

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2657

Sen. Croft moved that the Committee adopt the \$800.0 Rural School Construction Contingency with the above intent for funding. Rep. Bowman objected because he did not have the figures. The motion carried.

2. Under Education, a request for \$100.0 for Metlakatla School Fire Code Deficiencies. Sen. Sackett moved the figure. Sen. Kerttula mentioned that it was his experience that the Governor's letter's were usually pretty well backed. The motion was approved without objection.

3. Under Administration of Justice. This is the Department of Public Safety Police Academy Sprinkler System. Sen. Kerttula moved the figure of \$51,000. Commissioner Warwick explained to the Committee that this request came in sometime in March. The request is to bring the system in to comply with the fire code. When the structure was originally built the materials were used that would not accommodate a sprinkler system. When the building was redone materials were used such as would require the use of a sprinkler system. The figure was adopted without objection.

4. Under Development. Sen. Croft moved that the Committee adopt the figure of \$200.0 for the Agricultural Loan Fund Capitalization under the Department of Natural Resources. The figure was approved without objection.

5. Transportation, Department of Public Works. Sen. Croft stated that there was a request of \$242.7 for Valdez Airport upgrading maintenance. Sen. Kerttula moved and asked unanimous consent that the Committee adopt this figure. There was no objection, it was so ordered.

6. Transportation, Department of Public Works. Sen. Sackett moved and asked unanimous consent that the Committee adopt \$4,962.0 for International Airport Projects (Int. Airport Revenue Fund & Federal). There was no objection, it was so ordered.

See
Attached
6/5/75
Letter

7. Transportation, Department of Highways. There is a request for \$25,900.0 Federal Highway Fund Authorizations (100% federal). There was no breakout. Sen. Kerttula asked that this be held open. The Committee agreed.

8. General Government. Department of Public Works. Renovate space in Juneau Court Buildings and other buildings for move. Request was for \$309.0. Rep. Bowman asked if a decision had been made regarding the Governor's move to the new Court offices. Commissioner Warwick answered that a decision has been made. The Department of Public Safety has decided not to be located in the Court building as originally planned. It was determined that they were better off in the Support Building. The Governor has chosen to move his office into some of the

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space that would have been occupied by Public Safety. Sen. Croft asked if Audit would be moved out of the Old Coast Guard Building, if this was the Administration's intention. Commissioner Warwick answered no, not unless it is specifically requested.

Sen. Sackett asked if there was any money in the budget for ASHA rents. Kent Dawson answered yes, Department of Administration, could elaborate better. This is the Court System Budget. Commissioner Warwick stated that there was \$120.0 fixed cost for a third elevator. Sen. Sackett asked why there was a need for a third elevator. Kent Dawson mentioned a study done on the new State Office Building on the number of man hours wasted waiting for elevators. Sen. Sackett noted that there was ASHA money in the budget for the State Troopers however, the elevator was not requested in Capital improvements. Rep. Bowman requested a breakdown in difference in renovation in the Court and this building. Commissioner Warwick answered that there was no renovation for this building. Rep. Bowman asked what was meant by "other buildings" in the explanation. Commissioner Warwick explained that this request was submitted directly from the Governor's Office.

Sen. Croft brought up for consideration before the Committee the following three bonds. They were approved without objection.

Department of Health and Social Services	
1970 Correctional Facilities Bond Fund	\$76,800
Department of Natural Resources	
1970 Recreation Facilities Bond Fund	\$ 2,400
Department of Public Works	
1970 Airport Construction Bond Fund	\$ 9,200

Ron Lind of Budget and Management informed the Committee that only the first three items in the June 5 letter should be approved. The remaining items were withdrawn and will be requested for in FY 77. Sen. Croft announced that the first three items, Education, Administration of Justice, and Development are approved by the Committee and the other three items are withdrawn. International Airports is superceded by letter of June 5 and is withdrawn.

Commissioner Warwick asked the Committee to consider the problem of SB-35 concerning the termination of SOS employees. There is \$700.0 termination annual leave liability. This is not covered in the fiscal note. Rep. Cowper asked if the Administration had the numbers of people that will be terminated yet. Commissioner Warwick answered that the bill terminates everyone; all employees of SOS. The effective date of the bill is July 1. In answer to a question from Sen. Sackett Commissioner Warwick answered that the Board can subtract leave balances. We have to on termination pay them the annual leave they have accrued.

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Record Added

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

June 5, 1975

The Honorable Chancy Croft
Chairman
Free Conference Committee
on the Budget
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Chairman:

What follows are areas of concern which alter the original Fiscal Year '76 Governor's Capital Budget request. All are general funds unless specified.

EDUCATION

Department of Education	\$800,000
Rural School Construction Contingency	
Metlakatla School	\$100,000
Fire Code Deficiencies	

ADMINISTRATION OF JUSTICE

Department of Public Safety	
Police Academy Sprinkler System	\$51,000

DEVELOPMENT

Department of Natural Resources	
Agricultural Loan Fund Capitalization	\$200,000

TRANSPORTATION

Department of Public Works	
Valdez Airport Upgrading Maintenance	\$242,700
International Airport Projects Revision (Int. Airport Revenue Fund & Federal)	\$4,962,000
Department of Highways	
Federal Highway Fund Authorizations (100% federal)	\$25,900,000

June 5, 1975

GENERAL GOVERNMENT

Department of Public Works
Renovate space in Juneau Court Buildings
and other buildings for move \$309,000

BONDS

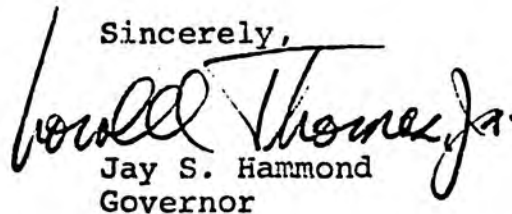
Department of Health and Social Services
1970 Correctional Facilities Bond Fund \$76,800

Department of Natural Resources
1970 Recreation Facilities Bond Fund \$2,400

Department of Public Works
1970 Airport Construction Bond Fund \$9,200

Total \$88,400

Sincerely,



Jay S. Hammond
Governor

by: Lowell Thomas, Jr.
Lieutenant Governor

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF BUDGET & MANAGEMENT

JAY S. HAMMOND, Governor

POUCH C — JUNEAU 99801

June 5, 1975

Chairman, Free Conference Committee

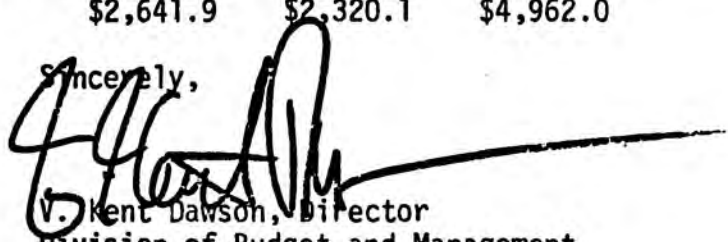
Dear Mr. Chairman:

Summarized below is the appropriation request for the International Airports FY 76 Capital Budget. The revision takes into effect the decision not to proceed with the Anchorage International Airport's Satellite terminal.

all

	International Airports Revenue Fund	Federal Funds	Total
76-1 Supplemental Appropriation	\$904.5	\$1,148.5	\$2,053.0 ✓
76-2 Terminal Remodeling - Fairbanks	880.0	00.0	880.0 ✓
76-3 Sewer Outfall Line - Anchorage	50.0	00.0	50.0 ✓
76-4 Sewer Interceptor - Fairbanks	50.0	00.0	50.0 ✓
76-5 Lake Hood Sewer - Anchorage	20.0	00.0	20.0 ✓
76-6 East Side Cargo Area - Fairbanks	53.4	771.6	825.0 ✓
76-7 Fire Rescue Vehicle - Fairbanks	40.0	160.0	200.0 ✓
76-8 Sand Storage Drying - Fairbanks	75.0	00.0	75.0 ✓
76-9 Maintenance Equipment	252.0	00.0	252.0 ✓
76-10 Security Fire/Rescue Equip.- Anch.	317.0	240.0	557.0 ✓
	\$2,641.9	\$2,320.1	\$4,962.0

Sincerely,


V. Kent Dawson, Director
Division of Budget and Management

Sen. Sackett asked, the new school board cannot accept annual leave from any other board in the State? The Commissioner answered no. Rep. Cowper stated that the collective bargaining unit with supervisory employees proposed to repeal the statute that limits the accrual of leave. he asked if the Administration intended to pay the people in accordance with the bargaining agreement or the statute. Commissioner Warwick said they would be using the bargaining agreement. They had met with George White of the Attorney General's Office and Rick Bornet (phonetic spelling) to work out the problems yesterday. This is to be worked out. Rep. Cowper said it is an interesting interpretation of the law that collective bargaining agreements supercede statutes of the State.

Sen. Sackett informed Commissioner Warwick that he wouldn't object to a supplemental next year after approval, but he objects to bringing it up before the Free Conference Committee. Commissioner Warwick responded that the leave accrual must be paid off--there is no way out other than to pay the people. If the legislature chooses not to appropriate the money, they should give some guidance on how to handle the problem.

Rep. Cowper asked Commissioner Warwick concerning SB-288 if the bill was a priority item. It was his understanding that the Administration strongly requests the \$500.0 be added to the Alaska Housing Finance Corporation. Commissioner Warwick answered that it is a priority item, it is the Governor's bill.

Sen. Croft referring to Appropriation Bill 70, there is a question of Budget and Audit Committee Supervision of funds. There is a difference between the House and Senate version of the bill. Jay Hogan said that basically the Senate language is incorrectly recorded in the bill. It is a misunderstanding. It was to have been the same as the House version this year minus the appropriation transfers. Sen. Croft moved to accept the House Finance version. Rep. Bowman objected stating that he didn't know what the House version was. This was held open.

The Committee returned to the subject of termination of SOS employees. Sen. Croft asked if it was possible to terminate the employees effective July 1. Commissioner Warwick answered that they intend to. It was asked if the funding wouldn't be open for a supplemental in this case. Commissioner Warwick stated it's a matter of FY 75 or FY 76 cost. The Department feels termination should be the end of the fiscal year; however, the bill will be effective beginning next fiscal year. So it is a cost of FY 76, but they have to have the money to terminate the employees. Sen. Croft said the original fiscal note was to SB-35 very close to HB-24 which was the House substitute to SB-35. Commissioner Warwick stated that the State has to pay the employees their leave accrual. Rep. Gruening informed the Free Conference Committee that the fiscal note should be the same, Free

6/5/75

Conference wouldn't change the funding. Rep. Cowper recommended that legislative intent be added to authorize these sums to be paid in honor of a supplemental next year. Sen. Sackett said the Committee still does not know whether or not the State does have to pay this and what amount, and what conditions. Rep. Cowper said that an Attorney General's opinion was requested about three months ago and an answer has not yet been received. Rich Guthrie informed the Committee that the fiscal note did not address the issue of termination pay. Sen. Croft thought the legislative intent is a very good idea, unless the Administration has a different proposal. Clark Gruening stated that the money is in there already and the intent would cover it.

The Committee took up the Appropriation Bill 70--handling of Federal funds, PL-874. Commissioner Warwick said the Administration found the language in the Senate bill preferable with one exception, Section 13 having to do with new Federal money supplanting General Funds. It is more desirable to take the language out of the bill. This is for Budget and Audit to approve all new appropriations on new Federal money to come in. Authorization is in budget document. Kent Dawson explained to the Committee that in the past this section was not really enforced. The Department has not been upholding this section. However, it was decided last year that the agencies would be held to it. To enforce this section it would mean that the agencies will not ask for Federal money. They have no incentive if this will not increase their program. Commissioner Warwick added that generally the agencies will work out an agreement with the Federal Government where the Federal Government will say you cannot use the money to supplant funds.

