

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2656

He said this would allow 39 permanent full time positions including a Fish Culturist and funding for Deer Mountain Hatchery in Ketchikan. Representative Naughton explained that the Deer Mountain Hatchery is a program to learn how to imprint fry to get them to come back to streams other than the ones they were hatched in.

Senator Butrovich remarked that the only difference in this budget is in personal services--the Senate allowed the RP positions and the Dillingham/Anchorage/Juneau/Soldotna deal.

Senator Ray suggested the following compromise: Use the present House budget (\$1,950.1 total) and allowing the Fish Culturist position within that allocation.

Senator Ray clarified the intent as follows: Free Conference Intent is that within the new positions there shall be a Fish Culturist position and funding for the Deer Mountain Hatchery Program. (This is to be done within the allocation of \$1,950.1--the original House recommendation). Legislative Intent

No objection, so ordered.

Dept. of Fish & Game, FRED, Administration: Representative Naughton moved for the House budget of \$314.0. Senator Ray noted that the Senate allowed only the Fish Pathologist position.

Kent Dawson stated that a number of the newly-requested positions are on board now, being funded out of the Capital Improvement Program. However, when the capital improvement funds run out and the project actually begins, they would be "wiped out" if not allowed in this budget.

After a short discussion, the House budget of \$314.0 was accepted.

Dept. of Fish & Game, Adm. & Support, Board of Fish & Game: Representative Malone moved to adopt the Senate figure (\$42.9).

Kent Dawson pointed out that the Liaison Officer position which was not allowed by the Senate in this budget is one of the Governor's top priorities.

No objection, the Senate figure of \$42.9 was accepted.

Dept. of Fish & Game, Adm. & Support, Ofc. of Commissioner: Representative Naughton pointed out that the requested Special Assistant position is for a man to replace Ed Huizer while he is in Washington, D. C. Senator Butrovich remarked "this is the guy knocked out the year before--only the title has changed."

Senator Ray moved to adopt the Senate figure of \$156.7. No objection so ordered.

Dept. of Fish & Game, Adm. & Support, Information & Education:
Representative Naughton moved to adopt the House figure.
Senator Ray moved to adopt the House figure for personal services (\$92.5) and the Senate figures on the remaining line items. No objection, so ordered. Total budget: \$116.3.

Dept. of Fish & Game, Adm. & Support, Administrative Services:
Senator Ray moved to adopt the Senate figure. Senator Ray stated that the Senate took the Governor's figure, allowing one new requested position and disallowing one. Representative Naughton stated that there is a Personnel Officer being transferred in from General Government.

It was pointed out by Bob Grogan that the position count of 32 in the House budget was incorrect--it should be 33 in the House budget.

Senator Ray asked for the rationale for the personnel officer. Mr. Lind stated that the House intent was that it was a priority program to decentralize personnel officers; however, he was not really sure what the House intent was doing.

Representative Malone said the House intent was to have a personnel officer work with the agency instead of in the Department of Administration.

Senator Butrovich asked if the House disallowed both of the new requested positions set out in the short form. Representative Naughton stated "yes--our total is 33--the same as the Senate."

THIS BRU WAS LEFT OPEN.

Dept. of Fish & Game, Adm. & Support, Engineering Support:
Senator Butrovich moved to adopt the Senate figure (\$99.2). No objection, so ordered.

Dept. of Fish & Game, Adm. & Support, Vessels: Representative Naughton moved to adopt the House figure. Senator Butrovich pointed out that under contractual the department had a "guess" figure of \$24.0 which the Senate disallowed. Kent Dawson said this contingency item is for major overhauls in case of an accident. Senator Ray pointed out that they could pay for that through a supplemental if need be. Senator Butrovich thought that would be the best way to handle that.

Representative Malone moved to adopt the House figure for personal services and the senate figures for the other line items, leaving out Miscellaneous, for a total budget of \$788.8. No objection, so ordered.

Dept. of Fish & Game, Habitat Protection, Land Use Planning:
Representative Malone moved to adopt the Senate figure of \$149.8. No objection, so ordered.

Dept. of Fish & Game, Habitat Protection, Water Planning:
Representative Naughton moved to adopt the House figure of \$54.7. No objection, so ordered.

Dept. of Fish & Game, Habitat Protection, Access: Representative Naughton moved to adopt the House figure of \$66.9. Senator Ray moved to adopt the Senate figure of \$65.5. Senator Ray said the difference is in contractual services. Senator Butrovich remarked that the Senate reduced the aircraft rental. No objection, the Senate figure was adopted.

Dept. of Fish & Game, Habitat Protection, Permits: Senator Ray moved to adopt the Senate figure. Kent Dawson then explained that the position not funded by the Senate is a position that was approved by RP and is currently filled.

With that in mind, Senator Ray moved to adopt the Governor's figure for personal services and the Senate figures for Travel, Contractual and Commodities, with the House figure for Equipment. Total budget: \$115.3. No objection, so ordered.

Dept. of Fish & Game, Habitat Protection, Kachemak Bay Study:
Representative Malone moved to adopt the House figure. The Senate did not allow the Kachemak Bay Study. THIS BRU WAS LEFT OPEN at Senator Ray's request.

Dept. of Fish & Game, Habitat Protection, Pipeline Monitoring:
Senator Ray moved to take the "maintenance" figure of \$848.5. No objection, so ordered.

Dept. of Public Safety, Protection, Enforcement: Senator Ray noted that the House and Senate allowed different positions entirely. Representative Malone suggested the following compromise: Allow all the positions using the Senate figures on the appropriation. This will allow 69 pft positions as the Governor recommends, and by adopting the Senate figure, the persons can be placed in the areas of greatest need by the administration.

Kent Dawson stated that the Equipment figure should be raised since the equipment is tied in with the new positions. Senator Ray suggested \$65.0 for Equipment.

There being no objection the Senate's figures were adopted, except for Equipment which was set at \$65.0. The Intent is to allow 69 pft positions, and allow the administration to place them in the areas of greatest need.
Total budget is \$2,944.4.

Legislative
Intent

Dept. of Public Safety, Protection, Director's Office: Senator Ray moved to adopt the Senate figure (\$486.6). Ron Lind said he is not sure if the position requested was fully explained in the budget. It is to be used to implement the license check program. The agency feels there are many people buying licenses who are not truly state residents--that is what the position would do.

With this explanation, Senator Ray moved to adopt a budget of \$495.0 total, with a personal services figure of \$308.8. This will allow the new position. The remainder of the figures will be: Travel: \$17.2; Contractual: \$145.0; Commodities: \$22.0; Equipment: \$1.2. No objection, so ordered.

Dept. of Public Safety, Protection, Aircraft: Representative Naughton moved to adopt the House figure (\$380.6). Senator Butrovich pointed out that the Senate allowed \$5.0 more in contractual than the Governor and disallowed the position of Aircraft Mechanic.

A vote was taken on approving the House figure which would allow the new position, with the following result:

Yes: 4 Senator Ray, Representative Naughton,
Senator Poland, Representative Malone

No: 2 Representative Haugen, Senator Butrovich

And so, the House figure was adopted.

Dept. of Public Safety, Protection, Vessels Section: Representative Naughton moved to adopt the Governor's figure. Senator Butrovich pointed out that the Senate had disallowed money that was put in this budget for "unforeseen events", since they didn't consider that a good enough explanation. Representative Naughton stated that there is no doubt in his mind that they will need contingency money since they are bound to run into some difficulty with the T-boats that they have never used before.

Senator Ray moved to adopt \$260.0 for personal services, and the Senate figures for the remaining line items. Representative Naughton objected to this.

THIS BRU WAS LEFT OPEN.

Dept. of Public Safety, Protection, Pipeline-Enforcement: Representative Naughton moved to adopt the Senate figure of \$114.7. No objection, so ordered.

Dept. of Environmental Conservation, Water Programs, Water Pollution Control: Representative Naughton moved to adopt the Senate Figure.

Ron Lind pointed out that a revision to this budget has been submitted. He said the request is to add \$289.0 for operating costs related to Village Safe Water Projects. Reading from the request, he said that the department felt this was necessary to allow adequate operation of 8 facilities during FY 76. Mr. Lind said one of the options is to cut this amount out of the capital budget.

Representative Naughton moved to adopt the Senate figures for the following components of Water Programs:

Water Pollution Control

Water Supply

Construction Grant Administration

Director's Office

No objection, so ordered.

Representative Naughton moved to adopt \$392.7 (in place of \$103.7) for Village Safe Water. No objection, so ordered.
This adds the \$289.0 mentioned by Mr. Lind.

Dept. of Env. Cons., Terrestrial Programs:

Representative Naughton moved to adopt the Governor's figure for the three components of this BRU:

Air Quality \$149.2

Land Use 285.5

Director's Office 75.6

No objection, so ordered.

Dept. of Env. Cons., Program Coordination: Representative Naughton moved to adopt the Senate figure of \$210.9. No objection, so ordered.

Dept. of Env. Cons., Administration & Support: Representative Naughton moved to adopt the Senate figure of \$680.7 total for all components of this BRU:

Office of Commissioner

Advisory Board

Management Services

Technical Services

Ron Lind pointed out that the number of positions in the Senate budget is Management Services says 7, but he believes it should read "9", unless it is the Senate intent to delete positions. Senator Ray replied that it should read 9.

No objection, the motion to adopt the Senate figure for this BRU (all components) was adopted.

Dept. of Env. Cons., Field Operations, Pipeline-Indirect Impact:
Representative Naughton moved to adopt the House personal services figure and the House Travel figure, change contractual to \$115.0 (from \$45.0), Commodities: \$12.0; Equipment: \$16.5. Total budget: \$371.5.

Representative Naughton moved to adopt Legislative Intent:
The additional money in contractual is to make possible the continuation of the contract for a photographic history of the construction of the pipeline.

Legislative
Intent

Mr. Lind called the committee's attention to the fact that the department states that they have only two sanitary engineering people in Anchorage, and there is a whole range of different development activities taking place in Anchorage for which the positions are needed.

Senator Ray then suggested the following budget:

Personal Services:	\$160.4	
Travel:	48.0	
Contractual:	115.0	
Commodities:	8.5	
Equipment:	11.7	Total: \$347.6

This would allow 7 PFT positions. No objection, this budget was adopted.

Dept. of Env. Cons., Field Operations, Pipeline-Monitoring:
Representative moved to adopt the Senate figure (all figures are the same). No objection, \$472.9 adopted.

Dept. of Env. Cons., Regional Offices, Southeast Region:
Representative Naughton moved to adopt the Senate figure of \$78.0. No objection, so ordered.

Dept. of Env. Cons., Regional Offices, Southcentral Region:
Representative Naughton moved to adopt the House figure (\$158.8). No objection, so ordered.

Dept. of Env. Cons., Regional Offices, Northern Region:
Representative Naughton moved to adopt the House figure of \$123.8. No objection, so ordered.

5/26/75

State Bond Committee, Debt Service: Representative Naughton moved to adopt the Senate figure of \$3,774.7 total for all components of this BRU:

<u>Fish & Game Facilities</u>	\$875.6
<u>Water & Sewer</u>	\$2,412.0
<u>Parks & Recreation</u>	\$298.1
<u>Fire Protection:</u>	\$189.0

No objection, so ordered.

This concluded the NATURAL RESOURCES CATEGORY.

2:30 - There was a short recess

Recess

AFTER RECESS

2:50 p.m.

Present: All Committee members and Kent Dawson and Ron Lind
of Budget and Management Division.

PRESENT

Department of Law, Consumer Protection. Sen. Butrovich moved that the Committee adopt the Senate figure of \$189.5. Rep. Malone objected saying that the House is asking that the Tariff Analyst and one other added position be allowed. Their request comes out the same as the Governor's but they retain the Analyst in ATC. Sen. Ray said there is no objection to this. A hand vote failed the motion to adopt the Senate figure. Rep. Malone moved that the Committee adopt the House figure allowing the Tariff Analyst and the Investigator from Ketchikan. There was no objection. The House figure of \$256.1 was adopted.

Department of Law, Consumer Protection (PLI). Sen. Ray moved the Senate figure of \$14.5. There was no objection.

Department of Revenue. The following figures were adopted by the Committee without objection.

Motor Vehicle Registration - \$1,188.7

Motor Vehicle Regis. (PLI) - \$118.7

Alcoholic Beverage Control - \$263.4

Department of Labor, OSHA. Sen. Butrovich moved the following figures. They were adopted without objection.

Administration - \$345.0

Safety Inspection - \$1,078.9 - with intent

Health Inspection - \$164.1

Research - \$112.3

Training and Consultation - \$289.3

Planning and Standards - \$141.2

Rep. Malone moved the following intent for the Safety Inspection component. There was no objection.

Free Conference Committee Intent: 30 positions will be allowed in the Safety Inspection BRU.

Legislative
Intent

Department of Labor, State Inspection. Rep. Malone mentioned that some people were transferred into OSHA in the split off. Because of Federal restrictions, they didn't come out equal. The House provides a maintenance level budget plus the three pressure inspectors in Ketchikan, Juneau, and Fairbanks. The Ketchikan inspector is new. Rep. Malone moved the House figure of \$369.3 with the positions. Sen. Ray said there was no objection as long as the Senate intent was included. Both the House figure and the Senate intent were adopted.

5/26/75

Senate Intent: The program is to raise inspection fees from \$65 to \$150 to be more in keeping with the national average.

Legis-
lative
Intent

Department of Commerce. Sen. Ray moved the following figures, there was no objection.

Weights and Measures - \$722.0 (Sen. figure)

Weights and Measures (PLI) - \$100.0

Department of Commerce, Banking, Securities, et al, Banking and Small Loans. Sen. Ray questioned the Clerk Typist and Bank Examiner positions. Ron Lind said that basically the Governor's budget allowed a position or two throughout the regulatory programs. These programs have not had any increases over the years and the Administration felt that they should be "beefed up" a little. The Governor's figure of \$150.4 was adopted.

Department of Commerce, Banking, Securities, et al, Securities and Land Sales. Rep. Malone moved the Senate figure of \$108.5. There was no objection.

Department of Commerce, Banking, Securities, et al, Corporations. Sen. Ray noted that the Senate allowed the Corporate Processing Clerk and the House eliminated the position. Rep. Malone said the House went ahead on the part-time positions and the Senate allowed the full-time positions. Ron Lind explained that there is an increase in registered corporations. The Department didn't list this as their highest priority item, but it is needed. Sen. Ray moved the Governor's figure of \$94.2. There was no objection.

Department of Commerce, Banking, Securities, et al, Administration. Rep. Malone moved that the Committee adopt the Governor's figure of \$103.9. There was no objection.

Department of Commerce, Insurance, Insurance Companies. Sen. Ray moved that the Committee adopt the Senate figure of \$135.3 for this component. There was no objection.

Department of Commerce, Insurance, Rates and Policy Forms. Ron Lind explained that this component is very small, it is a three position operation. The legislature passed a major bill in the insurance area. There will be a major amount of new rate filings. The current operation is not much more than filing; they are not doing any analysis of the rates of policies. After a brief discussion, Rep. Malone moved the Senate figure of \$115.4. There was no objection.

Department of Commerce, Insurance. Sen. Ray moved the House figure on the following two components. There was no objection.

Licensing - \$38.2

Investigation - \$48.3

5/26/75

Department of Commerce, Public Utilities Commission. Ron Lind explained that there is a problem with inflation. There will be an abnormal increase in the work load. All of the utilities will be increasing their rates at the same time. Sen. Ray suggested changing the position numbers to 27 and taking the Senate figure. Rep. Malone so moved. The Senate figure of \$759.6 was adopted.

Department of Commerce, Public Utilities, (PLI). Ron Lind informed the Committee that they have been requesting the new positions for a number of years. It would have been better to have received them earlier before the pipeline communications system was under way. This would have been two years ago, it would have taken care of the design and construction. There is a major investment in capital in the utilities area and the positions were never allowed. Sen. Ray remarked that it is a bit late to allow the positions now; however, the Senate has no strong position on this. Rep. Malone asked if these people would be working full time on the pipeline or on general utility increases. Ron Lind answered that they would be working on communications in conjunction with the pipeline. Sen. Ray asked why not put them in the regular PUC? Ron Lind said the Administration was attempting to keep the pipeline impact separate. Sen. Ray remarked that this is the reason for the Senate refusing the positions; this looked like an add-on. Rep. Malone suggested adopting the House figure; it would save money in the other category. Rep. Malone moved that the figure of \$70.2 be adopted, there was no objection.

Department of Commerce, Transportation Commission. Rep. Malone said the House allowed two transportation tariff filings. He suggested that the role of the Transportation Commission should be looked in to. They requested deletion of the Rate Analyst. Bob Grogan explained from the Senate budget against the Governor's budget, the two Governor's positions were disallowed. The Rate Analyst and Consumer Protection Analyst were allowed. This would make 26 positions. Kent Dawson explained further that the Rate Analyst going to Consumer Protection was aimed at maritime transportation. The Rate Analyst requested in this particular BRU was requested for general growth in the whole program. Sen. Ray asked what a Transportation Field Agent was. Kent Dawson said the major difference is he travels. It is a lower level position than the professional Rate Analyst. The Field Analyst checks to see that vehicles are licensed in various areas, etc. Sen. Ray moved that the Committee take the Senate figures and put in the Rate Analyst and Transportation Field Agent. Rep. Malone said there was no objection as long as the Rate Analyst in Consumer Protection is left. Sen. Ray said this would change the number of positions to 26 and it leaves the Field Analyst position open. The figure of \$790.0 was adopted.

5/26/75

Department of Commerce, Pipeline Commission. Rep. Malone moved that the Committee adopt the Senate figure of \$295.0 along with the House intent. There was no objection.

House Intent: Contracutal Services funding is to provide full time legal counsel for tariff rate hearings.

Legis-
lative
Intent

Ron Lind asked for clarification of the House intent. He wanted to know whether or not this meant year-round. Rep. Malone answered that the State should have someone on the pipeline tariffs on the line constantly.

Department of Commerce, Transportation Commission (PLI). Sen. Ray moved the Governor's figure of \$50.0 There was no objection.

Department of Commerce, Occupational Licensing Boards. Rep. Malone moved that the Committee adopt the House figure of \$478.1. There was no objection.

Department of Commerce, Administration. Rep. Malone moved that the Committee adopt the Senate figure of \$310.2. There was no objection.

Department of Military Affairs, Civil Air Patrol. Rep. Malone moved that the Committee adopt the Senate figure of \$168.2. There was no objection.

