

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2660

HOUSE FINANCE COMMITTEE

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1

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7 (Joint)

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202-204NN

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HOUSE FINANCE COMMITTEE PROGRAM CATEGORIES

University of Alaska Committee of the Whole

SUBCOMMITTEES

Ways & Means	Gruening - Chairman Meekins, Cowper, Schaeffer, Rhode
Education	Buchholdt - Chairman Gruening, Specking *Cotten
Justice	Guy - Chairman Freeman, Carpenter *Miles
Gen. Government & Development . .	Duncan - Chairman Buchholdt, Lethin *Ose (Dev.) *Miles (Gen. Govt.)
Public Protection	Schaeffer - Chairman Swanson, Rhode *Hayes
Nat. Resources	Swanson - Chairman Duncan, Haugen *Specking & Snider
Health & Soc. Services	Meekins - Chairman Cowper, Haugen *Smith (Soc. Serv.) *Nakak (Health)
Transportation	Freeman - Chairman Guy, Beirne *Dankworth

SPECIAL SUBCOMMITTEE

Budget & Audit Recommendations . .	Duncan - Chairman Buchholdt, Union
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* Standing Committee Members

HOUSE FINANCE COMMITTEE
Wednesday, January 19, 1977
4:15 p.m.

All members were present except Rep. Gruening.

PRESENT

Also present were Mr. Bob Breeves and Dr. Harry Donohue of the Alaska Pipeline Commission.

WITNESSES

Chairman Cowper stated the purpose of the meeting - What the Alaska Pipeline Commission intends to do in the coming year; the Governor's request for an appropriation of \$900,000 to the APC; the importance to the financial well-being of the State for the APC to be an effective commission.

PURPOSE OF MEETING

Dr. Donohue of the APC gave a brief description of the formation of the pipeline commission and its purpose.

FORMATION AND PURPOSE OF APC

[Rep. Gruening joined the meeting at 4:25 p.m.]

Dr. Donohue gave a description of what the APC determined their manner of operation would be. He said the commission will set the intrastate tariff rate. The ICC will arrive at a proposal some time by July 1, 1977. The ICC normally approves the interim rate proposed by the Pipeline Commission. The question is whether or not the proposed tariff will be a fair and reasonable one and in the best interest of the State of Alaska. The APC has made an agreement with the Attorney General that the the commission will make the investigation. They will make the presentation.

He said that the investigation is necessary in order to set an intrastate tariff or to provide a demand for the Attorney General to intervene. They feel that their role is to provide an objective substantive input.

Dr. Donohue said the APC engaged the services of special counsel to make a determination of what is the allowable cost of the pipeline system. The commission has made a contract with Terry Lenzer of Washington, D.C. for that investigation. Mr. Lenzer was an investigator in the Watergate matter. Dr. Donohue said the APC had not decided to accept the ICC recommendations. It is felt by the commission that they should come up with a new methodology and different manner of looking at the various questions.

INVESTIGATOR CONTRACT

Chairman Cowper gave a brief background regarding the revenue derived by the State based on well-head stock. The ICC considers data submitted by the oil companies

PROTECTION OF STATE'S INTEREST

and owners of the pipeline. The APC will provide the Attorney General with data to protect the State's interest. The ICC also determines the amount of profit allowed to the oil companies. The oil companies do not have any of their own money into the pipeline and are receiving a 7% profit.

Mr. Bob Breeves said there is a great deal of concern in the State of ramifications regarding its ability to develop petrochemical production. High tariff rate would be detrimental to development of such production. Should be the responsibility of the APC to stimulate interest in such production. The value of a barrel of oil to the people is through development of industries, businesses, taxes, etc.

He said it is a very complicated issue and it would be fair to say that the State is extremely late in doing something to protect the interest of the State of Alaska. A job that should have been done over the course of several years now has to be done in a matter of months. He solicited the support of the HFC.

SUPPORT OF
HFC

Chairman Cowper said the State began with a figure of about \$4.00 for the tariff. Merrill, Lynch, et al, and other financial advisors have been quoting the figure of \$6.10.