Sen. Croft said on question of the bill, was there any objection to funding all of the bills that have become Chapter Laws or are waiting for some form of final action but have actually been passed.

SB-284 - Membership of Public Utilities Commission. Whichever version of the bill is adopted it will not affect the budget. The fiscal impact given by House Finance was \$116.0. Sen. Croft moved the funding of the bill at the level established by House Finance Committee. It established the two new offices and they have fiscal impact. This is not an appropriation. There was no objection to the motion.

HB-216 - Motor Vehicle Licenses. This is another bill in the same category as the previous bill. This is predicated on replacing all of the license plates in one year. Rep. Bowman mentioned that the charge for license plates in the commercial field would be increased to cover the cost. The Department does have to go on a new computer system and a new number system. Another problem is there is no more room on the plates for numbers.

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HB-237/8 - Mediation in Divorce Actions/Custody and Representation of Children in Court. Sen. Sackett asked if everyone was of the opinion that the figures were accurate. Sen. Croft responded saying there are revised figures for HB-237, \$100,000. The wording was changed in Finance. The impact as a result was reduced by \$200,000. Sen. Sackett moved the change in money on HB-237 from \$300,000 to \$100,000. There was no objection. Sen. Sackett asked if the mediation in differences was still \$130,000. There is no change.

SB-146 - Weekly Rate and Amounts Payable for Workmen's Compensation. The Department of Administration came out with a new fiscal note of \$420.9. This includes the \$145.9. Sen. Croft moved the figure of \$420.9. There was no objection.

SB-1 - Ombusman. Sen. Kerttula inquired about the salary. Jay Hogan informed him that the increased salary for this person will be taken care of in the general salary increases.

HB-433 Senator Croft moved that this be deleted from the bill. Jay Hogan said this bill was already funded. There was no objection.

SB-82 - Authorizing Construction of a Statue of Senator Ernest Gruening. This bill passed with no funding. The cost is approximately \$50,000. Sen. Sackett moved the figure of \$50,000. There was no objection.

HB-448 - Emergency Housing Revolving Loan Fund. Sen. Sackett informed the Free Conference Committee that nothing was done on this bill in Senate Finance. Ron Lind told the Committee that the figure shown is the administrative charges, not the loan. Also there are two other bills in connection with this. One of them is SB-290.

Rep. Bowman informed the Committee that HB-448 was turned around in such a way that it is no longer a loan to Fairbanks but rather rental assistance.

SB-290 - Rent Control. Sen. Kerttula moved the figure \$154.9. Sen. Croft said he would like to see a fiscal note on this. Rep. Cowper later in the meeting mentioned that he had a fiscal note for the rent control bill. He moved the figure \$154.9. There was no objection.

HB-98 - Medical Malpractice Causes of Action. Sen. Kerttula mentioned that he had been informed by Commissioner Motley that the fiscal impact would be \$150.0. Sen. Sackett said he wanted to see a fiscal note on this item.

SB-120 - Day Care Facilities. Sen. Sackett asked if this wasn't

in the budget already. The answer was no. Rep. Specking moved the figure \$60.0. There was no objection.

General Government. Department of Public Works. Larry Talbert gave a breakdown of the costs effectuating the move of the Governor's Office. See the attached May 23, 1975 letter addressed to Rep. Hugh Malone from Mr. W. I. Palmer.

CAPITAL BUDGET

Capital Budget

The following additional motions were made on the capital budget:

Education

State-Operated Schools, Automotive Equipment, Mobile Homes - Rich Guthrie stated that the Senate version gave this component \$70.0 for Cold Bay, Kivalina, and Nulato. The House version added Anderson Village which brought the total up to approximately \$100.0. Rep. Cowper asked that this component be left at \$70.0.

Administration of Justice

Alaska Court System, Storage Addition, Bethel - Sen. Croft asked that this not be in the budget as a capital project. (Storage will be included in the operating budget under a leaseback arrangement.) There was no objection.

Development

Department of Natural Resources, Plant Materials Center, Dump Truck Purchase, and Plant Materials Center, Well Drilling - Sen. Sackett mentioned that these were in the operating budget. Sen. Croft moved and asked unanimous consent that these be dropped from the capital budget. There was no objection.

Department of Public Works - It was mentioned that the House receives an additional \$50.0 and the Senate receives an additional \$50.0 out of the Water Craft Fuel Tax.

Transportation

Department of Public Works - Jay Hogan mentioned that the Governor's version called for \$100.0. The House version specifies that the money be split 50-50 to provide stabilizers to the Tustamena and Bartlett. Rep. Bowman moved the House figures with the intent. There was no objection.

Legis-
lative
Intent

Meeting recessed at 9:40 PM.

RECESS

6/5/75

AFTER RECESS
12:35 a.m.

Chairman Croft reconvened the meeting.

Rep. Bowman announced that the House Free Conference Committee members have now drafted a list of additional capital project items. He said they came up with a total of \$2,050.0.

Senator Kerttula reported that the Senate came up with a total of \$3,005.0 in additional capital improvement project items.

House and Senate members then exchanged their capital project lists.

Senator Croft explained that they left unresolved the question of appropriations to the Department of Highways in the amount of \$25,900.0. Senator Kerttula said he would like to see legislative intent attached to the federal highway monies. Rep. Specking said he has tried for years to get information on where this money goes, without success. Rep. Bowman commented that he would like to see more money going into local access roads.

Senator Croft moved and asked unanimous consent that the House and Senate figures for additional capital projects be incorporated into the budget in addition to the items already included, pending dollar certification (assuming they each total \$2 million). No objection, so ordered. SEE ATTACHED SHEETS LISTING THESE PROJECTS.

Senator Croft moved to approve the \$25,900.0 for federal highway projects; Representatives Bowman and Specking objected, and so the motion failed.

Representative Cowper moved to appropriate the sum of \$309.0, to be apportioned according to the list on page 1 of the May 23, 1975 letter (see attached) addressed to Rep. Hugh Malone from W. I. Palmer, Office of the Governor. (General Government, Department of Public Works, Division of Buildings.) The list regards renovation of space in the Juneau court building.

Senator Croft moved that the following intent be adopted; State Operated School employees shall be terminated on or before July 1, 1975, and the Legislature will honor a supplemental appropriation (for termination pay). No objection, so ordered.

Appropriation Bill Language: There was some discussion concerning the different language in the Senate and House versions of the bill. Comparing Section 10 in the House version against Section 11 in the Senate version (comparable sections), Jay Hogan pointed out that the Senate language did not include subsection (3) which requires Legislative Budget & Audit approval for "reallocation between appropriation items," although Senator

PROPOSED CAPITAL BUDGET "ADD-ONS" of HOUSE

DEPT. OF EDUCATION

- ACQUISITION RARE ALASKANA - JUN. 410.0
- KODIAK MUSEUM FIRE SUPPRESSION 17.0
- PERRYVILLE - GENERATOR REPLACEMENT 61.2
- AQUACULTURE - H.S. - SAND POINT 10.0
- SCHOOL GYM IMPS. - ANDERSON VILLAGE 60.0
- LIBRARY - HEALY SCHOOL 3.0
- LIBRARY - (COMMUNITY) GLENN ALLEN 10.0
- TOK SCHOOL - WIRING 12.5
- TRANSLATORS - HOPE, GIRDWOOD, KENAI, SEWARD 125.0

UNIVERSITY OF ALASKA

- FAIRBANKS CAMPUS - IRVING / RES. BLDG 700.0
- KUSKOKWIM INSTRUCTIONAL T.V. 154.6
- KENAI COMM. COLLEGE - SHOP 50.0
- RARE AK. BOOKS - FAIRBANKS CAMPUS 40.0

NATURAL RESOURCES

- STATE FAIRS

HAINES - SEWER & SAN. 30.0

TANANA VALLEY FAIR. ASSO. 51.7

- HARDING LAKE REC. AREA - FENCING 25.0
- FAIRVIEW PARK ACQUISITION - ANCH. 20.0

FISH & GAME

- ALASKA CHILDREN'S ZOO - ANCH. 23.0

PUBLIC WORKS

WRANGELL BOAT HARBOR 4 50.0

KIANA - RUNWAY RECONSTRUCTION 4 20.0

KWETHLUK - CROSSWIND RUNWAY 4 35.0

KODIAK BOAT HARBOR ✓ 500.0

NONDALTON - RUNWAY EXTENSION 4 12.0

SNOBLOWER - TOGIAK ✓ 60.0

2,050.0

PROPOSED CAPITAL BUDGET "ADD-ONS" of SENATE

EDUCATION

DEPARTMENT OF EDUCATION

Eklutna Village Church Museum	\$10,000
Kodiak Museum Fire Suppression Equip.	\$17,000
Kodiak Museum Alaskana	\$17,000
Talkeetna Museum	~~\$50,000~~ 5,000
Anchorage Transportation Museum Construction & Acquisition	~~\$75,000~~ 90,500

UNIVERSITY OF ALASKA

Mat-Su Community College Lab Equipment, Heating, Refrigeration, Air Conditioning Program	\$35,000
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STATE OPERATED SCHOOLS

Anderson Village Mobile Home	\$22,000
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SOCIAL SERVICES

DEPARTMENT OF HEALTH & SOCIAL SERVICES

Glennallen Trailer	\$30,000
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NATURAL RESOURCES

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Pelican Sewer System	\$60,000
Water Study for Eagle River	\$25,000

DEVELOPMENT

COMMUNITY AND REGIONAL AFFAIRS

Generator Steven Village	\$20,000
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TRANSPORTATION

DEPARTMENT OF HIGHWAYS

Nulato Road Project

\$50,000

Irving Flow Road

\$25,000

Ray had wished that language to be included. Senator Croft pointed to another difference: The Senate version requires that revisions are automatically approved after 30 days after notice of the governor's approval if no rescinding action is taken by the Budget & Audit Committee within that time. The House has no such provision in its bill.

Senator Croft moved and asked unanimous consent that Section 10 language in the House version of the bill be approved (as opposed to Sec. 11 language in the Senate version). No objection, so ordered.

Commissioner of Administration Andy Warwick voiced a concern about adopting the House language in Sec. 10, paragraph (3) which requires Budget & Audit Committee approval for reallocations between appropriation items. In addition, the administration felt there was no justification for adopting Sec. 13 of the Senate bill (Sec. 12 of the House version), and they would like to have it deleted. That section reads:

If federal or other program receipts exceed the estimates appropriated by this Act and are appropriated to the affected program, the appropriation from state funds for the affected program shall be reduced by the amount of the excess provided the reductions are not inconsistent with applicable federal statutes.

Mr. Warwick said this language tends to discourage agencies from actively seeking federal funds because they know that the federal funds will only go to supplant general fund monies. He said the agencies simply work with the federal government to require that federal monies not be used to supplant general funds. Mr. Warwick pointed out that if that section were deleted, excess federal receipts would be required to go through the Budget & Audit Committee, who would have the final say on it. He added that this language is in the current budget bill and has been in previous appropriation bills for a number of years. Kent Dawson told the committee that this section has not been enforced before; however, "if it is in there we are going to enforce it." He commented that they have been enforcing it for about five months.

Senator Kerttula suggested that we leave this subject for a time and bring it up later.

Getting back to the House Section 10 language which requires Budget & Audit Committee approval to reallocate between appropriation items, Mr. Warwick stated that this will tie the administration's hands. He said it will result in a large number of RP's going to Budget & Audit. The administration would prefer that some modification of this be adopted, such as language that was in the Senate version giving Budget & Audit rescinding action after 30 days rather than having to have actions approved.

Mr. Warwick stated that sometimes it is difficult to get a quorum for Budget & Audit Committee meetings. He added that the previous Governor had threatened to veto the appropriation bill if this language requiring Budget & Audit approval for reallocations between appropriation items was put in.