Department of Military Affairs, Alaska Disaster Office. Sen. Ray moved that the Committee adopt the Senate figures on the following:

Field Services - \$102.3
Resources - \$25.6
Radiological Program - \$32.1
Warning Program - \$25.5
City Participation - \$95.0
General Administration - \$185.0
Fiscal Administration - \$28.4
Planning - \$36.1

Department of Military Affairs, Alaska Disaster Office, Flood Control. Rep. Malone said that under contractual services the Senate deleted \$14,000. Sen. Ray explained that a couple of years ago the money wasn't used this was the reason for the deletion. Rep. Malone moved that the committee adopt the \$14,000 under contractual services, making the total figure for flood control \$52.0. There was no objection.

Department of Military Affairs, Training. Sen. Ray moved that the Committee adopt the Senate figure of \$57.6. There was no objection.

5/26/75

Department of Military Affairs, Disaster Relief Act. Rep. Malone moved the Senate figure of \$97.8 for this BRU. Ron Lind informed the committee that the funds might not be forthcoming under this Act. Sen. Ray said the Committee felt that the funds should be given to them anyway. If it doesn't come this is all right; it is all federal funds. There was no objection to the motion.

Department of Military Affairs, Alaska National Guard. Rep. Malone said that the House and Senate figures reflected mainly a maintenance budget. Except for the Executive Administrative position, we took the Governors figure. Instead of hiring another General, the House recommended the hiring of another secretary. Rep. Malone moved that the Committee adopt the Senate figures for all of the components as long as the Executive Administrative position was not allowed in militia benefits. There was no objection.

Army & Air Administration - \$138.3
Operations & Training - \$76.1
Facilities & Fiscal - \$104.1
Executive Administration - \$323.4
State Armories - \$307.8
Federal Armories - \$550.9
Army Training Support - \$261.8
Air Training Support - \$568.7
Recruitment & Retention - \$50.4
Organized Militia Benefits - \$186.6
Hitchhike - \$141.8

Department of Natural Resources, Agricultural Inspection, Plant Industry. Rep. Naughton moved that the Committee adopt the Senate figure of \$76.3. There was no objection.

Department of Natural Resources, Agricultural Inspection, Animal Industry. Rep. Naughton asked that this BRU be left open. There was no objection. THIS BRU LEFT OPEN.

Department of Public Safety, Fire Safety. Sen. Ray informed the Committee that the Senate added the positions Clerk Typist II in Anchorage and Fire Inspector II in Fairbanks. Kent Dawson said that the Governor did send over a revision to the budget which allows for increased rent in Fairbanks for the Fire Office; this is in the Senate contractual. Rep. Malone said the House does not think a Clerk Typist in Anchorage is needed; however, if the Senate wants the position, they would not argue. Rep. Malone moved the Senate figure of \$440.0 for Fire Safety. There was no objection.

5/26/75

Department of Public Safety, Traffic Safety, Driver Licensing.

Sen. Butrovich moved that the Committee adopt the Senate figure of \$554.7. There was no objection.

Department of Public Safety, Traffic Safety, Driver Improvement.

Representative Malone moved that the Committee adopt the Senate figure of \$117.0. There was no objection.

Department of Public Safety, Traffic Safety, Driver Licensing (PLI).

Sen. Ray informed the Committee members that the Senate put this figure under the regular driving licensing BRU. They could not see where there would be PLI impact. Sen. Ray moved the figure of "0". Rep. Malone asked Budget and Management where these people worked. He recalled they had an RP started in the current year. Mike Clemens answered that these are temporary positions in Fairbanks and Anchorage. Rep. Malone stated that there was no objection to the Senate figure.

RECESS WAS CALLED AT 3:50 P.M.

AFTER RECESS 4:10 P.M.

Department of Public Safety, Traffic Safety, Project Coordination.

Sen. Butrovich moved that the Committee adopt the Senate figure of \$71.3. It was adopted without objection.

Department of Public Safety, Traffic, Safety, Federal Projects.

Rep. Naughton moved that the Committee adopt the House figure of \$750.0. There was no objection.

State Bond Committee, Debt Service. Sen. Ray moved that the Committee adopt the Governor's figures for the following BRUs.

National Guard Facilities - \$73.3

Flood Control - \$607.2

Office of the Governor, Public Defender, 1st Judicial District. JUSTICE

Rep. Malone moved that the Committee adopt the House figure of \$163.6, deleting the Ketchikan attorney position. There was no objection.

Office of the Governor, Public Defender, 2nd Judicial District.

Sen. Ray moved that the Committee adopt the House figure of \$79.9. There was no objection.

Office of the Governor, Public Defender, 3rd Judicial District.

Sen. Ray mentioned it was the opinion of the Anchorage members and the President of the Senate that the Attorney IV was the position wanted most in this District. He moved the Senate figure of \$615.9. There was no objection. Kent Dawson said there may be a problem with the Senate figure. The question is whether or not an existing position is deleted. Mr. Clemens explained further

5/26/75

that the original budget submission for this district left out an existing position. If the Committee is to allow the new positions there would be 20 positions instead of 19. Sen. Ray instructed them to allow as many positions as was wanted within the allocation.

Office of the Governor, Public Defender, 4th Judicial District.

Milt Barker informed the Committee that the increase in contractual is for rent. The position was not allowed. There were extensive revisions in this budget category. Mike Clemens explained further that the public defender budget did not adequately reflect where their workers were working. As a result their position count went down. Kent Dawson said the House budget reflects basically the Administrations revision. However they cannot find the increase in contractual. The House figure of \$313.0 was adopted.

Office of the Governor, Public Defender, Administration. Sen. Poland moved that the Senate figure of \$93.9 be adopted. There was no objection.

Office of the Governor, Human Rights Commission. Sen. Ray mentioned that the Senate budget version allowed three Field Representative positions and the House added four positions. He asked Budget and Management what the contractual figure was for. Mike Clemens answered it was for a contract lawyer in the Attorney General's Office any other lawyer fees for hearings. Kent Dawson explained that the contractual attorney fees are reimbursements by the Human Rights Commission to the Department of Law. This budget does not contain sufficient funds for Chapter 38 for contractual. Sen. Ray responded saying that the \$26.0 was over the Governor's figure. Ron Lind answered that there was a \$52.0 revision which did not include any positions. The legislature passed Chapter 38 which created four positions and their associated costs. There was a supplemental for FY 75, but this is for FY 76. Rep. Malone said that in accordance with a letter from the Governor, they are requesting \$39.1 in positions costs. Added to the Senate budget that would bring the Senate figure up to \$260.5. He recommends the House figure of \$253.1. For travel, add the Governor's revision of \$14.8 to the Senate budget which would bring the total for travel up to \$44.4. He recommends that this figure be used for travel. The contractual figure of \$67.5 would be increased by the Administrations \$32.3, which gives \$99.8 for contractual services. He moves that the Committee adopt this. He had no further comments, would accept Commodities and Equipment as set forth in the Senate budget. Rep. Malone moved the total figure of \$405.3. There was no objection. Ron Lind asked if this would fund the six positions instead of the four. There are four Field Agents and two Clerks out of the supplemental and the memo from the Governor. Kent Dawson added that they could take the same dollars mentioned and add the two positions. If the

5/26/75

positions cannot be funded with this amount, well that's Okay. Rep. Malone said that the 14 positions within the allocation is acceptable.

Office of the Governor, Criminal Justice Planning, Action Grants. The figure of \$1,586.3 was adopted by the Committee.

Office of the Governor, Criminal Justice Planning, Planning. Kent Dawson informed the Committee that the position of Rural Criminal Justice Planner was funded 90% with federal money. Sen. Ray moved that the Senate figure of \$438.9 be adopted allowing the position. There was no objection.

Office of the Governor, Criminal Justice Planning Police Standards Council. Rep. Malone moved that the Committee adopt the House figure of \$80.0. There was no objection.

Department of Law, Prosecution, 1st Judicial District. Sen. Ray moved that the Committee adopt \$247.2 for personal services in this component, giving a total figure of \$361.3. There was no objection.

Department of Law, Prosecution, 2nd Judicial District. Sen. Butrovich moved that the Committee adopt the Senate figure of \$101.2. There was no objection.

Department of Law, Prosecution, 3rd Judicial District. Ron Lind mentioned that the Senate figure disallowed the new positions. These were establishing new prosecutors offices in Kodiak and Bethel. Rep. Naughton moved that the Committee adopt the House figure of \$1,049.0. A hand vote was taken. Voting in favor of the motion were Representatives Haugen, Naughton, Malone; Senators Butrovich, and Poland. Sen. Ray asked that the record show he voted no. The figure of \$1,049.0 was adopted.

Department of Law, Prosecution, 4th Judicial District. Sen. Ray moved that the Senate figure of \$390.8 be adopted. There was an objection. Kent Dawson said that the Governor's request is for restoration of the Attorney IV position in Fairbanks and the corresponding funding. Rep. Naughton said he would recommend allowing the position if the conditions are anywhere near as critical as is heard in Fairbanks. There will be a lot of prosecutions. The Committee agreed to adopt the Governor's figure of \$334.8.

Department of Law, Pipeline-Prosecution. Sen. Ray moved that the Committee adopt the Governor's figure of \$338.1. There was no objection.

5/26/75

Department of Health and Social Services, Adult Confinement, Adult Camp-Palmer. Ron Lind informed the Committee that there is a concern about the vacancy turnover in the 24-hour institutions. There are a certain number of positions to be manned. If there are people sick they still must have people to man the posts. This would mean overtime at times to keep posts filled. Sen. Ray stated that it appears they can always manage with the money that is in the budget. When it comes down to temporaries, this is a gimmick. They will ask for people to come in for time and a half to be paid by the budget. The whole idea of State Government is to allow more people to come in to work, to hire new people.

Senator Butrovich moved the House figure of \$609.5. Sen. Ray objected. Sen. Ray moved all of the House figures except personal services. He moved that the Committee adopt the figure of \$420 for personal services, giving a total figure of \$618.0. There was no objection.

Department of Health and Social Services, Adult Confinement, Anchorage State Jail. Sen. Ray moved that the Committee adopt the Senate figures, except take the figure of \$270.0 for personal services, giving a total of \$442.5. There was no objection.

Department of Health and Social Services, Adult Confinement, Sercijuneau. Sen. Ray moved the Senate figures with \$595.0 for personal services, giving a total of \$1,020.0. There was no objection.

Department of Health and Social Services, Adult Confinement, NRCI-Fairbanks. Sen. Ray moved the Senate figures, except for personal services. He moved that \$785.0 be adopted for personal services, giving a revised total of \$1,117.3. This figure was adopted.

Department of Health and Social Services, Adult Confinement, Ketchikan State Jail. Sen. Ray moved that the Committee accept the Senate figures with the revised personal services figure of \$330.0, giving a total of \$418.3. There was no objection. This allows 16 permanent full time positions within the allocation.

Department of Health and Social Services, Adult Confinement, Anchorage City Jail. Sen. Ray recommended that the Committee adopt a personal service figure of \$572.0 and the rest of the Senate figures. This would give a total of \$855.3. This figure was adopted. This allows 29 permanent full time positions.

Department of Health and Social Services, Adult Confinement, SCRI-Eagle River. Sen. Ray moved that the Committee adopt the Senate figure of \$1,123.8. There was no objection.

5/26/75

Department of Health and Social Services, Adult Confinement, Local Facilities. Rep. Malone moved the Governor's figure of \$592.2. There was no objection.

Department of Health and Social Services, Adult Confinement, Out-of-State Institutions. Sen. Ray moved that the Committee adopt the Senate figure of \$304.0. There was no objection.

Department of Health and Social Services, Juvenile Confinement, McLaughlin Youth Center. Sen. Ray noted that the House disallowed two positions. Malone explained that the transfers from Rehabilitation were disallowed, you will find that they are all working at the same place anyway. He stated further that the House had no objection to the Senate figures if the House intent is included. It is all right if you give the new positions. The transfer from Rehabilitation and Confinement though represents a basic program change. It is the position of the House that the program change be deferred for one year. The transfers out are okay. Mike Clemens informed the Committee that they are reallocating existing positions; simply deleting them and adding them on as youth counselors for manning the new cottages. Malone answered that they can have the cottages, what the House is objecting to are the new positions. Kent Dawson said if they pick up the new cottages within the existing positions, if the five positions are allotted as they are now, the component will be short for managing the new cottages. Rep. Malone responded that with the transfers out, the House recognizes the need for some new positions--two were added. The House also thinks the discription of the high level of training should be looked at. Mike Clemens said they are looking at the training program now. There is a comment on the evaluation. The training is primarily through Federal funds. This is Criminal Justice funds. Sen. Ray remarked that it would be cheapest to allow the transfers over. Rep. Malone reiterated that this represents a program change and the House recommends holding it over for one year. Sen. Ray asked, what about manning the cottages? Rep. Malone said they could allow the transfers out for administration and support. They have in the program five new positions because of the five transfers in. Give them any five new positions they want, but the transfers disallowed for the same number of people. Sen. Ray stated that according to the House figures, all that is being added is on position. Rep. Malone said they were adding two positions and transferring two positions out; this is the two youth counselors. Sen. Ray moved that this BRU be left open. THIS BRU LEFT OPEN.

Department of Health and Social Services, Juvenile Confinement, Local Facilities. Sen. Ray moved the Senate figure of \$1,278.3. Kent Dawson mentioned that the care funding presented a problem. There was to be a \$318,000 reduction. This involves the full cost of care. Sen. Ray argued that the full cost of care is what the legislature says is available; they must use the funds. The House had no objection to the Senate figure, it was adopted.

5/26/75

Department of Health and Social Services, Juvenile Confinement, Out-of-State Cont. Services. Sen. Ray moved the Governor's figure of \$328.4 stating that there is a possibility of an increase in prices. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, Adult Camp-Palmer. Sen. Butrovich moved the Senate figure of \$221.5. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, Anchorage State Jail. Sen. Butrovich moved the Senate figure of \$128.9. Rep. Malone objected to the Senate's figure on contractual and commodities. He knows the food costs are going up and they do have the jail fairly well filled up. He would like the Committee to adopt the House figure for those two items. Ray said the contractual is medical. Malone answered yes, and commodities is food. Sen. Ray moved that the Committee adopt the House figure of \$143.3. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, SERCI-Juneau. Sen. Ray moved that the Committee adopt the Governor's figure of \$265.2. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, NRCI-Fairbanks. Sen. Ray moved that the Committee adopt the Senate figure for personal services and the House figures for all of the rest. This would give a total of \$281.5. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, Ketchikan State Jail. Sen. Ray moved the House figure of \$97.6. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, SCRI-Eagle River. Rep. Malone moved the House figure of \$562.9 and asked unanimous consent. There was no objection.

Department of Health and Social Services, Adult Rehabilitation, Anchorage City Jail. Sen. Ray moved that the Committee adopt the Senate figure of \$161.9. Rep. Malone objected to the Commodity item. He amended the motion to adopt the Senate figures including \$30,000 in commodities. The total would be \$165.5. There was no objection.

Juvenile Rehabilitation, McLaughlin Youth Center. Rep. Malone asked that this component be left open. There was no objection. THIS BRU LEFT OPEN.

Department of Health and Social Services, Probation & Parole, 1st Judicial District. Sen. Ray moved the Senate figure of \$407.2. Rep. Malone amended the motion to raise personal services to \$310.0. He said that looking at last year's authorized including the revision in excess of that amount, he feels that

5/26/75

even this is a little light. The total would be \$415.8. There was no objection to the \$415.8.

Department of Health and Social Services, Probation & Parole, 2nd Judicial District. Rep. Malone moved the House figure of \$132.9 adding the program service aide which is supposed to be a bilingual person; they can also fill the clerk typist position. Sen. Ray noted that the Governor's budget allowed just the reverse. and the Senate did not allow any. There was no objection to the motion.

Department of Health and Social Services, Probation & Parole, 3rd Judicial District. Sen. Ray moved the Senate figure of \$884.9. Rep. Malone objected saying the House wants the new positions. There are four RPs that have come out to maintain this. Kent Dawson informed the Committee that the Supreme Court rules changed in 1975 making all presentences manditory. The positions are in Fairbanks, Anchorage, and Kenai. Sen. Ray again moved the Senate figure. Rep. Malone objected saying the House wanted to go to the 40 permanent full time positions and two part time positions. Sen. Ray stated the District may have as many positions as they want within the allocation. It was figured to come out to four or six new positions; something like \$71.1 for four positions. Rep. Malone amended the motion to the Senate figure allowing the 40 permanent full time positions and two permanent part time positions. This gives the positions in the RP. There was no objection.

Department of Health and Social Services, Probation & Parole, 4th Judicial District. Sen. Ray moved the Senate figure of \$374.5 because of personal services. There was no objection. Rep. Naughton asked if this included 15 permanent full time and one part time position. Sen. Ray answered yes.

Department of Health and Social Services, Administration/ Corrections. Rep. Malone moved the House figure of \$473.3. There was no objection.

Department of Health and Social Services, Parole Board. Sen. Ray moved the Senate figure of \$91.3. There was no objection.

Department of Health and Social Services, Violent Crimes Compensation. Sen. Ray stated that he didn't feel the 50% in travel was needed. He moved the Senate figure of \$160.3. There was no objection.

Department of Labor, Wage and Hour. Rep. Malone moved the Governor's figure of \$340.2. There was no objection.

Department of Labor, Workmen's Compensation. Sen. Ray moved the Senate figure of \$534.1. Rep. Malone asked if with the new legislation if there would be any increase in the amounts

5/26/75

that would be paid. Ron Lind answered that he didn't think it added any class of injury. There was no objection to the motion.

Department of Labor, Wage & Hour--Local Hire. Sen. Ray asked that the Committee go by this. THIS BRU LEFT OPEN.

Department of Labor, Wage & Hour (PLI). Sen. Ray moved the Senate figure of \$133.2 stating the difference is in travel, equipment and personal services. There was no objection to the motion.

Department of Labor, Pipeline--Workman's Comp. Sen. Ray moved the Governor's figure of \$69.1. There was no objection.

Department of Public Safety, Prevention of Crime. Sen. Ray moved the Governor's figure of \$39.9. There was no objection.

Department of Public Safety, Enforcement, Detachments & CIB. Rep. Malone noted that the Senate's budget had 12 positions less than the Governor's with seven positions transferred in. The Governor has 206 and the Senate has 201. Ron Lind explained that this is the transfer from the Narcotics Unit. The House budget transferred into this component from the Narcotics budget. He continued to say they netted out new positions by the transfers in. Sen. Ray noted that this was still five positions under the Governor and short \$300,000 for positions. Ron Lind answered yes, vacancy was also taken. Sen. Ray informed the Committee that at this particular time, the Senate is not too happy with tinkering with the Narcotic's figures. THIS BRU IS LEFT OPEN.