COMMENT
BY COWPER

Mr. Bob Breeves said that financial advisors have been putting forth reports regarding the profit of the Prudoe Bay fields. Those reports show the value of the fields has subsequently diminished, while the value of transporting to the market has gone up. The result is a lower well-head value. If smaller users of the transportation have to pay the same price as the big companies, their product will not be as marketable as the big companies.

PRICE OF
TRANSPORTING

Rep. Gruening asked a question regarding the profitability of the producing companies and marketing compared to that of the big companies.

QUESTION
BY GRUENING

Dr. Donohue answered saying that traditionally the profits are lower at the pipeline level than at the marketing and producing level.

Rep. Gruening asked whether the APC will receive assistance from federal government.

Mr. Breeves said that a firm was employed that was supposed to provide a report to the ICC that was, basically, a compilation of information. They were unable to provide that information. Because of the delay, it does not look as though they will be able to do the necessary work by the time set by the ICC. The firm is making inquiries to receive the necessary information. The ICC has tentatively

indicated that it will not provide results until that inquiry is completed in 1979. This will not help the State of Alaska in terms of setting the intrastate tariff.

Rep. Haugen asked if the State is prepared to do anything with the gas at the present time.

GAS

Dr. Donohue answered, saying that it is before the Legislature now.

Rep. Meekins asked if the APC would have difficulty obtaining the information necessary from the oil companies.

OBTAINING
INFO FROM
OIL COMPANIES

Dr. Donohue said that they have everything needed to obtain the necessary information, including subpoena power.

Mr. Breeves explained the subpoena power briefly and said they have entered into an agreement with Alyeska whereby the requested information is to be provided on a certain timetable that is acceptable to APC. There is a further agreement with Alyeska that it will provide confidential information that APC determines of significant public interest on the date of Mr. Lenzer's report.

ALYESKA
AGREEMENT

Dr. Donohue said that APC exists not as an advocate of the State, but that the investigation is extremely important and valuable to the State.

APC NOT
ADVOCATE OF
STATE

Chairman Cowper said that last year there was a problem in the bill over the APC. The purpose of the commission was to act as a judicial body of the intrastate pipeline. It was understood as interstate. In addition, they were given the power to report the State's interest before the ICC. The Attorney General relies on the APC to provide it with information necessary to protect the interests of the State before the ICC. Officially, they are not advocates of the State, but they are not exactly neutral.

PURPOSE
OF APC

Rep. Rhode asked where the ICC will get the information it needs to investigate this matter. He expressed a concern that we might just be duplicating the work of the ICC has done already.

ICC SOURCE
OF INFO

Dr. Donohue said that the ICC has not had the problem of setting the tariffs on such a long pipeline before. The cost of the Alaska Pipeline system is more than all the pipelines in the United States all put together. The methodology used by the ICC is not publicly documented. The ICC normally accepts the proposal of the Pipeline Commission as is.

Mr. Breeves said that the ICC has never disallowed specific costs. There will have apparently been no ICC staff input at all at the time the interim tariff is made. That information would be available to the State if the APC is able to make a full and intensive investigation. If the State felt that the tariff was too high, they could go in and say that the ICC is basing its decision on no information whatsoever. If the State has a good study, the State would have information that the ICC does not have that might indicate the tariff should be lower than set by the ICC.

USE OF INFO
OBTAINED BY
APC

In answer to Rep. Rhode's concern as to duplication of investigation, Dr. Donohue said that if the ICC did begin a thorough study, the APC would bow out.

RE DUPLICATION
OF INVESTI-
GATION

Rep. Swanson asked if the rate set by the ICC for interstate affects the intrastate tariff rate.

TARIFF RATE

Dr. Donohue answered Rep. Swanson's question by stating that the State's figure can be different.

Rep. Haugen asked what will happen if the ICC and the APC come up with different figures.

Mr. Breeves replied that there is a real possibility that that will happen. The Attorney General has been trying to ascertain the difference between the inter and intrastate rates.

[Rep. Duncan left the meeting at 5:05 p.m.]

Dr. Donohue explained that a fraction of \$1.00 can make a difference in millions of dollars to the State if the ICC and APC figure for the tariff rate differs.

EFFECT OF
DIFFERENCE

Rep. Haugen asked if there is a precedent?

PRECEDENT?

Dr. Donohue replied that there is no precedent.

Rep. Schaeffer asked what was the proposed figure for the cost of the investigation discussed?