Representative Cowper said he suspected that there will be no problem getting a quorum for Budget & Audit meetings. Agreeing with this, Rep. Bowman said he thinks the new chairman of Budget & Audit is very industrious; however, if it continues to be a problem, perhaps the next Free Conference Committee can tackle it.

Mr. Dawson explained that the administration is referring to reallocations within departments. He said they have hundreds per year and it slows down the flexibility of managing the departments. As an example, Mr. Warwick cited transferring money between the Division of Budget & Audit to Internal Audit, all within divisions. Senator Sackett's reply to this was that the Legislature expects the money to be spent in accordance with the appropriations it makes.

Ron Lind remarked that there is a statute that states that the Governor has the authority to make these transfers.

That concluded discussion of this subject.

Continuing discussion of language in the appropriation bill, attention was called to Sec. 8, concerning amounts to be paid under the Alaska Native Claims Settlement Act. Rep. Cowper questioned whether we needed reference to this in the appropriation bill since it is required by law. (The Senate version makes reference to particular subsections of the Alaska Native Claims Settlement Act).

Senator Sackett moved to adopt the House version of Sec. 8 in the appropriation bill. No objection, so ordered.

The committee, without objection, included the Senate Section 10 language: "If the P.L. 874 federal receipts for state-operated schools fall short of the estimate appropriated from that source by this Act, the amount of the shortfall is appropriated from the general fund."

Jay Hogan informed the committee that there were two bills, Chapters 78 and 86, which were enacted. He said both of these contained a minor drafting error, since they leave out the funding from which a certain appropriation is to be made. It is an appropriation from the general fund. Mr. Hogan requested that the committee include two additional sections in the appropriation bill to change these two statutes to identify the funding. The bill numbers were identified as SB 121 (funding for day care assistance program at \$1.2 million) and HB 234 (funding for a Budget & Audit Committee study of the feasibility of a marine maintenance facility in Alaska for \$50.0).

Senator Sackett moved for inclusion of Sections 14 and 15 in the appropriation bill to appropriate general funds of \$1.2 million for SB 121 and \$50.0 in general funds for HB 234.
No objection, so ordered.

Jay Hogan informed the committee that the House included in the appropriation bill a capital projects expiration schedule, which the Senate did not. He then read proposed sections to be added to the appropriation bill from a memo dated 5/17/75 to Hugh Malone from J. H. Hogan. (spelled out on following page of minutes, Sec. 13 and Sec. 14). The project life or expiration schedule is based on the cost of a project, i.e., the larger the project cost, the longer is the project life before the appropriations lapse.

5/17/75 memo
attached as
page 140(a)

Senator Kerttula said he would like to have this (expiration schedule) wait, since there could be a number of small projects that the new administration would like to get underway. As an illustration, he said he has found that some projects in his district that have waited over two years eventually get underway.

Rep. Cowper felt that we had better figure out something on this problem, remarking that "we can always reappropriate." He remarked that there is a great deal of money sitting in the Fish and Game department that has never been used.

Rep. Specking commented that he "has a problem" with using the dollar criteria to determine the expiration of projects.

Commissioner Warwick suggested that a preferable approach to this problem would be to have the Legislature review the programs and lapse the money rather than setting definite deadlines.

Rep. Malone, who was asked to comment on this, suggested that an alternative might be for the Budget & Audit Committee or the finance committees to review capital projects and introduce legislation to lapse the funds on stale projects. In other words, if the expiration schedule is not adopted, at a minimum the Legislature should provide a continuous review of capital projects on an annual basis to see if the money is still needed for the projects. He explained that the original intent of the proposed language adopting an expiration schedule was to force a review of capital appropriations, thus avoiding having them sit on the books.

Referring to the proposed item of intent that the expenditure of funds appropriated/allocated by this act shall be in accordance with the conditions and intent set out in the "Free Conference Committee Report, FY 76, Operating and Capital Budget" as published by the Legislative Finance Division (see letter of 5/17/75) Rep. Malone said this is an attempt to formalize the legislative intent that the FCC adopts. He explained that in authorizing bills, we have many times detailed statements of legislative intent and purpose; however, it is not common to include this in appropriation bills.

6/6/75

Representative Bowman moved that both Sections (set forth in the 5/17/75 memo) be approved for inclusion in the appropriation bill. Senator Kerttula objected. He felt we should delete that part pertaining to project life, with the intent that something to solve the problem shall be taken up in conference.

Senator Sackett requested a division of the question. The question now reads whether to adopt the following language:

Set out in
attached
5/17/75
Memo

Sec. 13. Unless otherwise noted, the following appropriation items are for operating expenditures for the fiscal year beginning July 1, 1975 and ending June 30, 1976. The items in the allocation column are legislative guidelines for agency program notification. The expenditure of funds appropriated/allocated by this Act shall be in accordance with the conditions and intent set out in the "Free Conference Committee Report, FY 76, Operating and Capital Budget", as published by the Legislative Finance Division.

Sec. 14. The following appropriation items are for capital projects and are effective on the day after passage and approval of this Act or on the day it becomes law without approval (allocations are to be considered legislative guidelines). The expenditure of funds appropriated/allocated by this Act shall be in accordance with the conditions and intent set out in the "Free Conference Committee Report, FY 76, Operating and Capital Budget" as published by the Legislative Finance Division.

There being no objection, Sections 13 and 14 were approved.

The question now being voted upon is whether to adopt the following language:

"Notwithstanding the provisions of AS 37.25.020, a capital appropriation made in this Act shall have a project life as follows:

<u>Legislative Appropriation</u>	<u>Project Life</u>
Up to \$250,000	1.5 years
\$250,001 to \$1,000,000	2.0 years
Over \$1,000,000	3.0 years

On expiration of the project life, an appropriation balance shall (1) lapse into the State general fund; or (2) be reappropriated by the Legislature for completion of the project.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: The Hon. Hugh Malone, Chairman
House Finance Committee

DATE: May 17, 1975

FROM: J. H. Hogan, Director
Legislative Finance Division

SUBJ: Free Conference Committee
Report Incorporation by
Reference

To incorporate our ten-volume report in the budget act itself, I suggest for your consideration that the following language be added to the House version of the bill:

Sec. 13. Unless otherwise noted, the following appropriation items are for operating expenditures for the fiscal year beginning July 1, 1975 and ending June 30, 1976. The items in the allocation column are legislative guidelines for agency program notification. The expenditure of funds appropriated/allocated by this Act shall be in accordance with the conditions and intent set out in the "Free Conference Committee Report, FY 76, Operating and Capital Budget", as published by the Legislative Finance Division.

Sec. 14. The following appropriation items are for capital projects and are effective on the day after passage and approval of this Act or on the day it becomes law without approval (allocations are to be considered legislative guidelines). The expenditure of funds appropriated/allocated by this Act shall be in accordance with the conditions and intent set out in the "Free Conference Committee Report, FY 76, Operating and Capital Budget" as published by the Legislative Finance Division.

Notwithstanding the provisions of AS 37.25.020, a capital appropriation made in this Act shall have a project life as follows:

<u>Legislative Appropriation</u>	<u>Project Life</u>
Up to \$250,000	1.5 years
\$250,001 to \$1,000,000	2.0 years
Over \$1,000,000	3.0 years

On expiration of the project life, an appropriation balance shall

- (1) lapse into the State General Fund; or
- (2) be reappropriated by the Legislature for completion of the project.

Representative Specking, commented on the problem of capital projects lying around for so long, said he would like to see Legislative Budget & Audit and the Legislative Council work on something to resolve this.

Representative Cowper suggested that this might be taken care of by special legislation.

Representative Bowman then withdrew his motion, and so the "project life" schedule was not approved for inclusion in the appropriation bill.

Representative Bowman reported that in the operating budget there was a grant of \$25.0 to the Greater Anchorage Borough for an animal control clinic. He said that the Borough has evidently had money in the past to start such a program but they have never done it. He requested that this money be transferred into Natural Resources to allow the Commissioner to contract to make it a state clinic for the first year to see what can be done in the Anchorage area. He said the money for the grant is now in Health & Social Services.

Representative Bowman moved that the \$25.0 grant in Health & Social Services for the Greater Anchorage Borough be transferred to Natural Resources (Commissioner's Office). The intent is that this money will be used for a spay clinic in the Greater Anchorage Borough. No objection, so ordered.

Senator Kerttula said it has been called to his attention that there was no rent money appropriated for office space for two health nurses in Palmer. There was a request for \$12.5 for this office rent, but it was not included in the budget. Senator Kerttula requested that we add intent that the rent for the Palmer health nurses be provided within the existing budget. The sum of money contained in this component (General Nursing) is \$1,127.0. No objection, so ordered.

Referring to the intent adopted by the previous Free Conference Committee throughout the operating budget, Senator Croft suggested that this committee either (1) write the entire intent or (2) accept the intent of the first Free Conference Committee, except where a member of this committee objected. It would take the vote of two House and Senate members to adopt any new intent.

The committee decided to accept option (2) above.

The committee then proceeded to bring up items of intent which they would like to have adopted, amended, and/or deleted.

Rep. Cowper moved that legislative intent be adopted to provide \$20.0 of the appropriation under Contract Institutions (health projects) to Hope Center and \$45.0 to the ARCA Activity Center. No objection, so ordered.

Leg. Intent

Referring to the University of Alaska budget, Anchorage Campus, Consortium Library, Senator Croft noted that \$50.0 was provided for additional library "materials". He said he would like to make sure that library materials means books and not shelves. There being no objection, the language in this intent was revised to provide that there be \$50.0 for additional library books (instead of materials). Leg. Intent

Senator Sackett proposed the following Legislative Intent: That CETA funds be allocated as a first priority to (1) the skill center, (2) Department of Education (3) Neighborhood Youth Program and (4) to the Department of Labor to fill in where we are over this year from general funds of last year. Leg. Intent

Senator Sackett explained that this would reduce general fund monies by about \$400.0 by just telling the department that it shall put CETA money into a skill center instead of using general fund monies. This intent is in addition to the existing Free Conference Committee intent already adopted.

There being no objection, the intent proposed by Senator Sackett was added to the existing intent.

Referring to page 204 of the computer run, General Government, Legislative Finance, Representative Cowper moved to adopt the legislative intent set forth on that page. This intent reads as follows:

"It is the intent of the Legislature that sixteen offices on the fourth floor of the capitol building assigned on a permanent basis to the Legislature be assigned to the Legislative Finance Division. With this assigned space, Legislative Finance shall provide and equip three offices with private inner-offices for the Chairmen of the standing Finance Committees and the Budget & Audit Committee, five offices to be assigned to the committee members, one committee room each for the standing finance committees, four offices for permanent staff of the division, and two offices to be used by temporary help during the legislative session.

Senator Croft objected, since this intent would allocate space to only selected members of committees. He said he has no objection to allocating the offices once we get the Governor out so that everybody has an office, but he would hesitate to write in intent here that the finance committees get this space until the impact on everybody else is known.

Rep. Bowman stated that Senator Chance has appointed him to a committee to go over the plans for office allocations during the interim. He felt that might be the time to do it rather

than trying to spell it out right now, since we really don't know how many offices we will have available.

Senator Kerttula said he just can't see setting up a class separate from the rest with this intent. He remarked that the Finance committees will come out o.k. in space allocations anyway.

Representative Cowper withdrew his motion.

Representative Cowper then moved to appropriate additional funding for the Legislative Finance Division, contractual services line item to develop an on-line system described on page 204 (short form budget and legislation history - on-line system design and installation). No objection, so ordered. Leg. Intent

Referring to intent adopted by the first Free Conference Committee in the Social Services category, Alcantra-Operations, Senator Kerttula objected to adopting the first part of the intent which 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."