The meeting adjourned at 5:34 p.m.

ADJOURN

5/26/75

FREE CONFERENCE COMMITTEE

May 27, 1975

8:50 A.M.

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

Present

Sen. Ray called the meeting to order to close the budget
for Administration of Justice.

JUSTICE

Department of Public Safety, Enforcement

Detachments & CIB - Sen. Butrovich moved the Senate figure.
Mr. Malone objected, and the BRU was left open.

Division Headquarters - Sen. Butrovich moved the Senate
figure of 520.0. No objection.

Narcotics Unit - Open.

Pipeline-Enforcement - Sen. Ray moved \$789.0 for personal
services, allowing the BRU as many positions as possible
within that funding, with the balance of the line items
as recommended by the Senate for a total of \$1,120.8. No
objection.

Administrative Services

Records & Identification - Sen. Butrovich moved the Senate
figure of 99.3. No objection.

Laboratory Services - Sen. Ray moved the Senate figure of
125.4. No objection.

Central Communications - Sen. Ray moved the Governor's figure.
No objection.

Housing Program - Mr. Malone moved the House figure, and it was
explained that the difference between the House and Senate was
the ASHA rent for the Juneau Court Building. \$350,000 would be
paid to ASHA no matter when the Court Building was finished,
but the committee thought it would be preferable to add the
\$350,000 to the Office of the Commissioner for this payment.
Mr. Malone moved the House figure of 361.6. No objection.

Office of the Commissioner - Sen. Butrovich moved the Senate
figure. No objection.

Research & Planning - Both the House and Senate recommended the
same positions, with the difference in funding in contractual
services. Sen. Butrovich moved the Senate figure. No objection.

Training - Mr. Malone moved the House figure of 701.0. No
objection.

5/27/75

Judicial Services - The committee agreed to allow \$730.0 for personal services, with the Senate recommendations for the balance of the line items for a total of 935.1.

Pipeline-Judicial Services - Sen. Ray moved the Senate figure of 169.2. No objection.

Debt Service - The committee accepted 961.2 for debt service.

Mr. Richard Barrier, Manager, Fiscal Operations, Court System, joined the meeting.

Supreme Court - Mr. Malone moved the House figure. Mr. Barrier, Court System, noted the House allowed \$20,000 and the Senate allowed \$40,000 for the Bar Association. The Court System would prefer the \$40,000. Mr. Barrier listed the studies done by the Supreme Court staff in standardizing forms, updating civil and children's rules, etc. Sen. Ray moved the House figure with an additional \$20,000 in contractual services for a total of \$1,026.8. No objection.

District & Superior Courts - House figures include funds for a facility at Barrow on a lease-back arrangement. Mr. Barrier explained facilities were requested for both Barrow and Bethel in the capital budget. The committee decided to leave this BRU open.

Administration - Mr. Malone moved the Senate figure of 1,848.3. No objection.

Municipal Courts - Sen. Ray moved the House figure, with an additional \$5,000 for equipment, total 325.3. No objection.

Pipeline-Court System - Mr. Barrier said this BRU was the No. 1 priority, and the House had approved the three new positions. \$250.0 was originally estimated by the Court System when the budget was being prepared; however, in February a final budget request was submitted for \$245.8. Ten positions were authorized by the Budget & Audit Committee meeting in December, 1974. The committee left the BRU open.

Judicial Council - 97.4 was approved by the committee.

The meeting recessed at 9:25 A.M.

5/27/75

AFTER RECESS

9:50 A.M.

Sen. Ray called the meeting to order to close the budget DEVELOPMENT for Development.

Tokyo Office - A revision was submitted by the Governor's Budget Review Committee for a total of \$100.0 due to inflation. The category was left open.

Tourism Promotion - Two additional positions were requested, for an increase of \$37,000 to the original Governor's recommendation. Sen. Butrovich moved the Senate figure. Mr. Malone said he would agree to the Senate figure with item 2 of House intent, which was approved by the committee.

Policy Development & Planning - Mr. Naughton moved the Governor's figure. No objection.

Surplus Property - Mr. Malone moved the Senate figures. No objection.

Shared Taxes - Mr. Malone moved the Senate figures. No objection.

Economic Enterprise

General Operations - The committee discussed various studies proposed by this agency. Sen. Ray moved the Senate figure on personal services, House figure on travel, \$250.0 contractual, and 4.3 commodities. Total recommendation: 663.3. Mr. Malone stated the intent should specify \$25,000 for Thomas Bay and \$15,000 for Farm Expenditure Study from the \$250.0 contractual amount. Intent should also state the agency would provide the legislature with a progress report on all studies. Mr. Malone then amended the motion to reduce the contractual services figure to \$225.0 and put \$25.0 for Thomas Bay Authority in grants. The committee approved these motions.

Administrative Support - Mr. Malone moved the House figure, which authorized the position of Deputy Commissioner. No objection.

Developmental Loans - Sen. Butrovich moved the Senate figure. No objection.

Veterans' Loan Fund - Mr. Haugen moved the House figure. No objection. Mr. Malone noted the House intent should be included, and the committee agreed.

5/27/75

Small Grain Incentive - Mr. Malone moved the Senate figure with the House intent. No objection.

State Fairs - Mr. Malone moved the Governor's figure. No objection.

Plant Materials Center - Sen. Ray moved the Senate figure, changing equipment to \$49.3 for a total of \$221.4. The Senate disallowed two positions and overtime. No objection.

Administration - Mr. Haugen moved the Senate figure - no objection.

Agricultural Loan Fund - Mr. Haugen moved the Senate figure with the House intent. No objection.

Native Claims Payments - Mr. Haugen moved the Senate figure. No objection.

King Crab Quality Board - Governor's figure approved.

Remote Village Radio - Mr. Malone moved the Senate figure. No objection.

Rural Affairs Commission - Mr. Malone moved the Governor's figure. No objection.

Local Government Assistance - Sen. Butrovich moved the House figure. No objection.

Local Boundary Commission - Sen. Ray moved the Governor's figure - no objection.

Local Planning Assistance - Sen. Ray moved the Senate figure, with a revision in personal services to 183.9 to allow principal planner, clerk typist III and senior planner for a total of eight positions. The total would be 530.0. The committee approved this recommendation.

Local Financial Assistance - 58.0 approved.

Agricultural Lands Exemption - 196.0 approved.

Revenue Sharing - Sen. Ray moved the Senate figure. Budget & Management advised that approximately \$400,000 would be lapsed this year. Sen. Ray moved the figure \$14,250.0. No objection.

5/27/75

National Forest Receipts - 399.1 approved.

Office of the Commissioner - Sen. Ray moved the Senate figure of 147.6. No objection.

Administration - Mr. Naughton moved the Governor's figure. No objection.

Rural Development Grants - Mr. Malone moved the figure of 722.0, no objection.

Rural Development Assistance Administration - Sen. Ray moved the Senate figure of 150.7, no objection.

Debt Service figures were approved.

The committee referred to Transportation.

TRANSPORTATION

Marine Transportation - Sen. Ray moved the Senate figures. Mr. Malone objected. In discussion, Kent Dawson said a contingency fund could be set up, authorizing payments through the Budget & Audit Committee, in order to avoid supplementals every year. It would also allow Marine Transportation greater flexibility in planning, and was needed due to the substantial increases in fuel and labor.

The committee discussed the Portage-Whittier train subsidy, and the Senate allowance for seven day service instead of six.

Revisions to Marine Transportation were suggested in Southwest Vessel Operations to \$3,754.9 and Southwest Shore Facilities to \$258.3. The balance of the recommendations would be Senate figures, for a total of \$28,416.6. The committee accepted these figures.

Anchorage International Airport

Field Maintenance - Mr. Malone moved the Senate figure of 2,576.0. No objection.

Building Maintenance - Sen. Ray moved the Governor's figure of 868.4 - no objection.

Security - House figure of 1,680.8 and House intent regarding fire fighter guards was accepted by the committee.

Custodial - Mr. Malone moved the House figure of 806.3 - no objection.

Administration - Mr. Malone moved the House figure of 724.1. No objection.

5/27/75

Fairbanks International Airport - Sen. Ray moved Senate figures for all BRU's. Mr. Malone said the House would have no objection if the intent on fire fighter guards was included.

Trunk & Secondary Airports

Regional Operations - Budget & Management noted a revision by the Governor to cover the Valdez airport in the amount of \$242.7. Sen. Ray suggested this item be held for the capital budget. Mr. Malone moved the House figure, to which Sen. Ray objected. Regional Operations was left open.

Administration - Sen. Butrovich moved the Senate figure - no objection.

Trunk & Secondary Airports (Pipeline Impact) - The Governor's figures were adopted for Regional Operations and Administration for a total of \$349.7.

Aviation Engineering

Chief Engineer - Reorganization in this section was discussed, and the fact that there were still basically the same number of positions. Sen. Ray moved the Governor's figure for Aviation Engineering, but there was an objection. The Chief Engineer BRU was left open.

Planning, Design and Construction - Sen. Butrovich moved the Senate figures. No objection.

Aviation Administration - The difference between the Senate and the House figures was one position not allowed by the Senate and vacancy/turn-over. Mr. Malone moved the House figure for Administration and Lands & Leasing. No objection.

Administration

Office of the Commissioner - Sen. Butrovich moved the Senate figure. No objection.

Administration - Sen. Ray moved the Senate figure. No objection.

Department of Highways

Administration - Sen. Ray moved the Senate figures for all BRU's in Administration for a total of \$6,691.1 No objection.

Maintenance

Central District - Sen. Ray moved the Senate figure of 10,423.7. No objection.

Interior District - Sen. Butrovich moved the House figure of 7,478.8. No objection.

5/27/75

Southeast District, Western District, Southcentral District -
Sen. Ray moved the Senate figures and there was no objection.

Overweight/Oversize Permits - Mr. Malone moved the Senate
figure for Permits - no objection.

Contingency Reserves - Sen. Ray moved the Senate figure of
\$886.0 for Contingency Reserves, along with the Senate intent.
No objection.

Debt Service figures were approved.

The meeting recessed at 11:25 A.M.

AFTER RECESS
1:30 P.M.

Sen. Ray called the meeting to order.

Sen. Ray requested intent be included in Marine Transportation,
Administration, for \$15,000 to be used as a pilot program for
an alcoholism study. This was part of an industrial alcoholism
program. There was no objection.

The committee referred to General Government.

GENERAL
GOVERNMENT

Office of the Governor
Executive Office - \$1,314.6 was approved.

Executive Mansion - \$82.0 was approved.

Contingency Fund - Mr. Haugen moved the House figure, which
included \$500,000 for disaster relief. No objection, with
the intent that the additional \$500,000 was to be used only
for major disaster relief as presently outlined in the statutes.

Equal Employment Opportunity - Sen. Poland moved the Senate
figure of \$120.7. No objection.

Lt. Governor - Mr. Naughton moved to adopt the House figure
of \$308.6. No objection.

Planning & Research - Mr. Naughton moved to accept the
Senate figure of \$1,206.9. Mr. Malone objected, but removed
his objection and the figure was approved.

Telecommunications - Open.

Election Campaign Commission - Mr. Malone moved the Senate
figure. No objection.

5/27/75

Regular Elections - Sen. Ray moved the Senate figure of 390.7. No objection.

Executive Administration

Office of the Commissioner - Mr. Dawson reminded the committee that this was the BRU to which the \$305.8 rental to ASHA was to be added for the Juneau Court House. Also \$200,000 was to be added for the payroll system which had been in a supplemental that was not approved. Sen. Ray moved personal services figure of 167.2, contractual \$1,450.0, and other figures the same for a total of \$2,430.4. House intent was to be adopted. There was no objection.

Internal Audit - Sen. Ray moved the Senate figure of \$263.6.

Administrative Services - Sen. Ray moved the Senate figure of \$183.3. No objection.

Budget & Management - Sen. Ray moved the House figure of \$479.5. No objection.

Personnel Management - House intent was discussed, since the House recommended three positions be taken from this BRU and put in the departments where they work. Mr. Dawson said the original intent was to place these three positions in Personnel in order to delete one position from the four which were budgeted. All other personnel people are assigned to various agencies except these three positions, covering Fish & Game, Labor, Education and S-O-S. Mr. Warwick said centralization was, in his opinion, the best policy. Mr. Malone accepted the Senate figure, but added that House intent should be included in this BRU. Mr. Dawson said the Senate figure wiped out the bargaining unit core team, and Budget & Management would prefer the three positions allowed by the Senate plus the three positions allowed by the House. 69.2 should be added to personal services for a total of 926.7. The balance of the recommendations would be Senate figures, for a total of 1,138.5. The committee accepted these figures.

Employee Relations - Mr. Malone moved the House figure, which included revisions from the Governor's office. No objection, and 299.2 was accepted.

Accounting

Pre-Audit - Mr. Malone moved the Senate figure. No objection.

Accounting Services - Sen. Ray moved the House figure of 162.8. No objection.

Free Conference Minutes

5/27/75

Payroll Accounting - Mr. Malone moved the House figure. Mr. Dawson explained vacancy/turn-over in payroll accounting did not exist, since there was no vacancy. The following figures were suggested: 292.2 personal services, 1.8 travel, 82.7 contractual, 1.6 commodities and 2.0 equipment for a total of 380.3. The committee accepted this recommendation.

Administration - Sen. Ray moved the Senate figure and intent. Upon vote, the Senate figure was adopted but not the intent.

General Services

Purchasing - Sen. Ray moved the Senate figure, with the intent that the number of positions could be determined by the department within the allocation. No objection.

Risk Management - Sen. Butrovich moved the Senate figure. No objection.

Central Mail & Switchboard - Sen. Ray moved the Senate figure of 235.0. No objection.

Central Duplicating - Sen. Ray moved the Governor's figure of 270.1.

Property Control - Sen. Ray moved the Governor's figure of 120.2. No objection.

Archives & Records - Senate deleted new archives alterations, and Sen. Ray asked why this wasn't in the capital budget. Mr. Warwick said additional funds were requested in contractual for new forms rather than a new position. Mr. Malone moved the House figure with an addition in personal services for a total of 540.2. No objection.

Leasing & Facilities - Sen. Ray moved the Governor's figure of 46.6. No objection.

The meeting recessed at 2:50 P.M.

AFTER RECESS
3:15 P.M.

Data Processing

Services to Administration - Sen. Butrovich moved the Senate figure of 493.7. No objection.

Services to Operating Agencies - Mr. Malone moved the House figure. Mr. Dawson explained the new payroll system required on-line capabilities, to which Mr. Warwick added the department planned to spend as much time in this division as any

5/27/75

area of the department since there were problems not easy to resolve. It was difficult to keep employees; however, the major problem was in developing and coordinating systems. The purchase of a computer would be through a lease/purchase agreement and the computer could be returned if it did not work. The committee left this BRU open.

Administration - Mr. Malone moved the House figure of 363.2. No objection.

Telecommunications Network - Sen. Ray moved the Senate figure of 185.0. No objection.

Labor Relations Agency - This BRU covers various collective bargaining groups, and funds were put into the program this year through revised program. Mr. Malone moved the House figure of 15.0 and said additional personnel would not solve anything. Mr. Warwick said this would cause substantial problems, and funds had been transferred into this agency through Budget & Audit. The committee left this BRU open.

Retirement & Benefits - Sen. Ray moved the Senate figures for Public Employees' System, Teachers' System, Employee Health Insurance, and Territorial Employees. No objection.

Deferred Compensation - Sen. Ray moved the Governor's figure of 21.1. No objection.

FICA - Sen. Ray moved the Governor's figure of 54.3. No objection.

Legal Services - Mr. Malone moved the Senate figure. Mr. Dawson said there was a revision to the Governor's figure due to 34 highway related cases before the state. The insurance company has decided to pay previous cases and clear out, leaving the state to appeal the cases. After discussion, the Senate figure of 2,408.5 was accepted.

Natural Gas FPC Representation - Mr. Dawson said there was a revision to the Governor's figure of \$100.0. Mr. Malone moved the House figure of 100.0 with House intent. No objection.

Legal Services (PLI) - Sen. Ray moved the Governor's figure of 102.3. No objection.

Individual & Business Taxes - Sen. Poland moved the Senate figure of 1,183.0. No objection.

Individual & Business Taxes (PLI) - Sen. Ray moved the Governor's figure of 184.0. No objection.

5/27/75

Excise Taxes - Mr. Malone moved the Governor's figure of 360.1. No objection.

Delinquent Tax Collection - Sen. Ray moved the Governor's figure of 687.7. No objection.

Pipeline Collections - Sen. Ray moved the Governor's figure of 55.6. No objection.

Border Inspection Station - Mr. Malone moved the House figure of 275.8. No objection.

Treasury Management - Sen. Ray moved the Senate figure; however, Budget & Management requested an Accounting Technician to audit statements from the Bank of America and other investment accounts. The number of transactions is increasing due to the need for funds by the state, and up-to-date figures are required. Sen. Ray moved 375 for personal services and a total figure of 833.9, allowing 16 employees. No objection.

Office of the Commissioner - Mr. Malone moved the Senate figure of 153.2. No objection.

Administrative Services - Sen. Ray moved the House figure of 747.2. No objection.

Property Tax - Sen. Ray moved the Governor's figure of 559.3. No objection.

Blue Book - Sen. Ray moved the House figure of 6.7. No objection.

Vital Statistics - Sen. Ray moved the Senate figure of 193.9. No objection.

Building Security - Mr. Malone moved the House figure, and there was an objection. After discussion about security procedures, Mr. Malone moved the Senate figure of 141.1. No objection.

Planning & Design - Mr. Malone moved the House figure of 270.8. No objection.

Construction Inspection - Mr. Malone moved the House figure of 197.3. No objection.

Administration - Sen. Ray moved the Senate figure of 230.7. No objection.

5/27/75

Maintenance - Mr. Dawson said additional funding was required in Maintenance for the new buildings. He listed the funding and noted all vacancy/turn-over was deducted from the General Fund. Mr. Dawson also mentioned the Tri-Trades contract called for contractual employees to be paid at the level of regular employees. The committee agreed on a total figure of \$5,230.6, with an adjustment in funding in order to deduct a portion of vacancy/turn-over from inter-agency receipts.

Communications - Sen. Ray moved the Senate figures for three components: Teletype Operations 52.8; Support to State Agencies 638.5; Administration 233.2; for a total of 924.5. No objection.

Communications (PLI) - Sen. Ray moved the Governor's figure of 141.3. No objection.