COST

Dr. Donohue replied \$806,000. He explained that there will be several full-time investigators, an attorney, and accountants employed for the investigation.

Chairman Cowper said that the supplemental appropriation which will be requested by the Governor will be included and looked at in detail with the budget request later on.

Chairman Cowper asked for further questions or discussion; there being none, the meeting was adjourned at 5:15 p.m.

ADJOURNED

Tape #: ~~1221~~ H-77-1

RECORDER LOG

Date: 1-21-77

Beg. #: 1221

End #: 1619

General Subject: Oil Pipeline Commission

Present: Harry Donahue, Chairman, Pipeline Commission;
 Bob Breeves, Attorney, Pipeline Commission;
 Rep Swanson, Rep Schaeffer

Log #	Description
1221	Introductions
1244	Explanation of creation of Pipeline Commission and reason for existence
1265	Donahue - enforcement of leases
1286	Schaeffer - request for info on setting of tariff
1290	Donahue - how tariff is set
1305	- how cost is determined - valuation is critical factor
1328	Schaeffer - alternatives in budget request
1338	Donahue - \$578,000 as submitted by Administration is acceptable - this reduces staff - maintenance level
1370	Donahue - staff additions
1393	Schaeffer - request for copies of reports from Alyeska - Donahue response
1406	Breeves - explanation of extent of report
1436	Donahue - right to privacy
1443	Schaeffer - cost of Pipeline Commission's investigation, how reimbursable?
1451	Donahue response - chargeable to owners

Tape #: H 77-1

RECORDER LOG

Date: 1-21-77

Beg. #: _____

End #: _____

General Subject:

Oil Pipeline Commission

Present:

p. 2

Log #	Description
1467	Swanson - need to see definite plan, nothing done last year.
1496	Swanson - state got bitten by hiring oil consultant
1509	Donahue - reservations on methodology of study
1516	Brewer - allocations of Budget & Audit Comm.
1522	Swanson - Rep Buchholdt's question re: costs of thievery, etc.
1529	~~Donahue~~ ^{Donahue} - response - \$150,000 contract for man to study cost of pipeline.
1545	Swanson -
1547	Donahue - need to get person with unique talents & experience, though many aren't from Alaska.
1561	Brewer - legal issues - Mr. ^{Lengner} ~~Lengner~~ and his responsibility.
1593	Swanson - request for back-up data
1612	Brewer -
1619	adjournment at 12 noon

Tape #: H 77-2

RECORDER LOG

Date: 1-24-77

2:30 p.m.

Beg. #: 0000End #: 2268General Subject: House Finance Committee mtg. -Budget Overview

Present: Reps. Freeman, Rhode, Haugen, Guy, Schaeffer, Dunn,
 Meekins, Swanson, Burkhardt, ^{Huening} Hon. Lind, Budget
 + Mtg. Rep. Miles, Rep. Sparking, Rep. Ose, Rep. Darkworth,
 Rep. Smith,

Log #

Description

- | | |
|------|---|
| 0000 | meeting called to order at 2:30 by Vice
Chairman Freeman |
| 0087 | Lind - major items causing increase in
budget - state funds only |
| 0125 | - budget is approx \$828 million in approp. |
| 0145 | - personal services contracts |
| 0163 | - unemployment insurance |
| 0179 | - total budget \$854 million |
| 0276 | - revenue from recurring sources |
| 0313 | - drop in income tax collections for '78. |
| 0360 | - new legislation proposed by Governor |
| 0385 | Miles - what's included in \$828 - Lind response |
| 0408 | Meekins - Kachanak Bay buy-back |
| 0415 | Huening - land claims - Native claims |
| 0487 | Meekins - revenues - recurring & otherwise |
| 0546 | Rhode - amount of recurring revenues |
| 0566 | Lind - major categories: |
| 0587 | Education - teachers retirement |
| | rural attendance areas - funding |
| 0728 | student financial aid |
| 0764 | Haugen - student equalization money |

