire Sport Fish BRU. No objection, so ordered. This includes:

Sport Fish, Investigations/Research

Sport Fish, Management

Sport Fish, Sport Fish Restoration

Sport Fish, Administration & Support

At this point, Senator Ray stated that the committee will break for lunch and reconvene at 1:30 p.m.

AFTER RECESS
1:30 p.m.

The Chairman called the meeting to order.

Dept. of Fish & Game, Fish Hatcheries, Kitoi Bay: Representative Naughton moved to adopt the House figure of \$104.1. No objection, so ordered.

Dept. of Fish & Game, Fish Hatcheries, Firelake-Ft. Richardson: Representative Naughton moved to adopt the House figure of \$323.0. It was noted that both the House and Senate had disallowed the new position.

Mr. Lind stated that the agency indicates that by not allowing the position, the capability of this agency will be reduced.

After a short discussion, Senator Ray moved to adopt the Governor's figure of \$343.6. No objection, so ordered. This allows for the new position of F&G Tech. IV.

Dept. of Fish & Game, Fish Hatcheries, Crystal Lake: Representative Naughton moved to adopt the House figure (\$404.0). No objection, so ordered.

Dept. of Fish & Game, Fish Hatcheries, Administration: Representative Malone moved to adopt the House figure (\$73.0). No objection, so ordered.

Dept. of Fish & Game, FRED, Anadromous: Representative Malone moved for the following budget:

Personal Services:	\$1,211.5
Travel:	39.9
Contractual:	318.0
Commodities:	325.7
Equipment:	80.9
Total	<u>\$1,976.0</u>

CORRECTION

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

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Sport Fish, Sport Fish Restoration

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