Senator Kerttula said although the Commissioner will study the role of Alcantra, he felt there should be a legislative study of Alcantra. In addition, he objects because he was not involved in this decision which affects his district. As a general rule, he believed that individual legislators should be given some input into matters within their particular districts.

Senator Kerttula moved that sub-paragraph A) concerning the study of Alcantra's future role in the provision of child care services be deleted. No objection, it was deleted. Delete Leg. Intent

Senator Sackett moved to adopt the following legislative intent in the Health category, Child & Family Health, Child Study Center:

Legislative Intent - Services provided by the child study center, API, and the Anchorage Mental Health Center are to be coordinated so that there is no duplication of responsibility for diagnosis vs. treatment or developmental disabilities vs. mental illness.

Senator Sackett requested that intent be added to the Health category, General Relief Medical, to require hospitals to absorb 20% of unpaid services as charity care. He explained that the problem is that the doctors are now coming in for 100% funding on all of their bills and it increases the general fund appropriations, whereas before they used to let 20% go. He said he'd like to go back to the same system used in the past where the hospitals absorb some of those costs.

Senator Sackett moved to add intent to General Relief Medical that hospitals will absorb 20% of unpaid services as charity care. No objection, so ordered.

Leg. Intent

Referring to a May 28, 1975 memo to Rep. Naughton from Jay Hogan, Representative Specking called attention to the fact that there is \$400,000 in hospital construction revenue sharing money that will lapse unless otherwise appropriated. He explained that \$300,000 of the FY 75 Municipal Services Revenue Sharing account was earmarked for the Anchorage Community Hospital; however, Anchorage failed to file an application for their share since they thought the grant would automatically be paid. Representative Specking moved to adopt legislative intent that an amount not to exceed \$300.0 be paid as a grant to the Anchorage Community Hospital, and the remaining \$100.0 be appropriated to the Lake Otis Hospital facility.

See
Attached
5/28/75
Memo

Leg. Intent

Representative Powman objected. He asked if there are other hospitals that are available to receive these funds. Senator Kerttula remarked that he knows that GAAB has two facilities; however, they are fully funded. Jay Hogan explained that in the past it was the intent of the Legislature to include a sum of money for Lake Otis for reimbursement for construction costs, but this never took place; and last year it was the same thing for the community hospital in Anchorage--it never took place. This is an attempt to take money that will lapse and pay off these two past legislative intents.

Representative Bowman then removed his objection to the motion, and it was adopted.

Referring to the General Government category, Department of Law, Natural Gas FPC Representation, Senator Croft proposed that the following legislative intent be added to the existing intent which appears on page 122 of the computer run (The department shall not retain any legal firm where there appears to exist a conflict-of-interest situation. Information developed by the contract firm shall be made readily available to the legislative pipeline impact committee).

Legislative Intent: The department shall coordinate its activities in this regard with and cooperate with the legislative committee created by HB 258.

Leg. Intent

No objection, this intent was adopted.

Referring to University of Alaska, Statewide Administration, Senator Croft stated that \$300.0 was added by the previous FCC for management systems development. Senator Croft moved that prior to entering into a contract with the University, the firm that will be doing the work be approved by the Legislative Budget & Audit Committee.

6/6/75

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

JUNEAU 99801

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

MEMORANDUM

TO: The Hon. Edward Naughton
House Member
Free Conference Committee

DATE: May 28, 1975

FROM: J. H. Hogan, Director
Legislative Finance

SUBJ: Anchorage Community
Hospital

AS 43.18.010(j) provides State matching aid for construction of hospitals and health facilities. Under the provisions of this statute, the Department of Community and Regional Affairs submitted to last year's Free Conference Committee on the Budget a Municipal Services Revenue Sharing full funding estimate of \$11,882,200 (that amount was subsequently appropriated) which included an estimate of \$300,000 under the hospital construction provisions for the Anchorage Community Hospital. Apparently, the Anchorage Community Hospital thought the grant would be paid automatically and did not file an application until after the October cut-off date. If the Free Conference Committee so chooses, the following intent could be included in this year's budget under Municipal Services Revenue Sharing, authorizing Community and Regional Affairs to pay the proper entitlement as a grant from funds now destined to lapse (see enclosed letter from John B. Chenoweth).

Legislative 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/regulations for payment of construction grants to hospitals) 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.

JHH/af

-144(a)-

See reference to memo on p. 144

6/6/75

Representative Cowper objected because he believed the firm with whom the University intends to contract is already pretty well settled. That is the reason why it was funded in the first place. He stated that they are a firm with a good deal of previous experience in this area. He added that most of the people on the Budget & Audit Committee have taken a close look at this already.

Senator Croft argued that many consultants tend to come up with ideas that are acceptable to the people they are analyzing, and he wanted to make sure that the firm is entirely independent.

Senator Croft restated his motion that the firm hired by the University be subject to approval by the Budget & Audit Committee and Representative Cowper retained his objection, suggesting that it would be more in order for reports to be submitted to Budget & Audit periodically.

Dr. Don Dafoe, University of Alaska, stated that this firm is currently on a monthly retainer. They are preparing a proposal that will involve management of the computer schedule. He suggested that the University furnish this proposal to the Budget & Audit Committee to review; and in addition, hold several meetings throughout the year to report on their progress.

Representative Cowper moved legislative intent that the University of Alaska report to the Legislative Budget & Audit Committee, as requested by that committee, on the progress of this program. Leg. Inten

No objection, this motion was adopted.

2:45 a.m. - 3:05 a.m. The committee was in recess

Referring to Department of Education, Student Financial Aid, Administration, Representative Cowper moved that the following legislative intent be adopted:

Legislative Intent - That \$16.0 of the contractual services amount shall be for student loan and billing services at \$8.00 per student per year.

Leg. Intent

Senator Kerttula and Representative Bowman objected in order to get an explanation.

Representative Gruening stated that this money will be used for positions for processing the loans. Currently the administration has difficulty in finding out what money is out. They have no billing system.

Senator Croft said he did not see that this intent is necessary if the funds are available and the department wants to do it. However, he has no objection.

No objection, the intent was adopted.

Representative Specking moved to adopt the following legislative intent:

That the Commissioner of Highways take appropriate action to complete projects that were requested by legislative resolution in the 1974 and 1975 sessions of the legislature.

Leg. Intent

No objection, this intent was adopted.

Senator Kerttula moved to adopt the following intent:

That the reconstruction of the Anchorage to Homer and the Anchorage to Seward Highways include provision for bike trails.

Leg. Intent

No objection, so ordered.

Senator Kerttula moved to adopt the following intent:

That the Wasilla-Palmer Highway be scheduled for reconstruction by 1976.

Leg. Intent

No objection, so ordered.

Representative Bowman moved to adopt the following intent:

That Klatt Road (a secondary road) be reconstructed this year as a high priority.

Leg. Intent

No objection, so ordered.

Representative Cowper moved to adopt the following intent:

That the first paragraph of the letter of intent for FCC substitute for SB 35 be included in the SOS budget in the appropriate place, i.e.:

Leg. Intent

The Free Conference Committee in providing under AS 14.17.051(c) an additional five per cent in the instructional unit allotment for school districts without access by road, railroad, or the state ferry system to Anchorage, Ketchikan, or Fairbanks, intends that the additional five per cent be funded in fiscal year 1976 by the central administration of the state-operated school system, and not from existing public school foundation school district funding.

No objection, so ordered.

Representative Bowman stated that since SOS is "going out", he would like to transfer their revolving planning fund to Public Works for advance planning fund for HB 429. Leg. Intent

No objection, this intent was adopted.

Referring to the SUMMARY OF LEGISLATION WITH FISCAL IMPACT, Senator Croft moved that all the items listed on these three pages be placed in the budget document with the provision that if any of them fail to become law, or if not passed by both houses, that the appropriation lapse.

At this point, Jay Hogan read to the committee the "deviations" he has from this list, as follows:

HB 238	\$100.0
HB 433	"0" (included in the budget)
SB 120	\$60.0
SB 146	\$420.9
SB 284	\$114.9
SB 288	Deleted because it failed in the House
SB 82	\$50.0
SB 290	\$154.9
HB 98	\$15.0

There was no objection to inclusion of these bills in the Summary of Legislation with Fiscal Impact, and they were included within Senator Croft's motion which was adopted.

There was no further action taken by the committee at this meeting. Chairman Croft adjourned the meeting at 3:35 a.m., stating that the committee will reconvene at 11:00 a.m. to work on intent for the capital budget.

Adjournment

FREE CONFERENCE COMMITTEE

June 6, 1975

12:45 P.M.

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

Present

Sen. Croft called the meeting to order for the purpose of reviewing intent for the capital projects budget.

CAPITAL
PROJECTS
INTENT

Sen. Kerttula corrected the spelling of Erling Flo on this item.

Rep. Bowman noted the Dept. of Community & Regional Affairs advised the intent for Lake Otis hospital would preclude the hospital from participating in any other grant program, such as Hill-Burton funds. Rep. Specking read the intent and recommended the language: "This grant is the only grant. . . ." should be deleted. Rep. Bowman moved the deletion of this sentence, in order to assure that other grants could be allowed. No objection.

Sen. Sackett noted that last year \$100,000 was granted to the Dept. of Public Works for erosion protection, and he would like intent stating \$25,000 should be used to survey a new site location for Galena. Sen. Sackett said the money was already there; however, intent was necessary. The committee agreed that this intent could be listed.

Over-runs for S.O.S. schools were also mentioned by the committee, and it was agreed that such cost over-runs would be line-itemed in order to leave it to the discretion of the schools.

Copies of a draft of intent requested by the House were reviewed by the committee, and Sen. Croft moved House intent with regard to the capital budget be accepted. No objection.

Sen. Kerttula asked that Sutton be included under educational TV translators, and the committee agreed.

Rep. Specking verified the fact that the grant for the library at Glennallen be specifically listed as going to the "community library."

The committee returned to the subject of the TV translator for Sutton and discussed it. Rep. Bowman moved Educational TV Broadcasting be increased to \$145,000, with the addition of Sutton. No objection, so ordered.

The meeting adjourned at 1:00 P.M.

Adjourn

6/6/75

NATURAL RESOURCE MANAGEMENT & ENVIRONMENTAL CONSERVATION

• Department of Natural Resources

Special Assessments to State-Owned Lands, \$540,600 -
The State shall pay only the principal and interest
and not penalties on past due accounts. ✓

Fairview Park Acquisition - Anchorage \$20,000 This appropriation
is to Capital Improvement Grants Sec. 3, Ch. 8 of 1974 SLA, to be
matched with ~~an equal amount of~~ Federal and local funds and used for
the purchase of parkland in close proximity to Fairview Community
Center or Fairview School.

Office of the Governor

Village Safe Water Projects, \$1,000,000 - This appropriation
will be made to the Office of the Governor in order that
project plans and requested funds for projects go through
the formal revised program process with approval by the
Legislative Budget and Audit Committee, before money is
transmitted to the Department of Environmental Conser-
vation to carry out the projects. ✓

PUBLIC PROTECTION

• Department of Military Affairs

Armory Master Plan, \$15,000 - It is the intent of the
Legislature that before pursuing additional capital
construction for an armory in Anchorage, the department
shall investigate the possibility of utilizing facilities
presently utilized by the active military in Alaska but
which may be vacated in the near future. ✓

DEVELOPMENT

Department of Public Works

Harbor Facilities, Valdez, \$100,000 - This allocation shall be
used for maintenance of the existing Valdez facility only, and
any amount not used for maintenance shall lapse into the
General Fund on July 1, 1976. ✓

Remote Village Radio, \$25,000 - This appropriation shall
include the upgrading of radios at Tititla. ✓

University of Alaska

University of Alaska Resources and Irving Buildings, ^{700,000}~~\$900,000~~ -

The state's funding of equipment and furnishings for the Irving and Resources Buildings on the Fairbanks campus shall be considered the State of Alaska's contribution to the NOAA and other research to be conducted there. It is the further

intent that the reports resulting from this research shall be submitted to the Legislature.