Working Capital Fund - Mr. Malone moved the Senate figures for all districts. No objection. Mr. Haugen noted the Senate dropped \$7.3 million from the Administration component. Mr. Lind stated the \$7 million figure was a recording mechanism, which caused great difficulty in the past when it was not listed as an actual authorization. Mr. Lind also requested an equipment operations analyst position to take care of the working capital fund. The committee agreed to appropriate 393.3 for Administration, and accepted the House intent.

Legislature - Mr. Malone moved the House figure; however, Sen. Ray objected. The BRU was left open.

The meeting adjourned at 4:25 P.M.

Adjourn

5/27/75

FREE CONFERENCE COMMITTEE
Wednesday, May 28, 1975
8:50 a.m.

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

Also Present: Representatives Duncan and Buchholdt; Budget Analysts Milt Barker, Rich Guthrie of Legislative Finance; Kent Dawson, Ron Lind and Mike Orelove, Division of Budget & Management; Jim Fennel, Administrative Assistant; press, and interested persons.

The Chairman called the meeting to order and stated that the committee WILL GO BACK THROUGH THE SOCIAL SERVICES CATEGORY to consider BRU's it had previously left open.

SOCIAL
SERVICES

Office of the Governor, Alaska Plan Committee: Kent Dawson said the administration has no position on this budget as far as he knows. He said there is a program in the Department of Labor for getting Alaskans hired, and they contract with the Alaska Hire Group. Representative Naughton spoke in favor of this program and asked that this budget be left open until the Director of the Alaska Plan, who is now in Fairbanks, returns to Juneau.

BRU LEFT OPEN.

Dept. of Administration, Minority Training: Senator Ray said he has talked with some of the people who are in this program and they speak very highly of it. He said the program is not limited to minorities but is available to all racial groups. The program provides on-the-job training, mainly in the clerical field, for people who have no special education or training to get jobs, and then places them in jobs.

Milt Barker said last month there were 10 people in the program. Mr. Lind said there are 20 slots in the program but they have never had funding for that many.

Senator Ray moved to adopt the Governor's figure of \$164.6.

Mr. Lind remarked that this program is the only one where the State is an employer--the majority of the state's efforts in minority training are for statewide employment, including the private sector.

Representative Malone said he would agree to the Senate figure, with House Intent: That this will be the last year of operation of the program.

Senator Ray objected to the intent.

Representative Malone explained his concern: That the efforts of the state in training should be to put people in more highly paid jobs.

Senator Ray maintained his objection, saying that the Senate position is that we are not going to wipe out this program.

BRU LEFT OPEN.

5/28/75

Dept. of Education, Vocational Rehabilitation, Counseling & Placement: Senator Butrovich moved to adopt the Senate figure. Representative Naughton objected. A vote was taken and the motion was adopted 4 to 2. (Senators Ray, Butrovich, Poland and Rep. Haugen voting "yes")

Ron Lind pointed^{out} a problem in this budget. He said they checked into this and discovered that Voc. Rehab. is on a fixed federal grant, and if they transferred vacancy savings from this into the placement area, we would have to come up with some money to pay for salary increases. The shortfall would be about 17-1/2%. He said if we took the House figure (\$1.2 million) and moved money into placements-Services to Clients- and the intent was that there will be no transfers back, we would have to come up with extra money.

Mr. Lind said they discussed this with the agency and they indicated that in the current year they did not expect to expend the current amount appropriated for wages, and they felt \$1.3 million would reflect their current expenses plus inflation.

Representative Malone said his information in the '76 budget indicates that federal funds are declining in the program. Kent Dawson said he does not understand that, because according to their information, it is increasing.

Representative Malone asked if the staff is saying that the federal funds will not be increased to cover the increase in wages. Mr. Lind replied "yes."

This BRU was LEFT OPEN for the purpose of reviewing this information.

Dept. of Education, MDTA/CETA, Administration: Senator Butrovich moved to adopt the Governor's figure (\$205.2). No objection, so ordered.

Dept. of Health & Social Services, Program Services, Day Care: Milt Barker reported that the Senate's feeling was that since there was funding in SB 121 for day care, they could hold down on day care expenditures here. Kent Dawson added that the agency feels that with this funding (in SB 121) the House and Governor's figures are too high. The Senate figure is acceptable to the agency. He did inform the committee that there is a lawsuit involving this agency, relating to paying back wages under the minimum Wage & Hour Law that might require additional funding; however, we can wait to see the outcome of that and come in with a supplemental, if necessary.

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

Dept. of HSS, Program Services, Other Services: LEFT OPEN at Senator Ray's request.

Dept. of HSS, Alcantra, Operations: Senator Ray moved to adopt the Senate figure and the House Intent. No objection, so ordered. \$548.1 adopted for the budget. The Intent reads: (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.

Leg.
Intent

Dept. of HSS, WIN AFDC, WIN: The differences between the two budgets in this component is the "spread". There are differences in personnel and contractual. The House had added 100.0 for day care. Kent Dawson said the biggest problem with this budget is the uncertainty of federal funding; however, the agency has not commented on either budget, so he assumes they could live with either one.

Senator Ray suggested if federal funds were uncertain, we probably should take the House Budget. That way we can be sure there would be enough money in contractual to carry the program through.

There being no objection, the House budget was adopted, with intent that if the program receives federal funds, they can expand the program.

Leg. Intent

Dept. of HSS, Alcoholism, Grants: Kent Dawson explained that the original revised Governor's budget showed \$2 million in grants. They have asked for \$270.0 additional and the Senate added \$100.0. The agency now says that an additional \$100.0 (over the \$100.0 added by the Senate) would be satisfactory. However, this budget is tied to the University of Alaska budget for a study of alcohol and drug addiction. In the University budget the \$70.0 for this study was allowed by the House but not the Senate--this item still has not been decided.

Representative Malone moved to adopt \$2,170.0 for this budget. No objection, so ordered.

Dept. of HSS, Drug Abuse, Grants: After a discussion of this budget, the House figure was adopted without objection.

Dept. of HSS, Administration (DHSS), Ofc. of Commissioner: Senator Ray moved to adopt the Senate figure. Representative Malone brought up the concern the House has with placing the Program Analyst here. The House wants the analyst to be attached to the Dept. of Administration. After a very brief discussion, it was decided that the Program Budget Analyst would not be included in this budget but would be allowed under the Department of Administration and that he would be specifically assigned to this agency. The House budget was adopted.

Leg. Intent

Dept. of HSS, Administration (DHSS), Director/Regional Offices: Senator Ray stated that the difference between the two budgets is the one position of Civil Rights Coordinator. Representative Malone asked what this coordinator does. Kent Dawson stated that this is the department's response to the federal government's tough policy on civil rights compliance. Representative Malone questioned how one civil rights coordinator could police over 1500 employees in this department. He felt that the Commissioner ought to lay down guidelines to his directors on compliance. As a compromise, Representative Malone moved to allow the Civil Rights Coordinator with the following legislative intent: That the legislature receive a report from the HSS administration on the success of their civil rights program at the beginning of the next session.

Leg. Intent

No objection, the Senate budget with that intent was adopted.

Dept. of HSS, Administration (DHSS), Financial Management:

The committee adopted \$540.0 for personal services and accepted the House figures for the remaining line items. Total budget: \$617.1. This deletes the Program Budget Analyst from this budget, with intent that he be allowed under the Dept. of Administration and will be assigned to this agency.

Legislative
Intent

9:45 a.m. to 1:45 p.m. - The committee was in recess.

AFTER RECESS

1:45 p.m.

Chairman Ray reconvened the meeting.

Dept. of Labor, Employment Security, Pipeline-Employment Security:

Mr. Lind reported that one of the problems with this budget is that the House wanted to be sure that certain federal monies were available. He stated that the Department of Labor has furnished them with a letter stating that they have federal assurance of receiving \$2,888.7 from the federal government, although they do expect to receive more. This amount will assure 100 positions. The breakdown is: \$2,513.1 federal funding and \$375.6 interagency receipts.

Representative Malone moved to adopt the following budget:

Personal Services	\$1,636.0
Miscellaneous	<u>1,252.7</u>
Total	\$2,888.7

This allows 100 PFT positions. Funding Source: Fed: \$2,513.1 - Interagency Receipts: \$375.6.

No objection, so ordered.

Dept. of Labor, Employment Security, Employment Services: The difference in this budget was stated to be in Miscellaneous--the House could not develop a justification for Line Item 800, Miscellaneous. Mr. Lind stated that this is the means that has been used to keep the department from having to submit RP's. He said if their workload statistics increase they will receive additional federal funding. If the Miscellaneous amount is not included, it can be accomplished by RP.

Senator Ray moved to adopt the Senate figure of \$2,410.5, minus \$229.2 for Miscellaneous, for a total budget of \$2,181.3. No objection, so ordered.

Representative Malone requested that Budget & Management give more intensive scrutiny to the budgets submitted by Employment Security in the future.

Dept. of Labor, Employment Security, Unemployment Insurance:

Senator Ray moved to adopt a budget of \$3,055.2. This is the Senate figure minus \$403.7 for Miscellaneous. No objection, so ordered.

5/28/75

Dept. of Labor, Employment Security, Computer Placement: Representative Malone raised a question he had raised in a previous meeting, i.e. "Does the department still have the \$227.0 of FY 74 funds in a savings account?" Mr. Orelove of Budget & Management replied that this is the money to be used on the remodeling of the ESD building. As soon as we spend the money for this purpose the federal government will reimburse us. If we do not do the remodeling, we will not be reimbursed by the federal government. The money is encumbered by the state but it will lapse at the end of this fiscal year.

Representative Malone asked to what extent is there Legislative approval of the improvements. Mr. Orelove replied that it was reviewed by the Governor and Commissioner of Labor. He believed there was an RP for that. Representative Naughton requested that this information be provided to him.

This item does not affect this budget component, so Representative Malone moved to adopt the Senate figure. No objection, so ordered.

Dept. of Labor, Employment Security, Administration (ES): Senator Ray moved to adopt the Senate figure minus \$251.0 from Miscellaneous, for a total budget of \$1,749.9. No objection, so ordered.

Dept. of Labor, CETA, Title I: Representative Malone proposed the following Legislative Intent: (for All CETA Programs)

"Funds are to be distributed to significant segments of the population in proportion to the percentage of each such segment to the entire universe of need for manpower services. Preference in contracting will be given to those eligible vendors who are operators of programs of proven effectiveness, to include CETA Title III prime sponsors."

After several amendments offered by Senator Ray, this intent was amended and adopted as follows. This intent applies to All CETA Programs:

"Funds are to be distributed to assist significant segments of the population in proportion to the percentage of each such segment to the entire universe of need for manpower services. Preference in contracting will be given to all prime sponsors who are operators of programs of proven effectiveness."

Legislative
Intent

2:10 - 2:25 p.m. - The meeting was in recess.

Senator Ray moved to adopt the Senate figures for the entire CETA BRU. No objection, so ordered.

Dept. of CRA, Economic Opportunity: Representative Malone moved to adopt the House figure. No objection, so ordered.

That concluded consideration of the SOCIAL SERVICES category for the present time. Still Open are: Alaska Plan, Minority Training, 2 elements in Vocational Rehabilitation and "Other Services".

Dept. of HSS, Environmental Health, General Sanitation:

HEALTH

The difference in this budget is that the House deleted two vacant positions that the Senate allowed.

Senator Butrovich moved to adopt the Senate figure. Representative Malone had no objection, but moved to adopt the following Intent: That if there is a short fall in federal receipts, it is not the intent of the Legislature to provide general funds to make up for the shortfall. No objection, the Senate figure was adopted with that intent.

Legislative
Intent

Dept. of HSS, Laboratories, Regional Laboratories: The difference between the two budgets is that the House funded the continuation of a fishery control program, which the Senate did not fund. Representative Malone stated that it was a federally funded project. Senator Ray said he had no objection to adopting the House budget. The House budget was adopted.

Dept. of HSS, Health Program Support, Registry of Human Impairments:

Kent Dawson stated that the agency says this registry is mandated by State law and the effect of the House budget is to drastically reduce their computer capability and other aspects of their program they have developed to meet that mandate.

Representative Malone moved to adopt the House budget of \$28.7.

Senator Ray moved to adopt the Senate figure of \$50.7. Representative Malone objected.

THIS BRU WAS LEFT OPEN.

Dept. of HSS, Health Program Support, Health Studies: Representative Malone moved to adopt the Governor's figure (\$31.4). No objection, so ordered.

Dept. of HSS, Health Program Support, Nutrition: Representative Malone moved to adopt the Senate figure with the following intent:

"That the department will move from provision of public health services to a funding and policy-making function by recommending in FY 77 budget amounts to be contracted by local health agencies."

A concern voiced by Senator Ray was that this is a federal program and they might say "no." He suggested adding "subject to federal approval." He said he would like it better if we prepared a resolution and sent it back to Washington, D.C.

After further discussion, the final legislative intent adopted by the committee read as follows:

5/28/75

"The Legislature recommends that the department move from the provision of public health services to a funding and policy making function by recommending in FY 77 budget amounts under this program to be contracted to local health agencies, subject to federal approval."

Legislative
Intent

No objection, the Senate budget of \$92.7, with the above intent was adopted.

Dept. of HSS, Health Program Support, Administration: The House had recommended "0" for this budget. Senate figure is \$104.8. Kent Dawson stated that this agency provides a lot of support for other sections within the department and we should proceed with caution before we "wipe them out."

THIS BRU WAS LEFT OPEN at Representative Malone's request.

Dept. of HSS, Public Health Administration: It was noted that the House had deleted 6 authorized positions in this budget. Kent Dawson stated that he cannot understand the rationale behind the House action.

THIS BRU WAS LEFT OPEN at Representative Malone's request.

Dept. of HSS, Community Mental Health Centers: Representative Malone moved to adopt the House figure of \$826.7, and delete the "Analysis" in the House budget. In other words "first come, first served."

Senator Ray moved to adopt the Governor's figure (\$590.9) Representative Malone objected.

THIS BRU LEFT OPEN.

Dept. of HSS, Comprehensive Health Planning: Representative Malone explained that the basic differences in the budgets are the shift of a position to contractual in the House budget and a travel reduction in the Senate budget. Senator Ray stated that they reduced the travel since historically not all board members attend the meetings. The Senate funded 75% of the request.

Kent Dawson said the administration's concern about the House budget is that all the reductions made will come out of general funds which cripples the program.

Representative Malone said the House's concern is that there is a new federal law (P.L. 93641) governing the advisory board which has been enacted, and they did not want to get locked into something that would be changed around.

Representative Malone moved to adopt the following intent:

"That the administration develop a plan for consolidation of the Alcohol, Drug Abuse and Mental Health programs and submit it to the second session of the Ninth Legislature."

No objection, the Senate figure and the above intent were adopted.

5/28/75

The Free Conference Committee then considered those BRU's still open in the Natural Resource Management and Environmental Conservation budget.

NATURAL
RESOURCE
MGMT. &
ENV. CONSV.

Royalty Oil and Gas Board, Department of Natural Resources. Representative Malone moved the Governor's figure of \$137,800; there being no objection, the figure was accepted.

Park Management - Park Development, Department of Natural Resources. Representative Malone moved the Senate figure for Park Development with \$100,000 added for the Line Item Miscellaneous; there being no objection, the total figure of \$129,200 was accepted by the Committee.

Statewide Programs - Historic Preservation, Department of Natural Resources. Senator Ray moved the Governor's figure of \$93,700; there being no objection, the figure was adopted by the Committee.

Statewide Programs - Archaeology, Department of Natural Resources. Mr. Lind, Deputy Director of the Division of Budget and Management, informed the Committee that there had been an error in the Governor's funding for this BRU (\$26,300); the House budget figure reflects corrected funding. Senator Ray moved the House figure \$44,800; the figure was adopted by the Committee.

Commercial Fish - Research, Department of Fish and Game. Senator Ray commented that the two positions allowed under this BRU in the House version of the budget (out of a total of 14 positions requested) were Biologists and both located in Kodiak. Representative Naughton explained that they would not be located in the town of Kodiak but would be working nearby in the Bering Sea and in the Western region.

Senator Ray moved the following figures:

Personal Services	\$575,000
Travel	45,000
Contractual	225,000
Commodities	50,000
Equipment	22,000
<u>TOTAL BRU</u>	<u>\$ 917,000</u>

There being no objection, it was so ordered. The following intent was added: Positions #2 and #5 (allowed by the House in their version of the budget) will be allowed for the BRU, for a total two Biologists for Kodiak and one Biologist for Juneau. (Two positions were listed under the #2 position.)

Intent

The Committee recessed at 3:15 p.m.

5/28/75

AFTER RECESS
May 28, 1975
3:35 p.m.

NATURAL
RESOURCE
MGMT. &
ENV. CONS.

Commercial Fish - Management, Department of Fish and Game.
Senator Ray moved the Senate figure \$3,070,200. Representative Naughton objected because the Senate had reduced Contractual Services by \$100,000. He said that vessels must be chartered through contracting, and the cost of charters has gone up tremendously (for shrimp and crab vessels). Mr. Lind, Budget & Management said that Representative Naughton was correct; this would effect the escapement services statewide, indexing, herring surveys in Southeast and Prince William Sound, radar for federal regulations, shellfish landing law regulations, etc. Senator Ray moved all the Senate figures for the various line items, and added \$50,000 to Contractual Services. Representative Malone said there was an objection. Representative Malone moved the Governor's figure. Senator Ray moved the House figure; there being no objection, the House figure of \$3,116,900 was adopted.

Administration and Support, Commercial Fish, Dept. Fish & Game.
The point of difference in this BRU was the University of Alaska graduate study program. Mr. Morrison, Budget and Management, explained that the program involves applying students (in their final year of fisheries graduate study) to special projects. The students are paid a contractual amount which is far lower than the "going rate" for Fisheries Biologists. Senator Butrovich moved the Senate figure \$348,000. Representative Naughton objection because of the Senate reduction of \$50,000 in Contractual Services. Senator Ray explained that the Senate version had reduced Contractual Services by \$40,000 for the University of Alaska graduate study. He stated that the original presentation of this budget had consisted of making a contractual arrangement for use of the computer at the University of Washington; it was later decided, however, that "they couldn't make a go of it" and so moved it up to the University of Alaska, which does not have a fisheries program. The Committee decided to defer a decision on the amount for this BRU.

Administrative Services, Administration & Support, Dept. of Fish & Game. Representative Naughton moved the Senate figure \$1,504,300; there being no objection, the Committee adopted this figure.

Habitat Protection - Kachemak Bay Study, Dept. of Fish and Game. Representative Naughton moved the House figure; there was objection from the Senate conferees, and the BRU was deferred.