Tape #: H77-2RECORDER LOGDate: 1-24-77

Beg. #: _____

End #: 2268General Subject: Budget OverviewPresent: p. 4

Log #	Description
1783	Shawing - payments for Native Land claim
1810	Freeman - objection to \$39 million increase in budget
1851	Meekins - federal funds for highway construction
1880	Meekins - request for additional breakdown
1893	Lind - <u>CAPITAL PROJECTS</u>
1936	Education
1940	U of A - most projects on bond issue which failed
1983	Health
1999	Natural Resources
2027	Public Protection
2041	Dept. of Military Affairs
2069	Alcantara remodeling
2149	Presentence facility
2187	how long to construct (3 yrs.)
2202	juvenile facilities & women's facility
2230	Dankworth - need for corrections plan
2268	<u>adjourn</u> at 4:35

Tape #: H 77-2

RECORDER LOG

Date: 1-24-77

Beg. #: _____

End #: _____

General Subject: Budget OverviewPresent: p. 3

Log #	Description
1333	Public Safety prioritization
1343	<u>PUBLIC PROTECTION</u> category
1381	<u>JUSTICE</u> category
1391	contractual increases
1401	additional troopers
1417	court system
1446	Thinning -
1510	Recess at 3:35
	reconvene at 3:45
1517	<u>DEVELOPMENT</u>
1533	Native claims activity
1558	<u>TRANSPORTATION</u>
1562	operation of new ferry "Anona"
1579	airports - rural maintenance
1584	highway maintenance
1591	subsidy of maine hwy system
1653	Freeman - subsidy for hwy system excluding federal money
1695	<u>GENERAL GOVERNMENT</u>
1709	Mackinac - payment for Buildings - kind response
1743	<u>Native Land Claims</u> - requirements

Tape #: H 77-2

RECORDER LOG

Date: 1-24-77

Beg. #: _____

End #: _____

General Subject: Budget OverviewPresent: p. 2

Log #	Description
0776	<u>Education</u>
0794	<u>Kind - U of A</u>
0844	<u>Miles - enrollment figures</u>
0864	<u>Kind</u>
0873	<u>Social Services category</u>
0879	<u>longevity bonus</u>
0929	<u>revenue sharing money</u>
0965	<u>Pioneers Home</u>
1000	<u>Meekins - property tax exemption</u>
1024	<u>Kind - Day Care</u>
1044	<u>Swanson</u>
1060	<u>Health</u>
	<u>Harbourn</u>
1066	<u>Medicaid</u>
1088	<u>GR Med program</u>
1122	<u>Natural Resources</u>
1148	<u>reorganization in Div of Lands</u>
1193	<u>increases</u>
1206	<u>sport fish licenses</u>
1268	<u>new positions in FRED Div. (28)</u>
1318	<u>Public Safety Dept.</u>

Tape #: H 77-3

RECORDER LOG

Date: 1-27-77

Beg. #: 0000

1:30 pm

End #: H 77-4 0884

General Subject: HFC meeting - Executive Budget Review

Present: Leps. Couper, Freeman, Rhode, Haugen, Schaffer,
Meekins, Swanson, Buckholdt, Duncan, Gruening -
Leg. Finance: Bob Hogan, Milt Barker, Bob ~~Hogan~~, Alison

Log # Furnan, Jay Hogan, Description Jim Rhode

0000 meeting called to order at 1:30.

0035 Couper - committee deadline March 7

0094 role of subcommittees and their members

0155 Hogan - review of Executive budget

0200 Education

0215 %'s by category

0294 Justice

0296 Natural Resources

0310 Gruening - Justice

0318 Hogan - trends, request for committee's
opinion on direction

0344 Couper - approach each program on its own
merits

0368 Freeman - justification for variation over or
under 5%.

0393 Couper response - what we're after is a
sensible budget

0422 Couper - Colorado trip to examine budget
process - Alaska's need for more control -
Colorado's system - applicability to Alaska.