Future University of
Alaska Capital Budget
Submissions

Major building projects at the University are generally accomplished through general obligation bond authorizations. In looking forward to continued funding by this method it is imperative that the operation and maintenance costs of completed structures be given greater consideration when the building is in the design stage. Social, economic and environmental considerations should also be given full consideration in the design of the structures.

As a first step it is requested that the U of A follow the submission of the FY 77 capital improvement program with an analysis of the long term impact on the State Treasury using life-cycle costing techniques. This analysis shall be submitted at least by November 1, 1975, in order to allow for proper consideration by both the Executive and Legislative branches of State Government. Development of data to implement the procedure should commence immediately.

Rare Alaska Books - Fairbanks Campus \$10,000. This appropriation is for the addition of rare books to the special collection of Alaska and the polar regions in the Elmer E. Rasmuson Library.

Kuskokwim Community College Instructional TV \$154.6

EDUCATION

DEPARTMENT OF EDUCATION

EDUCATIONAL TV TRANSLATORS

(Alaska Educational Broadcasting Commission)
\$125,000

Girdwood System (Hope, Girdwood)

N. Kenai - Sterling System (N. Kenai, Sterling)

Seward System (Cooper Landing #1 and #2, Seward)

Palmer System

Talkeetna System

Tyonek System

~~Kodiak Museum Fire Suppression System \$17,000~~

Kodiak Museum - Halon 1301 Fire Suppression System \$17,000

CORRECTION

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

EDUCATION

DEPARTMENT OF EDUCATION

EDUCATIONAL TV TRANSLATORS

(Alaska Educational Broadcasting Commission)
\$125,000

Girdwood System (Hope, Girdwood)

N. Kenai - Sterling System (N. Kenai, Sterling)

Seward System (Cooper Landing #1 and #2, Seward)

Palmer System

Talkeetna System

Tyonek System

~~Kodiak Museum Fire Suppression System \$17,000~~

Kodiak Museum - Halon 1301 Fire Suppression System \$17,000

FINAL - JK

TRANSPORTATION

Department of Public Works

* [Stabilizer Installation/Cafeteria Conversion, Tustumena, \$100,000 - It is the intent of the Legislature that stabilizers be fully installed on the Tustumena and that any remaining funds be used for cafeteria conversion. ✓

Engine Room Soundproofing, Six Vessels, \$140,000 - The department is requested to ensure that soundproofing materials installed on the various shops are constructed of fireproof materials and that the resulting structures meet all Coast Guard and Bureau of Ships safety/fire requirements. ✓

Department of Highways

Bethel Maintenance Station, ^{350,000}~~\$250,000~~ - The department is requested to examine the feasibility of combining the Bethel Maintenance Station and the Bethel Airport Fire Station (to be constructed from funds authorized in Chapter 118, SLA 1974) in one building. ✓

GENERAL GOVERNMENT

Department of Public Works

Buildings Projects, Fish & Game Building Sprinklers, \$100,000 - The department is requested to consider the installation of a Halon 1301 fire protection system similar to that envisioned in the computer room of the State Office Building. ✓

Communications Equipment, Statewide, \$1,726,500 - The department is requested to review the proposed equipment purchases and eliminate the duplication of other state systems and equipment. Funds are included within this appropriation to purchase and install communications equipment at Tenakee. #✓

Development and R. Affairs

The appropriation to Stevens Village, Ruby, and Healy Lake for electric generators shall be made to the village councils for purchase and installation of generators and distributions lines.

The appropriation for a health center at Ft. Yukon shall be made to the city of Ft. Yukon.

The appropriations for shelter at Shismarif Hot Springs (Serpentine) shall be made to the city of Shismarif.

The appropriation for shelter at Selawik Hot Springs shall be made to the city of Huslia.

Tok Community Center; These funds shall be appropriated to the city of Tok in order to be matched with EDA funds.

- Administration of Justice:

Jail at Galena: This appropriation shall be made to the city of Galena for matching LEAA funds.

Mt. Village Jail: The appropriation shall be made to the city of Mt. Village for construction of a city jail.

Transportation: Dept. of Public Works

Chena Pump Road Erosion Control: This appropriation shall be used to provide rip-rap along the Tanana River to stop property erosion.

Nulato Road Project: The funds for the Nulato Road Project shall be used to construct an access road off the existing airport road to allow for community expansion.

Under SLA 1974, Dept. of Public Works Capital Improvements budget, the city of Galena may use \$25,000 of the appropriation they received for erosion control to survey the new community site.

FREE CONFERENCE COMMITTEE MINUTES
OPERATING AND CAPITAL BUDGET
FISCAL YEAR 1977

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FREE CONFERENCE COMMITTEE
Wednesday, May 19, 1976
9:00 a.m.

Present: Senators Bill Ray, John Butrovich, Kay Poland;
Representatives Hugh Malone, Ernie Haugen, and Ed Naughton.

Present

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

The meeting convened at 9:00 a.m. Senator Ray stated that as the Senate did have the Chairmanship of Free Conference last year, and as it is customary to change back and forth between the Houses, he moved and asked unanimous consent that Representative Malone be elected Chairman. There was no objection, it was so ordered.

Elect
Chairman

Chairman Malone stated that they would begin with the Social Services category of the Budget.

SOCIAL
SERVICES

Office of the Governor

Board of Child Advocacy. Senator Ray moved the Governor's figure, \$95.4. No objection, so ordered.

Pioneers Home Advisory Board. Senator Ray moved the Governor's figure, \$11.9. No objection, so ordered.

Alaska Plan Committee. Senator Ray moved the House figure, \$275.0. No objection, so ordered.

CETA.

Title I. Senator Ray moved the figure \$1744.0. No objection, so ordered. The Committee did not allow the House LEGISLATIVE INTENT at this time, but decided to "flag" it, and come back to it at a later time.

Summer Employment Disadvantaged Youth. Senator Ray moved the figure \$1056.4. No objection, so ordered.

Title II. Senator Ray moved the figure \$1272.8. No objection, so ordered.

Older Americans. Senator Ray moved the figure \$60.8. No objection, so ordered.

Title III. Representative Malone questioned Ron Lind regarding Federal funds for Title III. Mr. Lind replied there was a chance the funding would become available, but it could be put on by Revised Program. He said it would be more correct to leave it out of the funding. Senator Ray moved the figure 0. No objection, so ordered.

Transportation & Recreation. Representative Malone moved \$32.6. No objection, so ordered. The \$32.6 was in Federal Receipts. There was still some question as to whether the Committee would adopt the \$50.0 in General Fund in accord with the House LEGISLATIVE INTENT.

LEGISLATIVE
INTENT
OPEN

Title VI. Senator Ray moved the figure \$2818.8. No objection, so ordered.

Pipeline Retraining. Senator Ray moved the figure 0. No objection, so ordered.

Governor's Grant. Senator Ray moved the figure \$202.7. No objection, so ordered.

Administration. Representative Naughton moved the House figure, \$785.0. Senator Ray objected, and asked Mr. Lind for his comments. Mr. Lind said they felt those positions probably should be funded. Mr. Lind told the Committee that the Department of Labor program had been defunded because they weren't putting sufficient administrative time into checking this. The Administration is afraid the same thing might happen if they don't have the authority to create these positions to monitor the people actually operating the programs. This was one of the things brought up when they transferred the program from the Department of Labor to the Governor's Office.

Representative Naughton felt they ought to have these people in to testify. The Committee decided to "FLAG" this program. OPEN

Department of Administration.

Longevity Bonus. Representative Malone moved the Governor's figure, \$6617.3. No objection, so ordered.

Pioneers Homes.

Sitka Home. Senator Ray moved the Senate figure, \$1933.3. No objection, so ordered.

Fairbanks Home. Senator Ray moved the Senate figure, \$1991.4. No objection, so ordered.

Palmer Home. Senator Butrovich moved the Governor's figure, \$1634.6. No objection, so ordered. Representative Malone moved they adopt the Senate LEGISLATIVE INTENT on the positions, which was to allow five new positions at the Agency's discretion. No objection, so ordered.

LEGISLA-
TIVE
INTENT

Kotzebue Home. Representative Malone moved the Senate figure, \$645.4. No objection, so ordered.

Anchorage Home. Representative Malone moved the House figure, \$704.8. No objection, so ordered.

Central Office. Senator Ray moved the Senate figure, \$97.9. No objection, so ordered.

Department of Education.

Vocational Rehabilitation.

Counseling & Placement. Senator Ray moved the Senate figure, \$1491.8. No objection, so ordered.

Services to Clients. Senator Ray moved the House figure, \$1469.9, with the following LEGISLATIVE INTENT: A Supplemental should be submitted if actual costs exceed the appropriation.

LEGISLA-
TIVE
INTENT

Administration. Representative Malone moved the Senate figure, \$460.5. No objection, so ordered.

Specialized Facilities. Senator Ray moved the House figure, \$55.0. No objection, so ordered.

Disability Determination. Senator Ray moved the Senate figure, \$357.3. No objection, so ordered.

Employment of the Handicapped. Senator Ray moved the Senate figure \$20.5. No objection, so ordered.

Youth Employment Service. Senator Ray moved the figure \$150.2. No objection, so ordered.

DOE/CETA.

Administration. Senator Ray moved the figure, \$254.7. No objection, so ordered.

Grants. Representative Malone moved the adopt the Senate figure, \$664.9. No objection, so ordered. Senator Ray moved the adopt the following LEGISLATIVE INTENT: \$12.9 is to be granted to the Gateway Opportunity Center in Ketchikan.

LEGISLATIVE
INTENT

Skill Center. Senator Ray moved the adopt the figure \$2060.8. No objection, so ordered. Representative Malone said the program as broken out includes under Other Funds contemplation of transfer of CETA Funds into this program. He noted that the House version of the Bill says that if there is a shortfall, we will replace it. He moved that be included as LEGISLATIVE INTENT. No objection, so ordered.

LEGISLATIVE
INTENT

Department of Health & Social Services.

Assistance Payments.

AFDC. Senator Ray moved the adopt the Senate figure, \$13250.0 with the House LEGISLATIVE INTENT: (A) All legally obligated payments will be made; (B) No funds are to be transferred from this appropriation; and (C) Funds are to be used only for assistance to AFDC eligibles. No objection, so ordered.

LEGISLATIVE
INTENT

Old Age Assistance. Senator Ray moved the House figure, \$1897.5, with House LEGISLATIVE INTENT: (A) The Department is to submit a report to the 1st Session of the Tenth Legislature on the feasibility of contracting with the Federal government for administration of SSI or vica-versa; (B) No Funds are to be transferred from this appropriation; (C) All legally obligated payments will be made; and (D) Funds are to be used only for Assistance to the Aged. No obj., so ordered.

LEGISLATIVE
INTENT

Aid to the Blind. Senator Ray moved the figure \$87.9 with House LEGISLATIVE INTENT: (A) No funds are to be transferred from the appropriation; (B) All legally obligated payments will be made; and (C) Funds will be used only for Assistance to the Blind. No objection, so ordered.

LEGISLATIVE
INTENT

Aid to the Disabled. Senator Ray moved the figure \$1872.2. with the House LEGISLATIVE INTENT: (A) No funds are to be transferred from this appropriation; (B) All legally obligated payments will be made; and (C) Funds are to be used only for assistance to the disabled. No objection, so ordered.