Vessels Section, Protection, Department of Public Safety.
Senator Ray moved the following figures for the BRU:

5/28/75

Personal Services	\$260,000
Travel	17,000
Contractual Svcs.	20,500
Commodities	55,000
BRU TOTAL	\$352,500

NATURAL
RESOURCE
MGMT. &
ENV. CONS.

There was no objection, and the figure \$352,500 was adopted. Representative Haugen voiced concern over the possible duplication of maintenance efforts for the Dept. of Fish and Game vessel and the Dept. of Public Safety vessel. He asked if legislative intent could be inserted specifying that an attempt should be made to put the two functions of vessel maintenance together; this would save money for tools, positions, and equipment. Representative Naughton voiced concern over the possible conflicts as to who will use the vessels. Representative Haugen reiterated that this would be directed to the maintenance of the vessels. The Committee subsequently adopted the intent.

Intent

Coastal Zone Management - Department of Environmental Conservation. Mr. Dawson, Director of Budget & Management informed the Committee that money for this program is now under the Division of Policy Development and Planning in the Office of the Governor. There was, therefore, no need in settling a dollar amount for this program under the Environmental Conservation agency.

The Committee then considered those items left open under the Admin. of Justice budget category.

ADMIN. OF
JUSTICE

Juvenile Confinement - McLaughlin Youth Center, Dept. of Health and Social Services. Senator Ray commented that the main difference between the conferees in this BRU was the staffing of a new cottage. Representative Malone stated that the House does not object to adding new positions to bring the program up to staffing requirements, but there was objection to transferring five positions to this program from Juvenile Rehabilitation. Representative Malone said that program differences are objectionable this year, and any program changes should be deferred until FY 77. He stated that the FY 76 budget for McLaughlin Youth Center is based on a new program concept. There was no indication that the new program concept would result in program improvement, nor is the transfer in of five positions from Rehabilitation justifiable. Representative Malone said that the Legislature can look more closely at this program during the interim. Mr. Lind provided the Committee with some population statistics at the Center. He said that they are predicting a 25% (approximate) increase in mandays over the current year plan. The manyear average daily count is 89; the prediction for FY 76 is 111+-. He said that he did not know what the current count at McLaughlin is at present.

5/28/75

Mr. Grogan told the Committee that the current count is in excess of 100 (approximately 110). Senator Ray stated that the new cottage must be staffed; he asked how many positions are required to staff the facility. Mr. Lind replied that the department said that if they do not receive the 10 new positions, they cannot open the fourth cottage. Mr. Lind added that if the positions in Rehabilitation are funded (and not transferred to Confinement), this will not directly affect opening the cottage, but it would affect the resources available at the institution. Mr. Dawson said they would need most, but not all, of the new positions to open the new cottage, but it was difficult to tell where the line is drawn. He stated that the transfer-in positions won't make any difference regarding the opening of the cottage. Mr. Clemens, Budget & Management, told the Committee that the positions to be transferred from Rehabilitation are now classified as cooks, maintenance, and housekeeping people; these positions would be deleted and added in Juvenile Confinement in a Youth Counselor capacity. Senator Ray said that the Senate had allowed all positions except the Youth Supervisor; with the transfer-in positions they will have a 24-hour staff. Representative Malone stated that he concurred with Senator Ray's statement that the cottage (new) should be staffed, but he would like to make clear the House's positions: (1) disallow transfers; (2) conduct an interim special study.

Senator Ray again asked Mr. Lind how many people are needed to staff the cottage; Mr. Lind replied 10. Representative Malone pointed out that one of the positions requested was a Clerk Typist. Mr. Clemens said that the Clerk Typist is "tied to the Alaska Justice Information System transaction." Those duties are now performed by the Director of Admissions. Mr. Dawson said that it would be possible to go without the Clerk Typist and Supervisor, but the transfer-in positions are needed and will perform the same functions as the new Youth Counselors.

Representative Malone moved the House figure for the McLaughlin Youth Center Confinement BRU. Senator Butrovich said he would like to discuss the contractual figure. \$186,500 was authorized last year, and the House had cut them back to \$177,900 for this year. He asked Representative Malone if the House conferees would accept the Senate figure for Contractual Services. Representative Malone pointed out that the Senate figure would cover the increased cost of maintenance due to the transfer-in positions. Senator Butrovich pointed out that many other costs were involved in this line-item. Representative Malone said he had no objection to the Senate Contractual Services figure.

Further discussion took place regarding the remainder of this BRU. Representative Malone stated that the transfer-in positions must be disallowed; as far as new positions are concerned, the House is willing to bring them in to meet requirement levels.

Mr. Dawson said that if the problem is simply due to the transfer-in positions, then it could be resolved by adding more new positions instead. Senator Ray asked if the people now filling the proposed transfer-in positions will be hurt by the reclassification (would they qualify?). Mr. Dawson said he did not know.

The Committee recessed for five minutes.

Recess

AFTER RECESS

Senator Ray called the meeting back to order and instructed the Division of Budget & Management to have the Division of Corrections people present during the next day's meeting in order to help resolve the McLaughlin Youth Center - Confinement BRU; more information is needed before a decision can be made.

ADMIN. OF
JUSTICE

Wage and Hour - Local Hire, Department of Labor. Senator Ray asked Budget & Management to explain the difference between the Local Hire program and the Alaska Plan. Mr. Dawson stated that the Alaska Plan is aimed at minorities while the Local Hire program is for everyone wanting to work on the pipeline. He added that the Local Hire program will purchase the equivalency boards of the Alaska Plan. Mr. Dawson also informed the Committee that there was no required general fund match in this BRU; an error had been made in typing in the funding; all funds were "Other General Fund" monies. Malone moved the Governor's figure \$245,100; no objection, so ordered.

Enforcement - Detachments & CIB, Department of Public Safety.

Enforcement - Narcotics, Dept. of Public Safety.

Representative Malone said that the House conferees would accept the Senate figures for the Narcotics and Detachments & CIB BRU's if the Senate would accept the House figures for the District & Superior Courts and the Pipeline Court System. Senator Ray asked if the Pipeline Court System could be amended to \$150,000. Representative Malone asked Rick Barrier (present from the Alaska Court System) if \$150,000 would be sufficient to allow a District Court Judge in Valdez. Mr. Barrier replied that \$190,000 would be sufficient, and authorization for the positions would be needed as well. The Committee decided on the following figures (Mr. Barrier concurred):

Enforcement - Detachments & CIB: (Senate figure) \$7,945,700

Enforcement - Narcotics (Senate figure) \$403,200

District & Superior Courts (House figure) \$11,104,300

Pipeline-Court System (Compromise figure) \$150,000 with intent that the Court System is authorized to install a District Court Judge in Valdez.

Intent

The Committee adjourned at 4:45 p.m.; to reconvene at 8:35 a.m. the following day.

Adjourn

FREE CONFERENCE COMMITTEE

Thursday, May 29, 1975

8:45 a.m.

All Committee members were present. Also present were:
Kent Dawson and Ron Lind, Division of Budget and Management;
Mr. Branton, Division of Corrections.

PRESENT

Department of Health and Social Services, Juvenile Confinement, McLaughlin Youth Center. Mr. Branton informed the Committee that the agency would like to be able to open the dorm. With the transfers out of Rehabilitation, some problems would be created. The agency is opposed to the figure in Rehabilitation which disallows the positions. Sen. Ray said it was his proposal to the Committee that they take the Governors figure for personal services subtracting the amount the House added to Rehabilitation and then take the Senate figures for the other line items. The establishment of the youth counselors can then come out of the \$2,153.5. Budget and Management said they could not establish the required number of youth counselors within the available funds. They may have to open the cottage later in the year. There was an agreement not to establish the clerk typist position.

JUSTICE

Sen. Ray repeated his proposal: In the original Senate figures, the transfers plus the eight new positions discounting the two youth counselors. Take the original Senate figure and subtract the transfers in, \$87.8, plus the 9.4 for the clerk typist. This adds up to \$1,660.0, which disallows the transfers and the clerk typist and allows seven positions of youth counselors. Kent Dawson responded saying that to operate the cottages, 13 positions would be needed. It will be necessary to hold the opening of the cottages until they have the 13 positions. Rep. Malone noted that in the Senate MYC - Confinement budget, they have \$100.0 allowed for new positions. Sen. Ray said that takes up the \$67.0, \$25.8, and \$9.4 and we disallowed the \$9.4. Reduce the funding further by \$87.8 which were the transfers in. Rep. Malone said this would give them over \$100.0 over the House figure in personal services. He would have no objection to this. The figures moved were:

Personal Services - \$1,660.0
Travel - \$17.7
Contractual - \$195.0
Commodities - \$150.0
Equipment - \$15.6
TOTAL - \$2,038.3

There was no objection to the figures. Sen. Ray recommended adding a foot note to indicate that it was understood that the cottage may be opening later in the year, and to make sure there were a sufficient number of positions.

Foot Note

5/29/75

Department of Health and Social Services, Juvenile Rehabilitation, McLaughlin Youth Center. Sen. Ray recommended taking the Senate figures for this BRU. This will eliminate the five positions. Rep. Malone noted that to cover the five positions in the Rehabilitation budget a figure closer to the House in personal services would be needed. This would put the permanent positions for the House at 23. The Division of Budget and Management informed the Committee that the Senate figure should be 18 full time positions instead of what is shown in the IBM run. Sen. Ray answered yes, we disallowed those five positions. Rep. Malone argued that the 23 current full time positions were needed. Something close to the House figure in personal services would be needed, otherwise the positions will run out of personal services money. Rep. Malone moved the house figure with the transfers disallowed. Sen. Ray asked for discussion purposes, why not kill the five positions? Rep. Malone answered that it is the House position that the transfers be disallowed and the two new youth counselors be put in. Sen. Ray argued, if they do not need the positions why not just eliminate them?

The Division of Budget and Management clarified that two of the positions are custodial types put in contractual services-- this was for \$241.0 The figure that was adopted was \$195.0 and this is a considerable cut. Sen. Ray asked what the salary benefit costs for the two positions were. Budget and Management answered that three of the five positions are in the housekeeping custodial area.

The meeting recessed at 9:05 a.m.

RECESS

5/29/75

FREE CONFERENCE COMMITTEE

Friday, May 30, 1975

8:50 a.m.

All committee members were present. Also present were:
Kent Dawson, Carl Gonder, Ron Lind, Division of Budget and
Management.

PRESENT

Department of Health and Social Services, Juvenile Rehabilitation, JUSTICE
McLaughlin Youth Center. Sen. Ray moved the personal services
figure of \$428.1 for 23 employees. He said that this is the
same that it is now but disallows the transfers out. Rep.
Malone said there was no objection. Sen. Ray moved the following
figures, there was no objection:

Contractual - \$110.0
Commodities - \$54.4
Equipment - \$3.0
Grants - \$18.8
TOTAL - \$614.3

Rep. Malone recommended the Committee adopt the following intent
for both the Juvenile Confinement and Juvenile Rehabilitation
McLaughlin Youth Center BRUs. There was no objection.

Free Conference Committee Intent: Transfers are not allowed.

Legislativ
Intent

Office of the Governor, Tokyo Office. Sen. Ray moved the
Governor's revised figure of \$100.0. There was no objection,
it was so ordered.

DEVELOP-
MENT

Department of Community & Regional Affairs, Revenue Sharing.
Rep. Naughton informed the Committee that there was a problem
with the Anchorage Community Hospital. They failed to file
an application until after the October cut-off date for
participation in the Municipal Services Revenue Sharing. He
moved that the Committee adopt the following intent. There
was no objection, it was so ordered.

Free Conference Committee Intent: It is the intent of the
Legislature that an amount not to exceed \$300,000 (the amount to
be determined by eligibility standards established in law/regu-
lations for payment of construction grants to hospitals) be

Legisla-
tive
Intent

5/30/75

be paid as a grant to the Anchorage Community Hospital from the FY 75 Municipal Services Revenue Sharing account. This grant should be the only payment for hospital construction reimbursement made to the Anchorage Community Hospital from FY 75 appropriations.

Department of Public Works, Trunk & Secondary Airports, Regional operations. Rep. Malone moved that the Committee accept a personal services figure of \$2,849.9, Senate figures for Travel, Contractual Services, and Commodities, and \$150.0 for Equipment giving a total of \$6,120.3. This would be deleting the following positions; #1, Equipment Operator at McGrath (#2), and position #4. The Senate had no objection to the figures; however, Sen. Butrovich wanted to allow the equipment position at Galena. Rep. Malone moved that the Committee authorize all equipment operators within the allocation, giving the total number of positions of 105. There was no objection.

TRANSPORT-
ATION

Department of Public Works, Aviation Engineering, Chief Engineer. Rep. Naughton moved the Senate figure of \$107.8 allowing the Chief Engineering position. A question was asked about the Contingency Fund. The Governor requested language in the bill as to why the Contingency Fund doesn't lapse until August 31-- is this acceptable? Rep. Malone answered that there wouldn't be any encumbering period before that date. There was no objection to the Senate figure.

Department of Administration, Data Processing, Telecommunications Network. Sen. Ray read a letter from the Governor dated May 19, 1975 asking for the following increases in this BRU:

GENERAL
GOVERN-
MENT

Personal Services - \$91.8
Travel - \$18.1
Contractual - \$81.1
Commodities - \$2.0
Equipment - \$8.8
TOTAL - \$456.8

Budget and Management informed the Committee that the new revised figures reflecting the Governor's increases are:

Personal Services - \$139.3
Travel - \$33.5
Contractual - \$237.9
Commodities - \$16.6
Equipment - \$29.5
TOTAL - \$456.8

THIS BRU WAS LEFT OPEN.

5/30/75

Department of Administration, Data Processing, Services to Operating Agencies. Sen. Ray moved the following figures for this BRU:

\$1,076.3 - Personal Services
\$ 750.0 - Contractual Services
\$ 140.0 - Commodities
\$ 6.0 - Equipment

TOTAL - \$1,972.3

Budget and Management informed the Committee that this is Data Processing Division's top priorities. Rep. Malone moved that the following intent be included. There was no objection.

House Intent: The legislature is concerned about the high cost of data processing services provided for State agencies. Of particular concern is the thought that runs are being produced which may be of little or no value. It also appears that many programs run on the State's computer have not been designed to maximize the amount of useful information obtainable from the particular program. In an attempt to encourage more judicious use of the new computer, the legislature requests that the Commissioner of Administration during the interim develop, in cooperation with the legislative staff agencies, a full charge system for data processing service.

Legisla-
tive
Intent

Department of Administration, Labor Relations Agency. Sen. Ray moved the Governor's figure of \$79.8. There was no objection.

Department of Administration, Executive Administration, Budget and Management. The Budget and Management Division mentioned that one Budget Analyst position was removed to Health and Social Services. The total cost is \$45.5 for these positions (two positions). Sen. Ray asked the Committee if they wanted to amend the figure to \$52.5 with 18 positions. (Two budget analysts were to be reassigned). Rep. Malone indicated that this would be acceptable to the House; however, the House would suggest that the cost of the positions is not to blow up the Budget and Management budget. The fund source would be Interagency Transfers.

Department of Natural Resources, Agricultural Inspection, Animal Industry. Sen. Ray moved that the Committee adopt the Senate figure of \$439.5. There was no objection.

PUBLIC
PROTECTION

Department of Health and Social Services, Health Program Support, Grants to GAAB. Sen. Ray requested that this figure be amended by \$25.0 in Miscellaneous for dog control (in later minutes this was referred to as animal control). There was no objection.

HEALTH

The meeting recessed at 9:31 a.m.

ADJOURN

FREE CONFERENCE COMMITTEE

May 31, 1975
10:05 A.M.

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

Present

Sen. Ray called the meeting to order.

EDUCATION

EDUCATION

Alaska State Arts Council - Consideration was asked for \$25,000 for the Visual Arts Center and \$13,500 for the transportation of Tlingit dancers to the Third World Poetry Congress for a total of \$38,500. These two items would be inserted under Miscellaneous in order to avoid a mix-up in the Grants section. The committee agreed to adopt the House figure of \$834.2 plus the above noted \$38.5 in Miscellaneous, for a total of \$872.7.

State Library Operations - Sen. Ray moved and asked unanimous consent to add \$15,000 under Miscellaneous for the Alaska Humanities Forum. Senate figures were accepted with the addition of \$15,000, for a total of \$1,017.4.

HEALTH

HEALTH

Regional Laboratories - Sen. Ray moved the House figure. No objection. Mr. Dawson asked if intent should be included stating funds would be drawn from the general fund if 314D money did not materialize. After discussion, the committee agreed to adopt the House figure, with the intent that if 314D funds did not materialize, general fund money would be appropriated to pick up two positions.

Registry of Human Impairments - Sen. Ray moved the Senate figure of \$50.7. No objection.

Administration - Sen. Ray said the Commissioner had informed him it was mandatory to include the two positions in this BRU. Mr. Malone moved the Senate figure. No objection.

Public Health Administration - The House had deleted six positions in this BRU, including the Director. Mr. Malone moved the Senate figure. No objection.

5/31/75

Community Mental Health Center - Sen. Ray asked if the House and Senate could arrive at a compromise figure, with the intent that communities that could get their program underway would be given priority. Mr. Haugen agreed, and said local participation funds should be used. Staff members explained that under Senate Bill 24, communities would be obligated to put up 25%, and this BRU was the funding for S.B. 24. Sen. Ray moved the figure of 622.5 for grants for a total of 630.9, with the intent that communities match in-kind for 25%. House intent would be the basis for the Free Conference Committee intent, with Bethel at \$20,000 and Barrow at \$20,000. Under no circumstances would the original program be altered in Ketchikan and Kodiak. The committee accepted the figure of 630.9 with the intent.

The meeting adjourned at 10:35 A.M.

Adjourn

5/31/75

FREE CONFERENCE COMMITTEE

Sunday, June 1, 1975

9:20 a.m.

Present: All members of Free Conference Committee

Also Present: Legislative Finance staff: J. H. Hogan, Rich Guthrie, Milt Barker, Bob Grogan, Alison Farnan; Budget & Management staff: Kent Dawson, Ron Lind, Wayne Weeks.

Chairman Ray called the meeting to order and announced that the committee will proceed to close out BRU's that were left open in previous meetings. First to be considered was:

Office of the Governor, Alaska Plan Committee:

Representative Naughton announced that this budget should be entitled the "Alaska Plan Policy Board, Inc." He noted the budget calls for something in the neighborhood of \$317.0, and the House is inclined to fund it at \$300.0.

SOCIAL
SERVICES

Representative Naughton moved to adopt a budget of \$300.0 (all in contractual services). The motion failed with 2 members voting in favor of it (Naughton and Malone).

THIS BRU LEFT OPEN (closed later in the meeting).