Tape #: H 77-3

RECORDER LOG

Date: 1-27-77

Beg. #: _____

End #: _____

General Subject: HFC - Executive Budget Review, cont'dPresent: p. 2

Log #	Description
0550	Cowper - recommendations for budget process and interim handling. - setting of policies - need to develop expertise -
0604	Capital projects
0610	Hogan - example: Transportation budget
0651	Rhode - question on Colorado population (2.5 million)
0674	Freeman - Exec. Order 39, Dept. of ~~the~~ Transportation reorganization
0712	Haugen - program budgeting, Budget & Audit Comm. -
0732	H455
0770	line item budgeting
0795	Cowper - transfer of funds vs. line item budget
0823	Haugen - opinion of Leg. Budget & Audit Committee
0850	line item budgeting
0897	Cowper - ~~is~~ it's time for a change
0916	Swanson & Cowper - including legislative intent in budget document
0944	Meekins - need for penalty for non-compliance with legislative intent
0970	Freeman - capital improvements - operating budget is only rubber stamp for Governor's budget

Tape #: H 77-3

RECORDER LOG

Date: 1-27-77

Beg. #: _____

End #: _____

General Subject: HFC - Exec Budget Review, cont'dPresent: p.3 Glen Vernon

Log #	Description
1020	Haugen - need to return to line iteming - repeal program budget act.
1047	Cowper - interim capability on budget needed
1161- 1696	Testimony on <u>HB 117</u> - <u>See attached minutes</u>
1703	Haugen - federal monies
1708	Cowper - federal funds should be approved by legislature
1723- 1828	Further discussion on <u>HB 117</u> - <u>See attached</u> <u>minutes.</u>
1829	Meeting recessed at 3:00 Meeting reconvened at 3:15 (Dunbar + Meekin absent)
1840	Vernon - EDUCATION category
1859	major differences: - Teachers Retirement -
~~1894~~	Education makes up 40% of budget
1905	Foundation program
1922	Unit values (3:25 - Cowper left meeting)

Tape #: H 77-3

RECORDER LOG

Date: 1-27-77

Beg. #: _____

End #: _____

General Subject: HFC - Eter Budget Review, cont'dPresent: p. 4

Log #	Description
1941	Vernon - CNER - recommendations on School Foundation program will be forthcoming
1954	People Transportation
1967	Revenue Sharing 874 - phase out "mini-874" (Meekins joined meeting at 3:30)
1993	Answering
2004	Haugen - Mini-874 Answering response
2034	Vernon - Debt Retirement Tobacco Tax reduction
2058	Foundation Programs - REAAs
2082	Schaeffer - local cost, REAA
2100	Vernon - reason for increase & decreases - regrouping
2114	Student Financial Aid - Tuition Grant Program (3:40 Answering left meeting) (Couper rejoined meeting)
2172	Buckholdt -
~~2181~~ 2189	Haugen -
2198	Swanson - automatic lapsing of Tuition Grant Program
2226	Meekins - funding of program - debatable subject
2234	Couper - program is constitutional (3:45 - Haugen left meeting)

Tape #: H 77-3

RECORDER LOG

Date: 1-27-77

Beg. #: _____

End #: _____

General Subject: HFC - Exec. Budget Review, cont'd.Present: p. 5

Log #	Description
2251	Swanson - Stuart Hall's opinion on constitutionality of student financial aid
2262	Vernon - Center for Staff Development - AMU (Haugen returned to meeting at 3:50.)
2288	Public Broadcasting Commission - Governor's reduction
2301	Freeman - Center for Staff Dev.
2316	Cowper - asked Education sub-committee to review role of Post-Secondary Commission as they could relate to Board of Regents
2330	Haugen - Dept of Ed. contracts
2359	End of Education category
2365	Hogson - Natural Resources category
2373	Limited Entry - supplemental request -
2390	Athletic Commission - Special Olympics
2413	Coastal Zone Management - federal money (Change Tape at 4:00 p.m. to H 77-4)
0000	C2M cont'd
0046	Cowper - request to be notified when C2M comes before sub-committee (4:10 - Cowper left meeting)

Tape #: H-77-4

RECORDER LOG

Date: 1-27-77

Beg. #: _____

End #: _____

General Subject: HFC Exec Budget Review, cont'dPresent: p. 5

Log #	Description
0070	Hogan - Alaska Fisheries
0170	Pipeline Surveillance
0226	Land & Water Management
0308	New components -
0322	Royalty oil & gas advisory Board
0334	Forestry Management
	(4:15) Couper returned
0434	Commercial Fish, Sport Fish, Div. of Game
0447	FRED budget - legislative intent
0483	Couper - inflated statement
0545	Hogan - growth rate
0585	Fish & Wildlife Protection - additions
0604	Environmental Conservation - Village Safe Water
0636	Pipeline monitoring
0649	Hogan - DEVELOPMENT category
0659	Tourism & Economic Development
0671	Developmental Loans, Veterans Loans
0695	Alaska Power Authority
0712	Native Land Claims payment -
	Mukins - why under Development category
0774	Couper - mis-statement re: ad valorem tax - automatic. Native Land Claims payments.