LEGISLATIVE
INTENT

General Relief. Senator Ray moved the Senate figure, \$330.0 with House LEGISLATIVE INTENT: (A) No Funds are to be transferred from this appropriation; and (B) Funds are to be used only for assistance. No objection, so ordered.

LEGISLATIVE
INTENT

Program Services.

Homemaker Services. Senator Ray moved the House figure, \$577.5 with House LEGISLATIVE INTENT: (A) More Homemakers should be hired rather than an additional coordinator; (B) No funds are to be transferred from this appropriation; (C) All legally obligated payments will be made; and (D) Funds are to be used only for homemaker services. No objection, so ordered.

LEGISLATIVE
INTENT

Foster Care. Senator Ray moved the Senate figure, \$1527.9 with the House LEGISLATIVE INTENT: (A) No funds are to be transferred from this appropriation; (B) All legally obligated payments will be made; (C) Funds are to be used only for foster care. No objection, so ordered. Representative Malone moved they also add the following LEGISLATIVE INTENT: A Supplemental will be considered upon submission and proper justification. No objection, so ordered.

LEGISLATIVE
INTENT

LEGISLATIVE
INTENT

Institutional Care. Senator Ray moved the Senate figure, \$2168.0 with House LEGISLATIVE INTENT: (A) No funds are to be transferred from this appropriation; (B) All legally obligated payments will be made; (C) Funds are to be used only for institutional care. No objection, so ordered. Representative Malone then moved they adopt the following additional LEGISLATIVE INTENT: A Supplemental request will be considered upon submission of proper justification. No objection, so ordered.

LEGISLATIVE
INTENT

LEGISLATIVE
INTENT

Day Care. Representative Haugen moved the Senate figure, \$730.0 with house LEGISLATIVE INTENT: (A) No funds are to be transferred from this appropriation; (B) All legally obligated payments shall be made; (C) Funds are to be used only for Day Care. No objection, so ordered.

LEGISLATIVE
INTENT

Adoptions. Senator Ray moved the Senate figure, \$39.7. No objection, so ordered.

The meeting recessed at 9:55 a.m.

RECESS

AFTER RECESS
10:10 a.m.

Representative Malone called the meeting back to order.

Program Services.

Protective Services. Representative Malone moved the Senate figure, \$257.3, with Senate LEGISLATIVE INTENT: \$53.0 is included for the Anchorage Child Abuse Board, Inc. No objection, so ordered.

LEGISLATIVE
INTENT

Other Services. Senator Ray moved the figure \$27.7 with House LEGISLATIVE INTENT: \$10.0 is appropriated for a grant to the Girls Club of Alaska in Anchorage. No objection, so ordered.

LEGISLATIVE
INTENT

Alcantra.

Operations. Senator Ray moved \$630.4. No objection, so ordered.

Debt Service. Senator Ray moved the figure \$132.8. No objection, so ordered.

Social Services.

Social Work. Senator Ray requested a letter from the Administration guaranteeing the positions in Unalakleet, Wrangell, Unalaska and McGrath will be staffed. This program was left OPEN.

Eligibility.

Eligibility Determination. Senator Ray moved the House figure, \$2526.5. No objection, so ordered.

Staff Development. Senator Ray moved the figure \$195.6. No objection, so ordered.

Social Services Administration.

Central Office. Senator Ray moved the figure \$405.2. No objection, so ordered.

Field Services Support. Senator Ray moved they adopt the House figure, \$927.3. No objection, so ordered.

Staff Development. Senator Ray moved the figure, \$767.8. No objection, so ordered.

WIN AFDC.

WIN. Senator Ray moved the figure \$992.2. No objection, so ordered.

Office of Aging. Senator Ray moved the Senate figure, \$1639.8. No objection, so ordered. Representative Malone moved the House LEGISLATIVE INTENT: The Office is to submit a report on housing alternatives for older people to the 1st session of the Tenth Legislature. No objection, so ordered.

LEGISLATIVE
INTENT

Alcoholism.

Administration. Senator Ray moved the Governor's figure, \$369.3. No objection, so ordered.

Alcoholism Grants. Senator Ray was in favor of the Senate figure, \$1764.4, and Representative Naughton was in favor of the House figure, \$2187.0. It was decided to "FLAG" this, and come back to it later.

OPEN

Drug Abuse.

Administration. Senator Ray moved the Governor's figure, \$238.1 with LEGISLATIVE INTENT that Legislative Council shall make a report to the next Legislature on the advisability of the combination of the Drug Abuse Program with the Alcoholism Program, and that the Department also submit a report. No objection, so ordered.

LEGISLATIVE
INTENT

Drug Abuse Grants. Senator Ray moved the figure \$725.0 with the following House LEGISLATIVE INTENT: (A) No funds are to be transferred from this appropriation; (B) Funds are to be used only for drug abuse grants; and (C) Grants include 10.0 for Ketchikan Youth Advocate Program. And the following Senate LEGISLATIVE INTENT: Grants Include: 84.0 to Family House; 73.0 to Future House; and 25.0 to Southeast-Juneau Drug Abuse Program. No objection, so ordered.

LEGISLATIVE
INTENT

LEGISLATIVE
INTENT

Administration (DHSS).

Office of the Commissioner. Senator Ray moved the Senate figure, \$394.5. No objection, so ordered.

Director/Regional Offices. Senator Ray moved the House figure, \$221.3. No objection, so ordered.

Personnel. Senator Ray moved the Governor's figure, \$272.4. No objection, so ordered.

Supply. Senator Ray moved the Governor's figure, \$265.3. No objection, so ordered.

Financial Management. Senator Ray moved the Governor's figure, \$775.9 with the following LEGISLATIVE INTENT: If these vacancies do not materialize into a budgetary unit, they will be deleted from next year's budget. In addition, they will submit a report on their activities and work to the next legislature. No objection, so ordered.

LEGISLATIVE
INTENT

Graphic Arts/Library. Senator Ray moved the figure, \$58.8. No objection, so ordered.

QC/Collection Agency. Senator Ray moved the Senate figure, \$642.1. No objection, so ordered.

Child Support Enforcement. Representative Malone requested that this be left OPEN.

OPEN

Department of Labor.

Fishermans Fund. Senator Ray moved the figure \$276.4. No objection, so ordered.

Second Injury Fund. Senator Ray moved the Governor's figure, \$316.7. No objection, so ordered.

Employment Security.

Unemployment Insurance. Senator Ray moved the Governor's figure, \$5576.4 with LEGISLATIVE INTENT that the Tok Office should be maintained. No objection, so ordered. The Committee also felt that the Tok Office should be requested to make a better budget presentation.

LEGISLATIVE
INTENT

Administration (ES). Senator Ray moved the Governor's figure, \$2559.2 with House LEGISLATIVE INTENT: The Legislature requests that the Department of Administration work with the Department of Labor to centralize data processing functions of the two departments. The Department of Administration shall prepare and present a report to include the findings and recommendations to the first session of the Tenth Legislature on February 1, 1977. No objection, so ordered.

LEGISLATIVE
INTENT

Employment Services. Senator Ray moved the Senate figure, \$6453.6 with Senate LEGISLATIVE INTENT: A Full-time secretary is provided for the Kotzebue Employment Center; and the Tok Office is to be maintained. No objection, so ordered.

LEGISLATIVE
INTENT

Contracts.

WIN. Senator Ray moved the figure, \$1105.1. No objection, so ordered.

Community Service. Senator Ray moved the House figure, \$86.1 with Senate LEGISLATIVE INTENT: \$86.1 is for a grant to Brady Jackson to provide employment services for the handicapped. If federal receipts are not available, the money will come from the General Fund. No objection, so ordered.

LEGISLATIVE
INTENT

Grants.

Job Corps. Senator Ray moved they adopt the figure \$330.6.

No objection, so ordered.

NAB Jobs. Senator Ray moved the figure \$68,5. No objection, so ordered.

Labor Market Information. Senator Ray moved the figure \$361.2.

No objection, so ordered.

CETA Contracts. Senator Ray moved the Senate figure, \$1204.1

with the Senate LEGISLATIVE INTENT to continue the Work Experience Program. No objection, so ordered.

Office of the Commissioner. Representative Malone moved the Senate figure, \$496.5. No objection, so ordered.

LEGISLA-
TIVE
INTENT

Department of Commerce & Economic Development.

Veterans Service Council. Senator Ray moved the figure \$57.3.

No objection, so ordered.

Department of Community & Regional Affairs.

Senior Citizens Tax Exemption. Senator Ray moved the figure \$1300.0. No objection, so ordered.

Work Experience. Senator Ray moved the Senate figure, \$2693.2

with House LEGISLATIVE INTENT: \$18.7 is to be allocated to

the Gateway Opportunity Center in Ketchikan; and Senate LEGIS-

LATIVE INTENT: \$602.0 of CETA Title I is to be allocated to

Work Experience. No objection, so ordered.

Community Services. Senator Ray moved the Senate figure,

\$960.0. No objection, so ordered.

Day Care/Head Start. Senator Ray moved the Senate figure,

\$1632.0. No objection, so ordered.

LEGISLA-
TIVE
INTENT

State Bond Committee.

Debt Service. Senator Ray moved the figure \$900.7. No

objection, so ordered.

The meeting recessed at 11:05 a.m.

RECESS

AFTER RECESS

11:05 a.m.

Chairman Malone called the meeting back to order, and said they would continue with the HEALTH category of the budget.

HEALTH

Department of Health & Social Services.

Nursing.

Field Nursing. Representative Naughton moved the Governor's figure, \$3143.7. No objection, so ordered.

Home Health Service. Senator Ray moved the Senate figure,

\$32.9. No objection, so ordered.

Administration. Representative Malone moved the Senate

figure, \$634.4. No objection, so ordered.

Early Screening. Senator Ray moved the Senate figure, \$159.6.
No objection, so ordered.

Communicable Disease Control.

TB Control. Senator Ray moved the Senate figure, \$654.8.
No objection, so ordered.

VD Control. Senator Ray moved the Senate figure, \$266.2.
No objection, so ordered.

Immunization. Senator Ray moved the figure \$156.3 of which \$96.0 was to be for Swine Flu--all General Fund. If Federal money comes in, it will replace General Fund monies. No objection, so ordered.

Epidemiology. Senator Ray moved the Senate figure, \$168.2.
No objection, so ordered.

Environmental Health.

General Sanitation. Senator Ray moved the figure \$1024.4.
No objection, so ordered.

Seafood Sanitation. Senator Ray moved the Senate figure, \$114.4. No objection, so ordered.

Child & Family Health.

Family Planning. Senator Ray moved the Governor's figure, \$220.6. No objection, so ordered. Funding was changed to \$90.3 in Federal Receipts and 89.9 in General Fund.

Maternal & Child Health. Senator Ray moved the Senate figure, \$219.7 with House LEGISLATIVE INTENT: The Bethel Prematernal Home is to receive a \$10,000 Grant. The Break-down was changed so that Travel is \$7.8, and Grants, Claims, etc. is \$122.0. No objection, so ordered.

LEGISLATIVE
INTENT

Crippled Children. Senator Ray moved the Senate figure, \$1075.3. No objection, so ordered.

Communicative Disorders. Senator Ray moved the Senate figure, \$359.1. No objection, so ordered.

Child Study Center. Senator Ray moved the figure, \$207.8.
No objection, so ordered.

Administration. Senator Ray moved the Senate figure, \$96.3. No objection, so ordered.

Nutrition. Senator Ray moved the Senate figure, \$103.4.
No objection, so ordered.

Laboratories.

Regional Laboratories. Senator Ray moved the Senate figure, \$1125.8. No objection, so ordered.

Administration. Representative Malone moved the figure \$79.2. No objection, so ordered.

Health Information System.

Health Information. Senator Ray moved the Senate figure, \$148.0. No objection, so ordered.