Dept. of Administration, Minority Training: Senator Ray moved to adopt the Governor's figure. Representative Malone questioned why this budget is all funded with general fund monies. Kent Dawson replied that the idea is that they wanted one place in the state budget where we can point to as a total state effort for minority training for state employees.

Answering Representative Malone, Ron Lind said that it would be possible to put CETA Title II funds in this program; however, this program is operated under the Division of Personnel and all CETA funds go through the Department of Labor and you cannot "supplant the CETA money." Bob Grogan said another problem with using CETA funds for this program is that it is a "low skilled training program" that does not result in high-paying jobs and this would prevent the department from using CETA funds for this training.

Representative Malone asked where the \$83.0 in FY 75 federal funds come from. Mr. Lind stated that the Anchorage Borough opted to go through the Division of Personnel for their CETA money rather than through the Department of Labor--this is placements money for the Anchorage Borough.

Representative Malone said he still doesn't think this is a good program. It amounts to "tokenism." He asked what happens to these people after they go through the program. Mr. Lind stated that the program takes people who are not qualified for entry-level positions and trains them. Once they are qualified they go on the regular state payroll into places where there are jobs available. He stated that it may take 3 to 9 months until these people can qualify for a position within the government structure. When they can pass the test and qualify for regular state jobs, they drop out of the program.

6/1/75

Senator Ray spoke in favor of the program saying that it has been a very successful and popular one in Juneau. Representative Haugen said he understands this has been a pretty well-run program.

There being no objection, the Governor's figure for Minority Training was adopted.

Office of the Governor, Alaska Plan Committee: Senator Ray moved to adopt \$250.0 for this budget. He asked if that figure was agreeable with the administration. Kent Dawson replied that they will support an inflationary increase over what they had last year, which amounts to \$150.0 or so.

Senator Butrovich said he would support this program if in fact the people involved with the program actually go down to the union hall with the minority person seeking a job and run him through the system. He felt this was the only effective way to get jobs for people--you can't do it on the telephone.

No objection \$250.0 was adopted for this budget.

Dept. of Education, Vocational Rehabilitation, Counseling & Placement: Senator Ray moved to adopt the Senate figures.

Representative Malone had a question. He said the last time we discussed it, actually the money to Services to Clients declined by several hundred thousand dollars in the FY 76 budget. What sort of program change can we apply here to prevent that from happening? Ron Lind replied that he spoke to Mr. Morgan, who is in charge of this program, and Mr. Morgan said it is true they are having to change their effort more toward the seriously handicapped people, but at this time Mr. Morgan does not see any reason why \$1,387 is not enough to run the program in the Services area. Mr. Lind said every year they have been lapsing some money in that area anyway. He added that Mr. Morgan said he could spend more money.

Representative Malone asked for an explanation on the revision in this budget. Milt Barker explained that the revision, which was \$135.0 was an approved RP that added two new positions: a Counselor and a clerical position, to handle the increased workloads generated by the larger number of clients being referred by disability determination to the general program.

To clarify the difference between the House and Senate budgets, Representative Naughton stated that the House took money out of Counseling and Placement and put it into Services to Clients.

At this point, Ron Lind stated that if we are going to reduce vacant positions, Disability Determination contained 6 of the 20 positions that were reduced "out of this first component", so we could adjust that now or choose a number for Counseling and Placement and have it adjusted through revisions later.

Senator Ray said he has not heard any displeasure from anybody that they were not getting counselling. He said he's inclined to go along with the Director's recommendation.

After a discussion, Representative Malone stated that he would approve the Senate figures for this component and Vocational Rehabilitation, Services to Clients. No objection, so ordered.

Dept. of HSS, Program Services, Other Services: Senator Ray said it is the Senate position that they do not approve the grant in this fashion.

Senator Ray moved to adopt the Senate figure for this budget. No objection, so ordered.

Child Support Enforcement Program: At this time Kent Dawson called to the committee's attention that the department is concerned if they do not meet the January 1, 1977 deadline for implementing this program, the federal government will penalize us. He said if we funded 7 positions at \$172.0 this year we would probably have a program that could be called a plan that the feds would go along with. Mr. Dawson stated that the agency itself does not totally agree with \$172.0, but Budget & Management thinks that amount would be satisfactory. He said there is 75% federal funding on this.

Senator Ray moved to adopt \$150.0 for this program. No objection, so ordered.

This concluded close-outs of the SOCIAL SERVICES category. Next category to be considered was NATURAL RESOURCES.

NATURAL
RESOURCES

Dept. of Fish & Game, Commercial Fish, Administration & Support: Senator Ray moved to adopt the Senate figure. No objection, so ordered.

Dept. of Fish & Game, Habitat Protection, Kachemak Bay Study: Representative Malone moved to adopt the Senate figure for personal services and travel, set contractual at \$520.0; Commodities: \$6.9; Equipment \$1.0. The motion failed with Representatives Malone, Naughton & Haugen voting in favor of it.

Kent Dawson pointed out that the funds in contractual services are for baseline studies, not only in Kachemak Bay, but the data will be considered general data to be applied to much more of the coastline.

Senator Ray moved to adopt the Senate figures, with the exception of contractual which would be set at \$420.0. Representative Malone objected.

THIS BRU WAS LEFT OPEN (Closed out later in the meeting).

Dept. of Fish & Game, Administration & Support, Board of Fish & Game: Kent Dawson spoke in favor of allowing the Liaison Officer position which was disallowed by Free Conference, saying that this is a high priority item of the department. He said currently there is a person on board who is performing this function under "Contractual". Representative Haugen added that the Governor really wants this position. He acts as liaison between the advisory board and local fishing groups.

6/1/75

Senator Ray moved to adopt the Governor's figure of \$78.7. This will allow the Liaison Officer. All members except Senator Ray voted in favor of this motion. Senator Ray was not in favor of allowing the position.

Dept. of Environmental Conservation, Water Programs, Construction Grant Administration: Senator Ray moved to appropriate \$100.0 from the general fund to the Department of Environmental Conservation for pre-design and engineering work to upgrade the waste water treatment facility at Eagle River. No objection, so ordered. .

Dept. of Fish & Game, Habitat Protection, Kachemak Bay Study: Senator Ray moved to accept the House figure for the Kachemak Bay Study. No objection, so ordered.

Office of the Governor, Planning & Research: Referring to Alaska Public Forum under this budget, Ron Lind said the Governor's original budget requested 3 positions and \$150.0. The Governor now indicates that one position plus \$50.0 in contractual for this would be sufficient.

GENERAL
GOVERNMENT

Senator Ray asked for an explanation of the Socio-Economic Study. Mr. Lind said it is all federally funded. There is \$150.0 in federal funds to study the impact of "unique development activities."

Referring to Coastal Zone Management, Mr. Dawson said the basic concern is that they at least get some general fund matching money for this item. They can appropriate the federal funds by RP when they come in. Mr. Lind said there are some positions in Coastal Zone Management that were approved that depend on this general fund money being appropriated someplace in the total. To clarify this statement, Wayne Weeks explained that four positions relate to this project and were approved in the budget, but only the federal funds were added in. If we do not have state matching money, the positions will be deleted.

Senator Ray asked if a total general fund appropriation of \$1,706.9 will take care of the Socio-Economic Study, Alaska Public Forum, State Energy Policy Program, Outer Continental Shelf and Coastal Zone Management.

Senator Ray then asked Mr. Dawson if the \$150.0 for the Socio-Economic study, which is all federal funds, could be taken care of by RP. Mr. Dawson answered that they would prefer to have it put in here.

Senator Ray wanted to know if \$1,706.9 funded as follows would take care of the projects:

- \$150.0 federal funds for the Socio-Economic Study
- \$75.0 general funds for Alaska Public Forum
- \$75.0 general funds for the Energy Program
- \$75.0 general funds for Outer Continental Shelf
- \$125.0 general funds for Coastal Zone Management

Mr. Dawson said it would "as long as that is the general fund portion of it." Mr. Lind said "That is fine. The rest can come through Budget & Audit."

Senator Ray moved to adopt a budget of \$1,706.9 with the previous breakdown.

Jay Hogan asked if the Public Participation Director position would be included (three of these positions were requested). Senator Ray replied "yes, put him down as one position--he is included within the number."

Jay Hogan listed the positions that he understood were to be allowed, i.e.: Coastal Zone Coordinator, Community Services Coordinator, Publication Specialist, Research Analyst, Clerk Typist and one Public Participation Director.

Final budget adopted by the Committee was \$1706.9, with the breakdown provided by Senator Ray (previous page) and with the following intent:

"The Division shall file a report with the Governor and Legislature during the first week of the 1976 regular session detailing the objectives and accomplishments of all programs within the division."

Legislative
Intent

"The Regional Profile Program is to be continued within the amount budgeted for contractual services."

Office of the Governor, Telecommunications: Senator Ray moved to adopt a budget of \$456.8. No objection, so ordered.

Legislature, Legislative Council: Senator Ray moved to adopt the Senate figure. Representative Naughton objected.

11:00 a.m. - 1:05 p.m. The committee was in recess. (The Senate majority had to go into caucus)

AFTER RECESS
1:05 p.m.

Chairman Ray reconvened the meeting and consideration of the Legislative Council's budget continued.

Senator Ray stated that the only area of change is under legislative research which the Senate did not have. He said they cut out one of the studies, i.e., telecommunications for \$150.0. There is \$134.4 difference between the House and Senate budgets.

Senator Ray also noted that the Senate cut the amount for Criminal Code revision from \$100.0 to \$50.0 and put \$100.0 in for interim committees, although none was requested.

Representative Malone moved to adopt the Senate figures, but provide an additional \$75.0 for studies as follows: \$65.0 for telecommunications and \$10.0 for Oil and Gas.

A vote was taken and the motion failed, with 3 members voting in favor of it (Representatives Malone, Naughton & Haugen).

Senator Butrovich suggested allowing them within the Senate figure.

Senator Ray proposed the following language: "It is suggested that the Legislative Council study these areas during the interim:

Legislative
Intent

Study of Services to Children
Health Delivery Systems
Criminal Code Revision
Telecommunications
Oil & Gas

It was agreed that the individual amounts for these studies which were listed by the Senate would be dropped.

The Senate figure of \$3,794.4 was adopted with this intent.

Legislature, Legislative Audit: Senator Ray moved to adopt the Governor's figure of \$850.1. No objection, so ordered.

Legislature, Legislative Finance: Senator Ray moved to adopt the Senate figure for Legislative Finance as follows:

Senate figures for personal services and travel;
\$41.0 for contractual; \$3.0 for commodities;
\$23.7 for Equipment. TOTAL: \$348.6.

Representative Malone objected. Representative Malone moved to adopt the following budget:

Personal Services: \$300.0; Travel: \$12.2; Contractual:
\$40.1; Commodities: \$3.0; Equipment: \$23.7; Misc.: \$5.0;
TOTAL: \$384.9

Representative Malone said this would provide four temporary full time equivalents for part-time staff (6 month funding).

After a short discussion, the budget proposed by Representative Malone was adopted.

Legislature, Budget & Audit Committee, Committee Expenses: Representative Malone moved to adopt a budget of \$55.0, which would add \$5.0 on to the "Miscellaneous" line item. No objection, so ordered.

Dept. of Nat. Res., Fire Protection & Suppression-State: Senator Butrovich moved to re-open this budget, as he would like to add some intent. No objection, so ordered.

Senator Butrovich proposed intent to the effect that fire suppression on state lands be contracted with Alaska-based companies. In other words, they would be given preference over outside operators. There was no objection from the committee to this intent. The Budget & Management staff was instructed to draft the proper language to accomplish what Senator Butrovich intends.

Legislative
Intent

1:30 p.m. to 3:37 p.m. The committee was in recess since a Joint Session was scheduled for this time.

Recess

AFTER RECESS
3:37 p.m.

Senator Ray reconvened the meeting and stated that the committee will consider items left open in the EDUCATION category.

EDUCATION

Dept. of Education, Debt Retirement/Local: Senator Ray moved to adopt \$8,810.5 for Debt Retirement/Local. No objection, so ordered.

Dept. of Education, Supplementary Programs: Representative Malone asked Mr. Guthrie to explain what the difference in the funding levels is with the adoption of SB 35. Mr. Guthrie replied that the Free Conference Committee on SB 35 took HB 24 and basically worked from it, so he assumed that the House Finance intent carried.

Representative Malone suggested adopting \$400.0 for this BRU, with intent that a revised program should be prepared to place the funding in Regional Resource Centers, as per SB 35, as outlined in the Free Conference Committee on the bill. No objection, \$400.0 with this intent was adopted.

Legislative
Intent

Dept. of Education, WICHE, Student Aid: Senator Ray moved to adopt \$531.4, stating that "this is to fund the revised WICHE request." No objection, so ordered.

Dept. of Education, ARTTC: Senator Ray moved to adopt the Senate figure. Ron Lind reported that he has checked on the general fund match that is required. He stated that at least \$16.8 in general fund monies is required for this budget.

Senator Ray moved to adopt \$450.0 for ARTTC. This will allow \$20.6 in general fund support. No objection, so ordered.

Dept. of Education, Student Financial Aid, Tuition Grants: Senator Poland moved to adopt the Senate figure. Senator Ray asked "What figure is necessary here?" Representative Malone said he believed the Senate figure is sufficient on Sheldon-Jackson tuition equalization grants, but under HB 33, figuring 500 students at AMU, we are going to need about \$1.3 million in tuition equalization grants for FY 76.

No objection \$1.3 million adopted for Tuition Grants. This funds the bill here rather than in the legislation section.

Dept. of Education, Educational Broadcasting Commission: Senator Ray moved to adopt the Senate figures for the first five categories (line items) and the House figure for the 6th category (line item), with the addition in the 6th item, Grants, of \$15.0 for Noorvik mini-t.v., for a total Grants line item of \$1,031.4. The budget breaks down as follows:

Personal Services: \$77.2; Travel: \$18.3; Contractual: \$88.0;
Commodities: \$27.0; Equipment: \$17.0; Grants: \$1,031.4.*
TOTAL: \$1,258.9.

*The breakdown of the Grants line item is as follows:

Kotzebue:	\$107.5	
Barrow	94.5	
Kodiak	94.5	
Dillingham	94.5	
Bethel	189.0	
Anchorage TV	250.0	
Juneau	53.4	
Anchorage FM	36.0	
Mini TV	10.0	
Ketchikan	32.0	
Soldotna	15.0	
Wrangell	32.0	
Kiana	8.0	
Noorvik Mini-TV	15.0	= \$1,031.4

No objection \$1,258.9 was adopted for Educational Broadcasting Commission with the above breakdown.

Dept. of Education, State Library Operations: Referring to the new special education center item requested in this budget, Kent Dawson explained that in the PERCY program, State Operated Schools, there is a media center for which SOS has requested considerable funding for upgrading. The administration has left the PERCY center at maintenance level and decided it would be best to move toward centralizing the centers so the small school districts could benefit. He added that they have \$750.0 in the capital improvement program to purchase new films and equipment to begin operation of a centralized media center.

Senator Ray moved to adopt the Senate figure plus \$15.0, for a total budget of \$1,017.4. No objection, so ordered.

State Operated Schools, Central Office: Representative Malone asked what happens to this office under the legislation adopted relating to SOS. Rich Guthrie replied that PERCY will be transferred out, but there will be some funds left in the budget to handle administration; however, the budget is reduced by about \$1 million.

STATE
OPERATED
SCHOOLS

Kent Dawson recommended going with the Senate budget for Central office because of the uncertainty as to exactly what they will have. He said it is pretty difficult to determine right now.

There being no objection, the figure of \$3,448.7 as a total for Central Office was adopted.

Office of Governor, Bicentennial Commission: Senator Ray said he would like to add the sum of \$12.0 under Miscellaneous for the "Alaska Day Festival, Inc." for the bicentennial year celebration. No objection, so ordered. The total of the budget is now \$437.0 (previously \$425.0).

Senator Ray announced that we will take up the University budget next. Senator Ray stated that it is the Senate position that the committee should agree on a total amount for the University, including the community colleges, together with such intent should be agreed upon.

Recess: At this time (4:00 p.m.) the committee took a recess. (The meeting was reconvened at 5:05 p.m.)

Recess

AFTER RECESS

5 PM

Capital Projects Budget, SOS. Sen. Ray informed the Committee that funding was needed for HB-429 for procurement. Referring to a proposed intent, he stated that if the Committee puts this wording in the intent, then there would not be any funding for the Bill. The funding balance is \$400,000. Sen. Ray moved that the Committee adopt the following intent for the HB-429 procurement:

CAPITAL
PROJ.
SOS

Legislative Intent: Sec. 18 of Ch. 147, SLA 1974 insofar as it pertains to the Advance Planning Revolving Fund for State Operate Schools is amended by the addition of the following footnote:

Legis-
lative
Intent

The Advance Planning Revolving Fund Approp. shall be transferred to the Department of Public Works as of July 1, 1975.

University of Alaska, Statewide Administration. Sen. Ray moved that the Committee estabtlsh a new line item for Systems Development and allocate \$300,000 for this line item. There was no objection.

EDUCA-
TION
UofA

Organized Research, CNER. Rep. Malone moved the figure of \$516.3 for this BRU along with the following intent:

Legislative Intent: This includes withint the budget, \$310.0 for the Native Language Center and transfers in from restricted funds.

Sen. Ray objected. THIS BRU LEFT OPEN.

Northern Regional Center, Regional Administration. Sen. Ray moved the Senate figure of \$1,200.0 for this BRU. Rep. Malone moved \$1,244.2 for Northern Regional Center; \$16.0 for Regional Public Service which would delete the additional funding for Kotzebue; \$74.7 Student Aid; \$275 Nome Community College, including the \$16 extracted from Public Services.

RECESS WAS CALLED AT 5:15 PM

AFTER THE RECESS - 5:20 PM

Rep. Malone's motion on the Northern Regional Center again was taken up. Sen. Ray said there was no objection to the figure of \$1,244.2 for Regional Administration.

Northern Regional Center, Regional Public Service. The Committee

adopted Rep. Malones earlier motion of \$617.0 for Regional Public Services without objection.

Northern Regional Center, Regional Student Aid. The Committee adopted the figure of \$74.7 for this BRU from Rep. Malones earlier motion.

Northern Regional Center, Nome Community College. The Senate objected to Rep. Malone's previous motion to adopt \$275 for this BRU. THIS BRU LEFT OPEN.

Fairbanks Campus, Instruct. & Department Research. Rep. Malone moved that the Committee adopt the Governor's figure of \$5,755.1. There was no objection.

Fairbanks Campus, Tanana Valley Community College. Rep. Malone moved that the Committee adopt the figure \$698.5 with the intent. Sen. Ray objected. THIS BRU LEFT OPEN.

Fairbanks Campus, Library. Rep. Malone moved the figure of \$1,305.9 for this BRU to include \$48.6 in additional funds for books. Sen. Ray amended the motion to \$1,258.0. Rep. Malone did not agree. THIS BRU LEFT OPEN.

Fairbanks Campus, Museum. Sen. Ray moved the Senate figure of \$270.0. Rep. Malone moved that this include the House intent. Sen. Ray asked what the reason was for the House intent. At the Committee's request Rep. Cowper answered that a place to eat was needed; this is in accordance with the Administration's request. Sen. Ray amended his motion to move the House figure together with the House intent. This motion was adopted.

House Intent: The museum shall not be moved to the lower Commons.

The figure adopted for this BRU is \$226.6.

Fairbanks Campus, Student Services. Sen. Ray moved the Governor's figure of \$711.1. Rep. Malone amended the figure to \$830.0 to include counselors and \$89.0 for the Athletic Program. THIS BRU LEFT OPEN.

Fairbanks Campus, Physical Plant Utilities. Sen. Ray moved the Governor's figure of \$1,798.7. Rep. Malone mentioned that this agency has outstanding \$140,000 to the Golden Valley Electric Co. they would have to pay for here. He moved to amend the figure to \$1,875.0. Kent Dawson informed the Committee that Budget and Management supports this. There was no objection the figure of \$1,875.0 was adopted.

Fairbanks Campus, Physical Plan Maintenance. Sen. Ray moved the Governor's figure of \$3,440.0. There was no objection.

Fairbanks Campus, Safety and Security. Sen. Ray moved the Governor's figure of \$416.9. There was no objection.

Fairbanks Campus, Debt Service. Rep. Malone moved the Governor's figure of \$783.1. There was no objection.

Fairbanks Campus, Public Service. Sen. Ray moved the Governor's figure of \$847.0. There was no objection.

Southeast Regional Center. Rep. Malone moved the figure \$409.2 for the whole BRU. Sen. Ray amended the figure to \$475.0. He informed the Committee that they inadvertently dropped the Budget Analyst on the University of Alaska. They transferred the position from the University but did not fund it. Rep. Malone said there was no objection to the figure of \$475.0. Sen. Ray asked that the following intent be adopted, there was no objection:

Legislative Intent: It is the intent of the Free Conference Committee that the Public Service positions and Budget Analyst position be allowed.

Legisla-
tive
Intent

Juneau Campus. Sen. Ray moved that the Committee adopt the figure of \$1,500.0 to take care of the following:

Community College facilities - Sciences
Facilities - Math and Business Administration
Rental of Office Space
Utility Increases
Normal Step Increases

Rep. Malone asked if this would also include the Fisheries Program. Sen. Ray answered yes. There was no objection to the figure.

Ketchikan Community College. Rep. Malone moved the maintenance figure of \$436.2. There was no objection. The following intent was included:

Legislative Intent: This budget includes vocational education instruction.

Legisla-
tive
Intent

Sitka Community College. Sen. Ray moved the figure of \$316.2, this is the request level. There was no objection.

Southcentral Regional Center. Sen. Ray moved to adopt the House figure. Rep. Malone amended the motion to \$2,117.0 to

include the Out Reach Program and lease purchase. There was no objection.

Anchorage Campus. Sen. Ray moved that the Committee adopt at total of \$9,700.0. Rep. Malone amended the figure to \$10,240.1.

A RECESS WAS CALLED - 5:50 PM.

AFTER THE RECESS - 6:15 PM.

Sen. Ray suggested the Committee take up each budget component for the Anchorage Campus.

Anchorage Campus, Anchorage Senior College. Sen. Ray moved the House figure of \$1,885.1. A letter from Sen. Joe Orsini was referred requesting this budget be held to a maintenance level of \$2,077.6. Rep. Malone mentioned that the concern was probably the instructional. Rep. Malone moved the figure of \$1,980.0. Sen. Ray objected. He said the concern in the Senate side is that AMU would be funded. This is the reason for the alternate. Rep. Malone suggested handling the problem off of the budget summary page and moved \$1.9 million for the Senior College; \$5,196.0 for the Community College which was to include funding of the Paramedic Program, Literacy Lab, and Diesel Mechanic Training Program; \$800.0 for Consortium Library; to include \$150.0 for the Audio-Visual Program and \$50.0 for additional library materials; \$525.3 for Campus Services, to include the minority counselor; \$1,334.5 for the Physical Plant with the funding of \$50.0 for the Auditorium Operation Director.

Sen. Ray agreed with the figure of \$800.0 for the Consortium Library but would like the breakdown to be \$100.0 for visual aids and \$100.0 for books and supplies, etc. The breakdown was agreeable to the House.

On the Anchorage Community College Senator Ray said he would move the House figure of \$5,196.0 with the House Intent.

House Intent: Includes funding for Diesel Mechanic Program and Literacy Lab.

Rep. Malone asked that the Anchorage Community College figure be amended to \$5,150.0 which would include the Paramedic Program and Literacy Lab, but would remove the Diesel Mechanic Training. This figure was agreeable to the Senate.

Rep. Malone requested that \$50.0 be included in this budget for the auditorium. Sen. Ray suggested making an intent to

allow \$50.0 off the Physical Plant funding for the auditorium. At this point the matter was left open. Later in the meeting Rep. Malone moved that a figure of \$1,360.0 be adopted by the Committee for the Physical Plant. There was no objection to this figure. The following figures were adopted by the Committee for the Anchorage Campus:

Anchorage Senior College - \$1,900.0
Anchorage Community College - \$5,150.0
Consortium Library - \$800.0
Student Services - \$525.3
Physical Plant - \$1,360.0
Auditorium - \$50.0
TOTAL - \$9,785.3

Kenai Peninsula Community College. Rep. Malone moved the Governor's figure for the whole program. There was no objection.

Mat-Su Community College. Sen. Ray moved the Governor's figure. There was no objection.

Kodiak Community College. Sen. Ray moved the House figures. There was no objection.

Kuskokwin Community College. Rep. Malone moved the figure \$640.0. Sen. Ray amended the figure to \$680.0 mentioning there were changes in the level of instructional items. There was no objection, the \$680.0 figure was adopted.

Northern Auxiliary Services. Sen. Ray moved the total figure of \$4,041.3. There was no objection.

Southcentral Auxiliary Service. Sen. Ray moved the total figure of \$1,290.1. There was no objection.

Southeastern Auxiliary Service. Sen. Ray moved the total figure of \$54.4. There was no objection.

Statewide Auxiliary Services. Sen. Ray moved the figure \$1,022.2. Rep. Malone said the House had no objection to the figure, but moved that the intent be dropped. The intent was dropped.

Organized Research, CNER. Rep. Malone moved the figure of \$516.3 with the intent. This includes with the CNER budget, \$310.0 for a Native Language Center and transfers in from restricted funds. Sen. Ray mentioned that a bill was passed yesterday which had to do with this in SOS; this is the problem. Do you want to put them all together and have the Regional Institute-- this way we would have two, is that it? He went on to say a vote was taken yesterday to put this into something else. The Committee needs to know what the bill was that we passed. All the efforts of \$200,000 was in it. He suggested that the Committee let this go until more is known about what is in the

bill. This is the decentralization of SOS. It was to establish the bilingual language program. Rep. Malone stated that this was a different program. Sen. Ray responded, then you would have two programs. The Senate doesn't want to fund two programs. THIS BRU LEFT OPEN.

Northern Regional Center, Nome Community College. Rep. Malone informed the Committee that this budget consists of \$190.0 State General Funds and \$85.0 in other funds. Of the \$190.0, \$116.0 has been transferred from Regional Public Services. THIS BRU OPEN.

Fairbanks Campus, Tanana Valley Community College. Rep. Malone moved the figure \$703.5 including \$205.0 for Winter college. THIS BRU LEFT OPEN.

Fairbanks Campus, Library. Sen. Ray moved the House figure on this. There was no objection.

Fairbanks Campus, Student Services. Sen. Ray said the Senate would accept the House figure of \$752.1. Rep. Malone answered this was agreeable to the House; but they would like to keep the description of differences as legislative intent. There was no objection to this.

Legislative Intent: Allow Governor's budget plus \$41.0 (code 100) for two counselors and one tutor coordinator for Student Orientation Services.

Legislative Intent

THE MEETING RECESSED AT 7 PM.

AFTER RECESS - 9:05 PM.

Organized Research, CNER. Rep. Malone moved \$516.4 including \$310.0 for the Alaska Native Language Center. THIS BRU LEFT OPEN.

Northern Regional Center, Nome Community College. Rep. Malone moved the figure of \$275.0. THIS BRU WAS LEFT OPEN.

Fairbanks Campus, Tanana Valley Community College. Rep. Malone moved the figure \$731.9 which includes funding at the request level \$233.4 for Winter college. Sen. Ray objected. THIS BRU LEFT OPEN.

Rep. Malone brought to the Committee's attention SB-289, the expanded housing operation under Alaska House Corp. The bill is based on establishment of an insurance fund of \$1 million. One-half million dollars to be State Insurance Fund and one-half million dollars program receipts all charged from interest rates of Alaska Housing Corp. This would make possible \$50 million in housing in Alaska. Sen. Ray answered that this was in Senate Finance at this time.

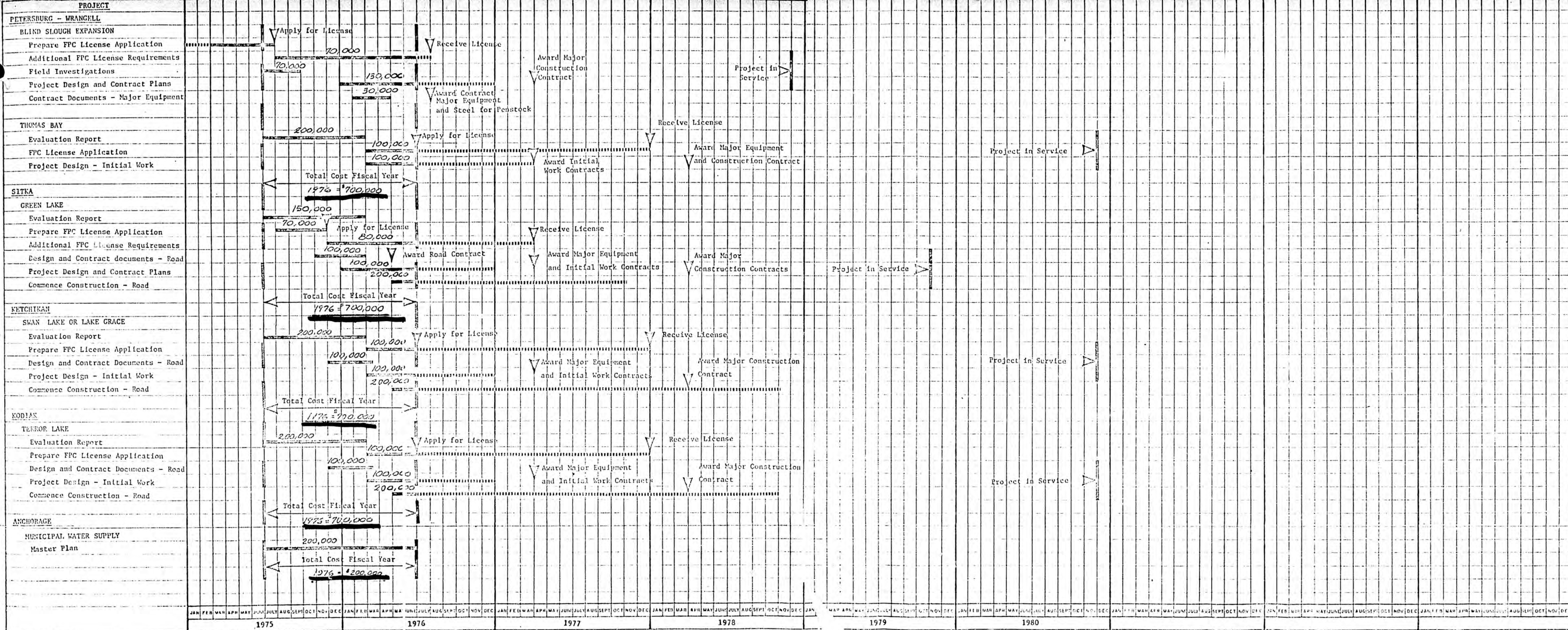
Rep. Haugen brought up for Committee discussion the possibility of establishing an appropriation on a loan basis to a water resources revolving loan fund. A breakdown of the request is attached. He informed the Committee that this is the request of the Southeast Conference. It is a request to the legislature to get some long-term financing for hydroelectric projects. There are two sources of money they can seek, Federal and State. It is possible that a preliminary fund be established that would make money available to make loans. There are at least three projects that are positive and are well down the road to the point that licensing has been applied for. EIS market studies and preliminary designing, these are stages that need funding far down the road. These are necessary functions to take place to get money. We can expect for at least the five mentioned projects, they are willing to incorporate monies the State will advance them as front loan money for capital projects and will pay the State when the program is active. This request is in connection with HB-171. Sen. Ray remarked that HB-171 has not passed the Senate and there is some doubt that it will. Rep. Malone inserted that if the legislation fails, the Corporation lapses. Sen. Ray replied that historically, you do not fund them until the legislation has passed. Rep. Haugen stated that in the past there have been items in the budget that were simply appropriation items. This is not unusual. He would like to have it considered. Everyone is aware of the value of developing water resources. The money would reduce hydroelectric rates. He is particularly interested in the Thompas Bay project. Sen. Ray said there was no expectation of money being available when the bill came out. They are aware of this; it was told to them.

The meeting recessed until the call of the Chair at 9:25 PM

RECESS

Fate Water Resources

\$3,000,000 is appropriated on a loan basis to a water resources revolving loan fund, administered by the Commissioner of Commerce, to be used for FY 1976 FPC licensing applications, evaluation reports, field investigations, initial project design, and contract plans and road project design and starts for approved hydroelectric generation and water supply projects as proposed in CSHB 171.



R.W. BECK and ASSOCIATES
Analytical and Consulting Engineers
Seattle, Washington Denver, Colorado

ALASKA
WATER RESOURCES PROJECTS
CASH REQUIREMENTS FOR
FISCAL YEAR 1976

DATE: APR 8, 1975
BY: [Signature]
REV. 4/10/75 000-9-5.0

29.116 6/1/75

ALASKA WATER RESOURCES PROJECTS

Cash Requirements for Fiscal Year 1976

Drawing No. 000-G-5.B shows graphically the overall schedule for badly needed water resources projects in the State, and the cash requirements for fiscal year 1976. This is based on four communities which have the most critical situation in respect to power generation: Petersburg-Wrangell, Sitka, Ketchikan-Metlakatla, and Kodiak, and one which has a very serious water supply situation, Anchorage.

The cash requirements proposed generally for the hydroelectric projects are those considered necessary for the initial investigations culminating in a project evaluation report, preparation of an FPC license application, and the necessary design and contract plans to support this application, the design and preparation of contract documents for an access road to the site, and commencing construction of the access road. The estimated amounts are as follows:

Petersburg-Wrangell

Blind Slough Expansion Project	\$300,000
Thomas Bay Project	\$400,000

Sitka

Green Lake Project

Investigation, license application and design	\$500,000
Commence access road construction	\$200,000

Ketchikan-Metlakatla

Swan Lake or Lake Grace Project

Investigation, license application and design	\$500,000
Commence access road construction	\$200,000

Kodiak

Terror Lake Project

Investigation, license application and design	\$500,000
Commence access road construction	\$200,000

The general critical items of the schedules for hydroelectric projects are the times required for (1) FPC licensing, (2) preparing draft environmental impact statements if needed by the Forest Service, and (3) construction of access roads which generally must be completed ahead of the major construction contracts. Based on judgment it is estimated that an evaluation report for a typical project in sufficient detail to support the license application will cost \$150,000 to \$200,000; more detailed feasibility investigations would of course follow. More than half of this expenditure would probably be involved in exploratory drilling, topographic mapping and other field services. The FPC license application, in an incomplete form, is estimated to cost about \$70,000 to \$100,000. Design and preparation of contract plans for lead items of work including its access road, is estimated to cost \$200,000.

The immediate requirement for Anchorage's municipal water supply is the preparation of a Master Plan which would include site field investigations. The estimated cost of this work is \$200,000.

The total estimated cash requirement for water resources projects in Fiscal Year 1976, is then \$3,000,000. Although this is considered to generally be a minimum amount to maintain the project schedules, the item which would probably have least impact is commencing construction of access roads which totals \$600,000.

It is estimated that the cash requirements from July 1, 1975 through March 31, 1976, would be as follows:

Petersburg-Wrangell	\$450,000
Sitka	\$420,000
Ketchikan-Metlakatla	\$340,000
Kodiak	\$340,000
Anchorage	\$150,000
TOTAL	<u>\$1,700,000</u>

FREE CONFERENCE COMMITTEE
Thursday, June 5, 1975
11:05 a.m.

Present: New Free Conference Committee Members: Senators Croft, Kerttula and Sackett; Representatives Cowper, Specking and Bowman.

Also Present: Legislative Finance Division staff: J. H. Hogan, Milt Barker, Bob Grogan, Rich Guthrie, Alison Farnan; Budget & Management Division Staff: Kent Dawson, Ron Lind; Commissioner of Administration Andrew Warwick. Representatives Malone, Naughton, Gruening and Duncan; press and interested persons.

Chairman Croft asked if there is any objection to following the meeting procedure established by the previous Free Conference Committee, in that it would take four votes to adopt a motion.

Representative Cowper moved to adopt the following:

1. Accept previous FCC figures up to the point where negotiations broke down in three categories (CNER, Tanana Valley Community College, Nome Community College).
2. CNER: Accept the House figure of \$413.4, \$200.0 of which will be allocated to the Native Language Center.
3. Tanana Valley Community College: Accept the Governor's figure of \$470.1; however, allow "reshuffling" within other BRU's within the Fairbanks Campus budget to add to the Tanana Valley Community College budget.
4. Total for the Fairbanks Campus budget will be \$15,879.8.
5. Nome Community College: Set this budget at \$250.0. (This is a \$25.0 general fund reduction)
6. Within the existing operating budget approved by the first FCC, that the House remove \$600.0 of their "add-ons" (defined as amounts in excess of the Senate's figures) and the Senate remove \$400.0 of their "add-ons" (defined as amounts in excess of the House's figures).
7. Within the capital budget, accept both the House and Senate figures except within the SOS category which contains some duplications; take the House figure for SOS, since it is broken out.
8. The \$1 million in reductions from the operating budget (mentioned in Item 6) will be put in the capital budget, the respective amounts (\$600.0 & \$400.0) to be allocated by each side wherever they want.