Registry of Human Impairments. Senator Ray moved the Senate figure, \$61.5. Representative Malone objected, but the motion carried.

Certification & Licensing. Representative Malone moved the Governor's figure, \$275.2. No objection, so ordered.

Public Health Administration.

Health Education. Senator Ray moved the Senate figure, \$122.8. No objection, so ordered.

Grants to GAAB. Representative Malone moved the House figure with the House LEGISLATIVE INTENT: \$74,000 is provided for the Anchorage Neighborhood Health Center.

LEGISLA-
TIVE
INTENT

Public Health Administration. Senator Ray amended the Senate Travel figure to read \$13.9, which made the new Senate figure \$406.2. He then moved the figure \$406.2. No objection, so ordered.

Alaska Psychiatric Institute. Senator Ray amended the Senate Personal Services figure to \$4474.7, which made the new total \$5463.5. He then moved the figure \$5463.5. No objection, so ordered.

The meeting recessed at 12:00 noon.

RECESS

AFTER RECESS

2:30 P.M.

Chairman Malone called the meeting to order to continue closing the HEALTH category.

HEALTH

Harborview Center - Sen. Ray moved the Senate figure, but amended his motion to appropriate \$42,000 to Land & Buildings for a new total of \$4,262.5. Intent for the additional funding to Land & Buildings was to include \$35,000 for dust control. No objection, so ordered.

Leg.
Intent

Contract Institutions - Sen. Ray moved the Senate figure, including the House intent of \$25,000 allocated to the Gateway Opportunity Center in Ketchikan and Senate intent of \$53,200 included for ARCA in addition to their regular contract, for a total of \$2,433.9. No objection, so ordered.

Leg.
Intent

Psychiatric Security Unit - Sen. Ray moved the Governor's figure of \$485.4. No objection, so ordered.

State Mental Health Centers

Juneau - Rep. Malone moved the Senate figure of \$247.1. No objection.

Fairbanks - Sen. Ray moved the Governor's figure of \$299.2. No objection.

Community Mental Health Center - Sen. Ray noted an additional request for new programs at Aniak, Glennallen, Dillingham, Cold Bay, Kenai, Cordova and Juneau, providing for 9 months of operation at these locations. Funding for on-going programs would remain at maintenance or request, with grants, claims adjusted to \$1,490.0, for a total of \$1,566.8. Sen. Ray moved the adjusted figures, with intent to fund the above operations for 9 months. No objection, so ordered.

Leg.
Intent

Mental Health Administration

Developmental Disabilities - Sen. Ray moved the House figure of \$120.0, with legislative intent that \$20,000 is for the department to work with existing groups in Alaska to develop a statewide plan for the provision of community services for the developmentally disabled. The plan is to be submitted to the 1st session of the 10th legislature. No objection, so ordered.

Leg.
Intent

Administration - Sen. Ray moved the Senate figure of \$470.0. No objection.

Medicaid - Rep. Malone moved the Senate figure with House intent; no objection, so ordered.

Leg.
Intent

G. R. Medical - Sen. Ray moved the Senate figure, which Rep. Malone amended to include the House intent, excluding item (D). The committee discussed including assistance for hemophiliacs; however, Mr. Barker noted a bill was now pending which would grant financial aid for catastrophic illness or injury, HB 467. Sen. Ray's motion was adopted.

Leg.
Intent

Public Assistance Administration - Sen. Ray questioned the request for additional funds for Personal Services, to which Ron Lind replied the administration would have no problems with the House figure. Sen. Ray moved the House figures, with contractual amended to \$434.3, for a new total of \$1,368.0. Rep. Malone amended the motion to allow the positions requested within allocation, and to include the Systems Analyst. No objection, so ordered.

Leg.
Intent

Comprehensive Health Planning

Planning - Sen. Ray moved the Governor's figure of \$334.6. No objection, so ordered.

Facilities Development - Sen. Ray moved the Governor's figure of \$143.1. No objection.

Emergency Medical Planning - Sen. Ray moved the Senate figure of \$61.9. No objection.

Emergency Medical Services - Sen. Ray moved the Governor's figure of \$450.0. No objection.

Debt Service - Sen. Ray moved the Governor's figure of \$1,170.9. No objection, so ordered.

The committee referred to the DEVELOPMENT category, and adopted the following figures without objection:

DEVELOP-
MENT

<u>Tokyo Office</u>	\$110.0 (Gov., motion by Sen. Ray)
<u>Policy Development</u>	290.0 (Gov., motion by Sen. Ray)
<u>Surplus Property</u>	202.3 (Gov., motion by Sen. Ray)
<u>Bus. License Tax</u>	7638.1 (Gov., motion by Sen. Ray)
<u>Amusement & Gaming</u>	49.5 (Gov., motion by Sen. Ray)
<u>Aviation Fuel Tax</u>	183.4 (Gov., motion by Sen. Ray)
<u>Elec & Tel Coop Tax</u>	768.0 (Gov., motion by Sen. Ray)
<u>Liquor License Tax</u>	651.3 (Gov., motion by Sen. Ray)
<u>Fisheries Tax</u>	453.2 (Gov., motion by Sen. Ray)
<u>Mun. Bond Bank Auth.</u>	243.0 (Gov., motion by Sen. Ray)

Economic Enterprise

General Operations - A revised request had been submitted by the Governor to add \$300,000 for a pilot program for bottom fish, assuring a 1¢/pound subsidy for such fish. The Senate figures also did not include \$55,000 for an

econometric model for Alaska. Sen. Ray moved the House figure of 1,086.1, which included the above requests. No objection, so ordered.

EDA Planning - Sen. Ray moved the House figure of \$200.0.

Developmental Loans - Sen. Ray moved the Governor's figure of \$265.7. No objection, so ordered.

Veterans' Loan Fund - Sen. Ray moved the Senate figure of \$1,350.2. No objection.

Tourism Promotion - On the basis that convention centers were preferable to national advertising, Sen. Ray moved the Senate figure of \$1,111.9. No objection, so ordered.

Power Development - Sen. Ray moved the Senate figure of \$163.9. No objection.

State Fairs - Sen. Ray moved the Governor's figure of \$116.5. No objection.

Plant Materials Center - Sen. Ray moved the Senate figures, amending contractual to 73.9, for a total of \$314.6. Intent was to allow the Northwest Area Range & Soil Survey plus new positions and equipment.

Leg.
Intent

The following figures were moved by Sen. Ray and adopted without objection:

<u>Administration</u>	117.6	(Gov's rec.)
<u>Agricultural Loan Fund</u>	112.9	" "
<u>Native Claims Payments</u>	1727.4	" "
<u>King Crab Qual. Board</u>	240.8	" "
<u>Local Govt. Assistance</u>	477.2	(Senate rec.)
<u>Local Boundary Admin.</u>	98.1	(Gov's rec.)
<u>Community Planning Assist.</u>	779.1	(House rec.)
<u>Organizational Grants</u>	84.8	(Gov's rec.)
<u>Agricultural Lands Exempt.</u>	110.0	" "
<u>Juneau Indemnification</u>	50.0	" "

Revenue Sharing - Sen. Ray said the Senate funded revenue sharing at 100% and moved the figure \$17,264.2. The committee adopted this motion, with the intent revenue sharing be funded at 100%.

Leg.
Intent

<u>National Forest Receipts</u>	551.8	(Gov's rec.)
<u>Community Legal Assist.</u>	50.0	(Senate rec.)
<u>Office of Commissioner</u>	176.3	(Gov's rec.)
<u>Administrative Services</u>	221.2	(Senate rec.)

<u>Rural Dev. Asst. Grants</u>	794.2	(Gov's rec.)
<u>Rural Dev. Asst. Admin.</u>	181.8	" "
<u>Aleutian Is. Ferry</u>	189.0	(Senate rec.)

The Governor's recommendations were adopted for Debt Service.

The meeting recessed at 3:30 P.M.

AFTER RECESS
3:40 P.M.

Chairman Malone called the meeting to order to close the PUBLIC PROTECTION category.

PUBLIC
PROTEC-
TION

Consumer Protection - Sen. Ray moved the Senate figure of \$340.7, with the intent that the Ketchikan position be funded for permanent part-time. No objection, so ordered.

Leg.
Intent

The following figures were adopted by the free conference committee without objection:

<u>ABC Board</u>	326.5	(Senate recommendation)
<u>OSHA Administration</u>	366.7	(Gov's recommendation)
<u>Compliance Inspection</u>	1031.2	(Senate rec.)
<u>Health Inspection</u>	258.0	" "
<u>Research</u>	112.2	(House rec.)
<u>Training & Consult.</u>	317.2	" "
<u>Planning & Standards</u>	174.7	(Senate rec.)
<u>State Inspection</u>	426.2	" "
<u>Weights & Measures</u>	901.6	" "
<u>Wts. & Measures (PLI)</u>	98.8	(Gov's rec.)
<u>Banking & Small Loans</u>	187.8	" "
<u>Securities & Land Sls.</u>	133.5	(Senate rec.)
<u>Corporations</u>	123.1	" "
<u>Administration</u>	125.0	" "
<u>Insurance Companies</u>	232.2	" "
<u>Rates & Policy Forms</u>	141.7	(House rec.)
<u>Licensing</u>	51.2	" "
<u>Investigation</u>	79.6	" "
<u>Pub. Ut. Comm.</u>	1198.3	" "
<u>Transportation Comm.</u>	1002.7	(Senate rec.)
<u>Pipeline Commission</u>	OPEN	per request of Rep. Malone
<u>Trans. Comm. (PLI)</u>	58.9	(Gov's rec.)
<u>Occupational Lic.</u>	635.1	(Senate rec.)
<u>Administration</u>	553.7	" "
<u>Rent Control</u>	157.1	(House rec.)
<u>Civil Air Patrol</u>	238.0	" "
<u>Civil Defense Planning</u>	462.4	(Senate rec.)

<u>Radiological Program</u>	33.3	(Gov's rec.)
<u>City Participation</u>	104.5	" "
<u>Flood Control</u>	52.1	" "
<u>Training</u>	62.2	" "
<u>Disaster Relief Act</u>	96.5	(Senate rec.)
<u>Office of Adjutant General</u>	857.9	" "
<u>State Armories</u>	342.8	" "
<u>Federal Armories</u>	609.4	" "
<u>Army Training Support</u>	308.0	" "
<u>Air Training Support</u>	642.9	" "
<u>Organized Militia Benefits</u>	155.0	" "
<u>Plant Industry</u>	95.9	(Gov's rec.)
<u>Animal Industry</u>	553.8	" "
<u>Fire Safety</u>	530.2	(Senate rec.)
<u>Driver Licensing</u>	778.4	(Gov's rec.)
<u>Driver Improvement</u>	119.2	" "

Motor Vehicle Licensing - Mr. Lind noted a revision had been submitted for \$65,000 for microfilming, of which the Senate allowed \$30,000. Sen. Ray moved the Senate figure be amended by increasing personal services by \$30,000 for a revised figure of \$1,214.3, total \$2,169.5. Legislative intent was adopted to allow the microfilm system and effectiveness of the system is to be reported to the legislature at the beginning of the 10th session.

Leg.
Intent

<u>Project Coordination</u>	91.4	(Gov's rec.)
<u>Federal Projects</u>	743.5	(Senate rec.)
<u>National Guard Facilities</u>	76.1	(Gov's rec.)
<u>Flood Control</u>	661.4	" "

The meeting adjourned at 4:10 P.M.

Adjourn

FREE CONFERENCE COMMITTEE
Thursday, May 20, 1976
9:00 a.m.

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

PRESENT

Also Present: Legislative Finance Staff, Budget and Management
Staff, Press, and interested persons.

Chairman Malone called the meeting to order, and announced they
would be working on the ADMINISTRATION OF JUSTICE category of
the Budget.