Senator Kerttula objected to the proposal on the basis that the House had included many items in the capital projects budget that the Senate had not, and they may want to take a look at these items.

Chairman Croft objected to the motion and requested that the committee take a recess so the Senators can consider possible amendments.

11:28 am - 11:59 am: The committee was in recess.

Kent Dawson, Director, Division of Budget & Management, stated that the administration was concerned with the House's approach to reallocating the capital budget. He said the biggest problem is that some of the most basic projects, i.e., maintenance-type projects, are not included in either the House and Senate budgets and the administration had assumed they would be able to justify these before the Free Conference Committee.

Senator Sackett questioned allocating \$200.0 of the \$413.4 CNER budget to the Native Language Center, saying that he was concerned that other CNER programs might have to be cut. He was also concerned about the motion relating to Tanana Valley Community College, explaining that there are certain Senators from Fairbanks who have ideas of what they would like to see at the University, and he would like to check with them before accepting any proposal.

Another item brought out by Senator Sackett was funding for International Airports in Anchorage and Fairbanks which was not included in either the House or Senate budgets. Under Representative Cowper's motion, this would not be included in the budget this year.

Senator Sackett also pointed out that there was \$25,905.0 in federal highway funds that would not be included in the budget under Representative Cowper's motion.

Representative Cowper said he had no objection to including these two items. Rep. Cowper moved to amend his motion to include the airport work, which comes out of International Airport Funds and the allocation of the Federal Highway funds.

After the motion was made, Senator Sackett informed the committee that there is also a problem with expected overruns in rural school construction. The Governor has requested \$800.0 more for these overruns, which would not be included under Rep. Cowper's motion. In conclusion, Senator Sackett said it appears to him that the motion just does not cover the problem areas that they have.

Senator Kerttula noted that there were several items of legislative intent adopted by the previous Free Conference Committee that were not acceptable to a number of legislators as well as the administration, and they would like the opportunity to revise some of this intent.

Senator Croft asked if Rep. Cowper would consider revising his motion concerning CNER to state that all existing programs under CNER are to be continued at their current levels and the funds remaining would be used for the Native Language Center. Rep. Cowper said he would not consider revising his motion in this manner.

Senator Sackett reiterated his belief that existing CNER programs should not be cut. Senator Sackett then read a list of some of the other CNER projects.

Kent Dawson told the committee that the administration has a problem with Rep. Cowper's motion in that unless there is a possibility of adjusting some of the items, i.e., the Anchorage and Valdez Airports, they will be in a real bind. Likewise, there is a problem with the operating budget. For instance, in the current operating budget there are positions to staff the library media center, yet neither the House nor Senate included any funding for the media center. He stated that they have requested \$750.0 for the library media center, but would be happy to get any portion of it, just to get the project rolling.

Senator Croft posed this question to the administration: If you increase the amount of capital projects, are you assured that the operating budget that has been previously approved is sufficient to carry the project? Kent Dawson replied "yes, except for the Valdez Airport." He explained that they were told to bring that up in the capital project. There was an item of \$60.0 for fuel which had previously been requested in the operating budget, but was not allowed there. He explained that this is general fund money since Valdez Airport is a Trunk airport.

12:30 p.m. - 1:45 p.m. The meeting was in recess.

AFTER RECESS
1:45 p.m.

All members of the Committee were present.

PRESENT

Also present: Representatives Duncan, Naughton, and Buckholdt; Kent Dawson, and Ron Lind of The Division of Budget and Management; Richard Holden; Dr. DeFoe, University of Alaska.

Chairman Croft asked if there was any further discussion on Rep. Cowpers motion. Rep. Cowper asked that before a formal vote was taken on his motion he would like to state that it was the House intent that in the event his motion passed another motion would be made to take up all of the Governor's supplemental without prejudice.

A formal vote on Rep. Cowper's motion was taken:

Members voting in favor of the motion:

Rep. Cowper
Rep. Bowman
Rep. Specking

Members voting against the motion:

Sen. Kerttula
Sen. Croft
Sen. Sackett

The MOTION FAILED.

Sen. Croft informed the Committee that there was a proposal being prepared on the question of the University of Alaska Budget. Figures from Jay Hogan must first be obtained. Sen. Kerttula explained that the Senate was trying to look at a non-political type of formula to overcome the difficulties in the budget and they were waiting for figures from Mr. Hogan.

Rep. Cowper made the following motion:

Make the same motion that was made previously with these changes--will approve of the last proposal Sen. Sackett made with respect to CNER that of the \$1 million that is cut from the Operating Budget by both the House and Senate, the Senate receive in effect \$800,000 of that to add into the Capital Projects Budget (he would like this done in the open at the Committee conference table) that are priority items with the Senate. The House would add \$200,000 to the Tanana Community College.

6/5/75

One other thing, the House would also commit resources to reallocate \$400,000 of existing capital appropriations for the bush schools if the Senate will do the same. There is a \$800,000 request by the Governor.

Sen. Croft said he would object to the motion, but first he assumes the members want to discuss it. Rep. Cowper said that in connection with the motion for CNER, all existing programs would be funded at their present level and excess funds would be used for CNER. The existing programs would be continued. Sen. Croft asked, in the second portion of the motion, what are you doing about the Tanana Community College? Rep. Cowper answered the \$200,000 would be added into the Governor's figure. The figure would be \$670.0. This is less than the original figure from the House.

Sen. Croft asked about Nome. Rep. Cowper said \$250.0 would be added under the same conditions as the Tanana Community College. Rep. Cowper reiterated that he is moving that the Senate take \$800,000 of the \$1 million that would be pulled out of the operating budget and put instead into the capital budget items that presently do not appear in the Capital Budget. That would be four allocations. The House would pull allocations out of the Operating Budget and apply it to schools if the Senate would do the same thing.

Sen. Kerttula said it was not fair to add to the Tanana Community College when the University is already getting full funding or to bring above request or maintenance level one community college and not others in the budget. Rep. Cowper stated that the object for the increasing the Tanana Community College budget was that this is a proposal for adding in Winter college for people that go to construction. They cannot go into the regular college because of the semester break which would interrupt work. Sen. Kerttula said the University itself doesn't seem to have the necessary adaptability to provide this service. He objects to people pushing programs the main campus should be handling. Also, he cannot see where they can accomodate the programs without extra buildings and people. An entirely new program and campus will have to be built. The University has large areas with a tremendous campus which is underutilized; there is something wrong with the University itself if this happens.

Rep. Cowper replied that none of the money is being allocated for building. This is not being used in capital projects. The program uses University facilities. However, instructors cannot be found at the University who can provide training for diesel mechanics, etc. This is what Winter community college will be providing.

Sen. Sackett asked what was going to be done with the other

6/5/75

community colleges; others who need the funding more. In Anchorage they are \$700.0 under the maintenance level and \$600.0 under their request level. They have a greater concern than Fairbanks in this instance. They have just as great of need as Fairbanks. Rep. Cowper mentioned that there is a lot of community interest in this. Simply by body count in community colleges there is a lot of interest. The thought was that within the Anchorage budget there is \$5 million. This budget can absorb a cut better than a smaller budget that is a little over \$200.0. Sen. Sackett objected saying that the money per credit hour is \$130 in Fairbanks; Anchorage receives \$92 per credit hour for a larger number of students. For the number of students at Anchorage they are way underfunded. This is totally eliminating other community colleges with as much need or more.

Rep. Cowper noted that the Senate figures out of the previous Free Conference were lower in the Anchorage budget. Sen. Sackett indicated that he was aware of this fact. Sen. Kerttula mentioned that some of the Senate members do not agree with the present figures out of the previous Free Conference.

A vote was taken on the motion:

Members voting in favor of the motion:

Rep. Cowper
Rep. Bowman
Rep. Specking

Members voting against the motion:

Sen. Kerttula
Sen. Croft
Sen. Sackett

THE MOTION FAILED.

A 5-MINUTE RECESS WAS CALLED - 2:05 PM

AFTER THE RECESS

Sen. Croft made a motion on the Capital portion of the budget:

There are some items that the Governor's Office might consider an emergency. Things requested that are required by law. Some other items relate to transferring of funds. Some of these items were not presented to either of the budget committees. Aside from those items, I would like to propose in the Capital budget we go through the Capital budget and eliminate any item that was not included by two of the following three groups or persons:

- 1) Item not included by both Governor and House or Senate would be excluded;

6/5/75

- 2) Item not included by Senate and House regardless of what the Governor's request was would be excluded.

Exclude all items for which only one of the three groups mentioned placed in budget. After excluding all those incorporated by only one group, that the House come up with a House budget adding \$2 million to any project whether that article was included in the budget or not and the Senate do likewise.

He gave an example. The Library Media Center mentioned earlier would be omitted. The House or Senate might include that within its \$2 million allocation. The Senate, for example, or House, leaving out the Governor's items, can include what was not included by the House or Senate. Sen. Kerttula asked if the two groups could choose to split any of the items. There might be an instance of equal interest, where each group could put in equal amounts.

Sen. Croft said that it seems that an item not included by both groups obviously has something lacking. I am allowing \$2 million be added with an explanation to be given that each proposed project is feasible and that the project can be consummated in the budget.

Rep. Bowman asked if there were any totals. He remarked that the \$4 million has no relativity if there are no totals from which to work.

Rep. Kerttula mentioned that the total proposal was thought about but was not workable so we withdrew having a total proposal for a balance. We are working backwards from the budget.

A RECESS WAS CALLED - 2:45 PM

AFTER RECESS - 3:55 PM

Sen. Croft asked the committee members if there was any further discussion on the motion.

Rep. Cowper wished to amend the existing motion.

Amend the motion to include the funding of the Center for Northern Educational Research for \$413.4, no intent, that Nome Community College be funded \$250.0 and that the Fairbanks Campus budget component be funded at \$16 million.

He explained that this is \$81.0 less than the \$200.0 addition. The precedent for funding a budget component like this is already set by the previous free conference committee which funded the Juneau Campus. If the amendment is accepted by the Senate the House would have no objection to the main motion.

6/5/75

Sen. Croft said he objected to the amendment, and asked if there was further discussion. Rep. Cowper said no, except to observe that the figure \$81.0 was down from the original request.

Sen. Croft noted that the House figure on Fairbanks was \$16,036.0 and the Senate had \$15,000.5. So basically it is the House figure on the Fairbanks Campus. Rep. Bowman referred the Committee back to the Southeast budget. You will see that in the Free Conference the House figure was \$1.3 million, the Senate \$1.2 million and they lumped it all to \$1.5 million with no breakdown. Sen. Croft remarked that you will also notice that the Juneau Campus maintenance figure for that is \$1,456.0 according to Fairbanks figures.

Rep. Bowman mentioned that the maintenance level for Fairbanks is \$17.25 million. Rep. Cowper noted that the campus was funded beyond the maintenance level.

Sen. Kerttula said there is some interest in the Kotzebue Community College. It shows only \$54.0. This is under the extension concept. According to the short form the Northern Regional Center under Northern Regional included in the figure is \$53.0 for Kotzebue. Kotzebue claims they need \$80.0 more to make a viable community college. I do not say the money is available at the moment; this is just a comment. It is one reason for accepting the motion to date. Rep. Cowper asked if the figure of \$80.0 was an add-on. Sen. Kerttula answered that the \$80.0 is on top of the Regional figure. Sen. Sackett briefed the Committee that the original figure was \$55.3 and the House added \$80.6. In the first Free Conference the figure was cut back to \$55.3 for a total of \$135.9. Rep. Cowper brought up the matter of the intent. He noted that the House added in \$80.5 additional funds, up from the FY 75 maintenance level for Kotzebue. At the time, the Senate did not want this put in; and now the Senate wants it in, correct? Sen. Kerttula answered that this was his interest, he doesn't know about the rest of the Senate members. Equitably it should be added.

Rep. Cowper said that personally he had no objection if the Senate moved the Kotzebue figure if there was no objection to the House's proposed addition, which would mean then that there was no objection to the main motion.

As a point of information, Sen. Sackett informed the Committee that the University publicly announced a few days ago that there was \$1 million in slush funds in the University budget. If so, and it was publicly stated, there is no reason why the one figure cannot be taken when it can be covered by the \$1 million available. If in fact there is \$1 million it can cover Nome, Kotzebue, Anchorage, etc. If the \$1 million is there he would recommend taking the Senate figures and using the \$1 million to fill in in any area. If the \$1 million is not there, the Free Conference budget may, in fact be too low and the University may be too short. The \$1 million is not from this Free Conference; this was what was previously approved by the prior Free Conference.

Rep. Cowper said he was not defending the University budget procedures. He is one of their primary critics on the system. However, the system would likely be changed in the interim and next year the Committee will not know what comes into or goes out of the University budget. He thinks the \$1 million referred to is money that is needed as leverage. The amount of Federal and restricted funds coming into the University is unknown. The present University budget is not definable under the budget system of the State. Sen. Kerttula remarked the \$1 million is the Fairbanks Center.

Rep. Cowper stated that the problem would not be cleared up sitting at the conference table. Sen. Sackett said that the problem is, the Committee must rely on representatives of the University for information, and this was a public statement on the \$1 million.

RECESS WAS CALLED - 4:20 PM

AFTER RECESS - 4:50 PM

Sen. Croft stated that the House had proposed an amendment to the motion which had certain obvious attractiveness to it. He called a recess until 7:30 PM so the motion could be looked into.

RECESS - 5:00 PM

AFTER 7:45

Sen. Croft moved to vary the amendment as follows:

On Capital Budget general fund, in the special funds involved and in the Governor's recent request but those items previously considered (the new requests we received: letters dated May 29 on Highways; May 15 on Public Safety; May 25 on various departments; the June 5 letter involving Education, Justice, Transportation, General Government, and Bonds; and the International Airports considered May 23; disregarding those) that those items included in any two of three categories, Governor, House, Senate, automatically approve the low figure. Out of the \$2 million the House can add in any they see fit, likewise the Senate. Fund CNER at \$413.4 with no intent. Treat the Fairbanks Campus the same as the Juneau Campus, \$16 million with no itemization within the category. Change the Nome figure to \$190.0 and Kotzebue \$80.0 plus the existing \$53.0.

Kent Dawson informed the Committee that the June 5 letter referred to summarizes all of the mentioned items.

Rep. Cowper said he had no objection to the motion if the same amount was subtracted from the Juneau Campus as is subtracted from Kotzebue. Sen. Sackett corrected him stating that the Committee was adding to the Kotzebue budget. He stated further that Nome was in the original \$250.0 in the first Free Conference. Kotzebue was reduced back down and Nome was not taken up. Since that time, according to the University

6/5/75

and representatives of the area, Nome doesn't need more than \$190.0. In order to get the Kotzebue budget to the House figure, reduce Nome to \$190.0 and increase Kotzebue by \$80.0. Representative Davis has agreed to this. Dr. Dafoe of the University informed the Committee that the \$190.0 for Nome is General Fund Money. The \$275.0 included \$80.5 grants, etc. Rep. Cowper asked if the totals were \$275.0 for Nome and \$133.3 for Kotzebue. Sen. Croft answered yes, but only \$190.0 of General Funds to Nome. He went on to say that the \$697.9 the House shows represents the Governors figures less \$60.0 which was budgeted for Nome. The \$275.0 for Nome on a separate line includes grants. Dr. Dafoe inserted that the \$697.9 includes the additional \$80.5 for Kotzebue. The total to Kotzebue is \$133.5.

Sen. Croft announced this being in agreement it closes out the operating budget. This is the unresolved items out of the operating budget.

✓ Rep. Bowman said that originally this morning, he didn't make it as a motion, but took the premise that the Committee would accept the the previous Fee Conference had done up to this point, excluding the University and Capital budgets, and then find a common formula for the meeting. If this carries, he wanted to find out if we are going back in the budget.

Sen. Croft responded that it was his intent to move all of the other figures but not the intent established in the previous Free Conference Committee. Sen. Sackett mentioned that he would not mind leaving the other Free Conference work open.

RECESS - 8:00 PM.

AFTER RECESS - 8:20 PM.

Rep. Bowman asked for an outline of the motion that was still before the Committee. Sen. Croft gave the following outline:

On the Capital Budget: The General Fund not including the Special Fund, not including the Governor's revised figures, and not including any of the legislation passed in the Houses, propose all figures agreed to by two of the three categories, Governor, House, Senate, be included in the Capital budget and be included at the lowest figure agreed to.

All of those items would become the Capital Budget. In addition the House would be able to add \$2 million to be distributed solely at their discretion whether or not the items were included in the previous budget, the same would go for the Senate. appropriate to CNER \$413.4 with no intent. For the Fairbanks campus appropriate the lump sum of \$16 million allocated as the University sees fit. Nome to be allocated \$190.0 General Fund

6/5/75

money; for Kotzebue an additional \$80.5 for a total of \$133.5 or \$133.8 general Fund money in addition to that total. (\$80.5 + \$53.3 (House intent) which is in there for Kotzebue would total \$133.8 for Kotzebue.)

Rep. Cowper said there was no objection to the motion properly stated assuming that the existing figures by the first Free Conference are accepted in total. Rep. Specking added with the understanding that changes and additions to intents in the operating budget can be made.

Sen. Croft moved and asked unanimous consent on the previously agreed to first Free Conference Committee figure except as amended by the previous motion and except for the legislative intent which is to be written by the second Free Conference Committee be approved.

There was no objection, it was so ordered.

Sen. Croft suggested that the Committee take up the items listed on the Governors June 5, 1975 letter. The following were taken up from the letter.

1. Under Education, the Governor is requesting an additional General Fund appropriation of \$800.0 Rural School Construction Contingency.

Sen. Croft stated that he understood that the Governor's intent was to take care of the Galena overrun of \$385.0. There is no breakout of the other items. The Administration responded to this by saying that the problem with breaking out is that there are a number of bids yet to come in and they do not know what they will be. The bids may come in over the estimate. If they do, portions of the contract are cut to get closer to the estimate. Sometimes this cannot be done. Sen. Croft remarked that the Committee was talking of intent. We would intend to stay within certain areas of funding. Sen. Sackett mentioned that there was a set figure for Klawock and Hoonah. Rep. Cowper said there was a set figure for Nondalton also. This is \$75.0 for the school that burned down. They have a temporary structure there and \$75.0 would put them in shape to use the building in the next school season.

The following breakout was given:

Nondalton	\$75.0
Hoonah	\$40.0
Klawock	\$20.0
Pelican	\$64.0
Galena	\$385.0
Hydaburg	\$150.0

TOTAL \$734.0

6/5/75