ADMINISTRA-
TION OF
JUSTICE

Office of the Governor.

Public Defender.

1st Judicial District. Senator Ray moved the figure,
\$219.6. No objection, so ordered.

2nd Judicial District. Senator Ray moved the figure,
\$92.9. No objection, so ordered.

3rd Judicial District. Senator Ray moved the figure \$856.5
Breakdown as follows:

Personal Services	625.4
Travel	30.0
Contractual	175.0
Commodities	10.0
Equipment	6.0
Land, Bldgs.	10.1

No objection, so ordered. Representative Malone moved
LEGISLATIVE INTENT that the Attorney III be stationed in
Kodiak and that the entire appropriation be conditioned
upon that. No objection, so ordered.

LEGISLATIVE
INTENT

4th Judicial District. Senator Ray moved \$430.0. No
objection, so ordered.

Administration. Senator Ray moved the Senate figure,
\$112.3 with House LEGISLATIVE INTENT: Allow secretary
position in Anchorage. No objection, so ordered.

LEGISLATIVE
INTENT

Human Rights Commission. Senator Ray moved the House fig-
ure, \$626.1. No objection, so ordered.

Criminal Justice Planning.

Action Grants. Senator Ray moved the figure \$3068.5.
No objection, so ordered.

Planning. Senator Ray moved the figure \$538.4. No ob-
jection, so ordered.

Police Standards Council. Senator Ray moved the figure
\$80.4. No objection, so ordered.

Prosecution.

1st Judicial District. Senator Ray moved the Governor's
figure, \$403.7 with LEGISLATIVE INTENT that a Legal
Secretary I be allowed within the authorization. N.O.S.O.

LEGISLATIVE
INTENT

2nd Judicial District. Senator Ray moved the Senate
figure, \$116.6. No objection, so ordered.

3rd Judicial District.

Senator Ray moved the Governor's figure, \$1509.8 with House
LEGISLATIVE INTENT: Provide a permanent full-time secretary
in Kodiak and Bethel. No objection, so ordered.

LEGISLATIVE
INTENT

4th Judicial District. Senator Ray moved the Senate fig-
ure \$698.6. No objection, so ordered.

Administration & Support. Senator Ray moved \$138.3. No
objection, so ordered.

Adult Confinement.

Adult Camp-Palmer. Representative Naughton moved the Senate
figure, \$1039.4. No objection, so ordered.

Anchorage State Jail. Senator Ray moved the House figure,
\$895.6. No objection, so ordered.

Juneau Correctional Center. Senator Ray moved the House
figure, \$1534.6. No objection, so ordered.

Fairbanks Correction Center. Senator Butrovich moved the
Senate figure, \$1659.9 with Senate LEGISLATIVE INTENT not
to allow new position requested in Governor's budget amend-
ment of 3/2/76. Funding for the position would have been
shifted from contractual services to personal services with-
in the Governor's original budget totals. No objection, so
ordered.

LEGISLATIVE
INTENT

Ketchikan State Jail. Senator Ray moved the House figure,
\$599.5. No objection, so ordered.

Anchorage City Jail. Representative Malone moved the House
figure, \$1118.3. No objection, so ordered.

Eagle River Correction Center. Senator Ray moved the Senate
figure, \$1848.3. No objection, so ordered.

Local Facilities. Representative Malone moved the House
figure, \$841.1 with LEGISLATIVE INTENT that \$25,000 in Con-
tractual be used for Remote Guard Hire. No objection, so
ordered.

LEGISLATIVE
INTENT

Out-of-State Institutions. Senator Ray moved the figure,
\$319.0. No objection, so ordered.

Ridgeview Women's Facility. Senator Ray moved \$543.3. No
objection, so ordered.

Juvenile Confinement.

McLaughlin Youth Center. Senator Ray moved the Senate fig-
ure, \$3393.3. No objection, so ordered.

Local Facilities. Senator Ray moved the Senate figure,
\$1409.0. No objection, so ordered.

Out-of-State Contractual Services. Senator Ray moved the
figure, \$234.5. No objection, so ordered.

Probation & Parole.

1st Judicial District. Representative Malone moved the fig-
ure, \$559.7. No objection, so ordered.

2nd Judicial District. Senator Ray moved the figure,
\$159.6. No objection, so ordered.

3rd Judicial District. Representative Malone moved the
figure \$1280.1. No objection, so ordered.

4th Judicial District. Senator Ray moved the Senate fig-
ure, \$555.8. No objection, so ordered.

Department of H&SS.

Administration/Corrections. The Committee decided to "FLAG" OPEN this.

Parole Board. Senator Ray moved the Senate figure, \$130.8.

No objection, so ordered.

Violent Crimes Commission. Senator Ray moved the figure \$322.6. No objection, so ordered.

Department of Labor.

Administration of Wage & Hour. Senator Ray moved the Senate figure, \$624.1. No objection, so ordered.

Administration of Workmen's Comp. Representative Malone moved the Senate Figure, \$848.3. No objection, so ordered.

Wage & Hour/Local Hire. Senator Ray moved the figure, \$259.2. No objection, so ordered.

Department of Public Safety.

Community Relations. Senator Ray moved the Senate figure, \$69.0. No objection, so ordered.

Enforcement.

Detachments & CIB. Senator Ray moved the Senate figure, \$11575.7.

The meeting adjourned at 10:00 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

May 21, 1976

2:00 p.m.

Present: Senators Bill Ray, Kay Poland, and John Butrovich;
Representatives Hugh Malone, Ernie Haugen, and Ed Naughton.

Also Present: Legislative Finance Staff, Budget and Management Staff, Press, and interested persons.

Chairman Malone called the meeting to order at 2:00 p.m. He said they would continue with the ADMINISTRATION OF JUSTICE category of the Budget. They had left off with Department of Public Safety, Enforcement, Detachments & CIB. Senator Ray had made a motion for the Senate figure, \$11575.7.

JUSTICE

Department of Public Safety.

Enforcement.

Detachments & CIB. Senator Ray renewed his motion to adopt the Senate figure, \$11575.7 allowing \$100,000 in Miscellaneous for Contingent Expenses and allowing House LEGISLATIVE INTENT: Within the number of troopers presently assigned in Juneau, put an additional three troopers on patrol. No objection, so ordered.

LEGISLATIVE
INTENT

Division Headquarters. Representative Malone moved the House figure, \$496,300. No objection, so ordered.

Narcotics Unit. Senator Ray moved the Governor's figure, \$462.5. No objection, so ordered.

Administrative Services.

Records & Identification. Representative Malone moved the figure, \$122.8. No objection, so ordered.

Laboratory Services. Senator Ray moved the figure, \$151.2. No objection, so ordered.

Central Communications. Senator Ray moved the Senate figure, \$751.8 with the Senate analysis. No objection, so ordered.

(Senate
Analysis)

Housing Program. Representative Malone moved the House figure, \$563.8 with House LEGISLATIVE INTENT: Dept. of Public Safety use the trailers in areas where housing problem is most acute, regardless of whether they are in rural or urban areas. No objection, so ordered.

LEGISLATIVE
INTENT

Office of the Commissioner. Senator Ray moved the Senate figure, \$1151.0. No objection, so ordered.

Research & Planning. Senator Ray moved the Governor's figure, \$613.3. No objection, so ordered.

Training. Senator Ray moved the House figure, \$1297.1. No objection, so ordered.

Judicial Services. Representative Naughton moved the House figure, \$1680.7. No objection, so ordered.

State Bond Committee.

Debt Service. Representative malone moved the figure, \$959.5. No objection, so ordered.

Alaska Court System.

Supreme Court. Senator Ray moved the Senate figure, \$1237.3. No objection, so ordered.

District & Superior Courts. Representative Malone moved the Senate figure, \$13220.7. Senator Ray amended the motion to allow \$5933.0 in Contractual. The question was called on the amendment, No objection, so ordered. The amendment changed the Senate figure to \$13,320.7. The question was called on the new total. No objection so ordered. Representative Malone then moved the House LEGISLATIVE INTENT: It is Legislative intent that the Court System use its vacancy accrual in personal services to fill required positions. and the Senate LEGISLATIVE INTENT: Kodiak Superior Court Judge shall have a full-time secretary within the allocation. No objection, so ordered.

LEGISLATIVE
INTENT

LEGISLATIVE
INTENT

Representative Malone next moved they add another LEGISLATIVE INTENT Statement: Funding is provided within this allocation for a District Court Judge in Homer should that position be established by the Court System. No objection, so ordered. Representative Malone also moved that the Statement "Authorization to establish new positions within funds available" be used instead of "No new positions authorized". No objection, so ordered.

LEGISLATIVE
INTENT

F.C.C.
Analysis

Judicial Qualifications. Representative Malone moved the House figure, \$23.7. No objection, so ordered.

Administration & Support. Senator Ray moved the Senate figure, \$2374.2. Representative Malone amended the motion to add \$36,000 in Personal Services for Recording Clerks in Palmer, Anchorage, and Kenai. There was no objection to the amendment. The question was then called on the main motion, which was now for the figure, \$2410.2. No objection, so ordered.

Municipal Courts. Senator Ray moved the figure, \$387.5. No objection, so ordered.

Judicial Council. Representative Malone moved the Senate figure, \$177.6. No objection, so ordered.

Chairman Malone said they would go on to consider the GENERAL GOVERNMENT category of the budget.

GENERAL
GOVERNMENT

Office of the Governor.

Executive Office. Representative Malone moved the figure, \$1439.0. Breakdown as follows:

Pers. Serv.	1036.5
Travel	67.8
Contractual	295.2
Commodities	27.2
Equipment	5.1
Land, Bldg.	7.2

No objection, so ordered.

Executive Mansion. Representative Naughton moved the figure, \$93.3. No objection, so ordered.

Contingency Fund. Senator Ray moved \$250.0. No objection, so ordered.

Equal Employment Opportunity. Senator Ray moved the Senate figure, \$130.1. No objection, so ordered.

The Meeting recessed at 2:50 p.m.

RECESS

AFTER RECESS

3:20 p.m.

Chairman Malone called the meeting back to order, and said they would continue with the GENERAL GOVERNMENT category of the budget.

GENERAL
GOVERNMENT

Office of the Governor.

Lieutenant Governor. Senator Ray moved the House figure, \$437.2. Representative Naughton objected, and moved the Governor's figure, \$496.2.

Mr. Ron Lind told the Committee that both of the budget proposed by the Legislature exclude two positions currently operating in the Voluntary Action area.

Senator Butrovich suggested they hold this OPEN until they get specifics on it--who they are and what they do. The Committee decided to hold it OPEN.

OPEN

Policy Development & Planning. Senator Ray moved the House figure, \$616.7. Representative Malone objected because he felt they should get a more clear presentation from the Administration. The Committee agreed and decided to hold this OPEN also.

OPEN

Alaska Energy Office. Senator Ray amended the Senate Contractual to \$367.6 with the Senate analysis plus \$40.0 for a Kodiak Wind Power Study and \$25.0 for a Wind Power Study at _____. He moved the new total of \$506.0. No objection, so ordered.

Growth Policy Council.

Public Forum. Representative Malone said they would go by this and leave it OPEN for the time being.

OPEN

Telecommunications. Senator Ray moved the Governor's figure, \$514.7. No objection, so ordered. Representative Malone moved the House LEGISLATIVE INTENT: Should costs for legal representation at Federal Communications Commission Hearings exceed the Governor's budgeted amount for that purpose, the Office of Telecommunications shall request a supplemental appropriation to cover additional costs. No objection, so ordered.

LEGISLATIVE
INTENT

Public Offices Commission. Senator Ray moved the figure, \$209.6. No objection, so ordered.

Elections. Senator Ray moved the figure, \$1116.6. No objection, so ordered.