HOUSE FINANCE COMMITTEE
Thursday, January 27, 1977
1:30 p.m.

All members were present except Rep. Guy.

PRESENT

Also present were Jim Rhode, Assistant to Rep. Cowper; Bob Grogan, Milt Barker, Bob Schroeder, and Alison Farnan, Fiscal Analysts, Legislative Finance Division; and Jay Hogan, Director, Legislative Finance Division.

The first portion of the meeting was an Executive Budget review conducted by the Legislative Finance Fiscal Analysts (see preceding log notes). At #1161 of the tape discussion turned to HB 117.

Minutes of discussion of HB 117:

HB 117

Rep. Cowper said that this bill was copied directly from HB 119 last session, which passed the House but was lost in the Senate. It is also similar to HB 14, sponsored by Rep. Rhode, which is not before the Committee. Rep. Cowper asked Mr. Hogan to comment on the bill.

Mr. Hogan said lines 17-21 pertained to actions that would be accomplished by the 45th day; namely the establishment by resolution of the total dollar figure of the budget. This was recently established for the U.S. Congress. The amount cannot be exceeded except by passage of a resolution for a larger total. This recognizes that a budget is not composed of either good or bad numbers. It's just numbers. Whether or not they are good or bad is dependent on what it is you are trying to do. The purpose of this concept is to get a feeling from the total legislature as to what they want to do.

Mr. Hogan continued saying that basically the bill would create order in the budgeting process. Rep. Freeman asked the meaning of "resolution" in line 17-18. Rep. Cowper said it would be a joint resolution. Mr. Hogan said a concurrent resolution would be the normal way to do this. However, if one house balked, the other house could pass a resolution for their house. Rep. Duncan said he didn't think by statute that it was possible to say the legislature will do anything by the 45th day. Rep. Cowper said he would assume the legislature would take this in good faith and comply with the mandate. If they didn't they would probably have a very angry public to answer to. This is the way the Congress does it, and they don't have any mandate either. Rep. Duncan said he felt it should also be pinned down so the resolution would originate in one house or the other.

Rep. Duncan said he felt the bill would be more meaningful if it was changed to state that the house in which the general appropriations act was introduced by the Governor shall have established by concurrent resolution the total amount of state general fund that shall be available. Rep. Cowper said he didn't feel that it mattered where the resolution was started. Rep. Meekins said that if both houses were to agree by the 45th day it would be necessary to have a joint committee set the figure.

HB 117

SUGGESTED
AMENDMENT

Rep. Duncan said that if this bill was to pass it should be written as cleanly as possible. He moved a proposed amendment to the effect that out of the house in which the appropriation bill is introduced the resolution shall come. It could be stated another way, "The house in which the appropriations bill is introduced shall establish by resolution the total amount." Rep. Cowper suggested that perhaps it would be in order to say that the Finance Committee in the house in which the general appropriations act was introduced shall introduce a resolution, and the legislature shall have passed the resolution by the 45th day. Rep. Duncan changed his motion to reflect Rep. Cowper's suggested change. Rep. Cowper suggested that the Legislative Finance staff draw up an appropriate amendment incorporating what had been dicussed and that it be discussed at a later time.

Rep. Buchholdt asked if there was an effective date on the bill. Rep. Cowper said it should be effective immediately. Rep. Swanson asked what would happen if the Governor comes in after the 45th day with a change. Rep. Cowper said it would be too late.

Rep. Cowper called a recess at 3:00 p.m. At #1829 of the tape discussion returned to a review of the Executive Budget (see preceding log notes).

Tape H77-3 0000 to
H77-4 0884

1-27-77

Tape #: H77-4
Beg. #: 0885
End #: 2378

RECORDER LOG

2/1/77

General Subject: House Finance Subcommittee on General Government Meeting
re Alaska Public Offices Commission FY77 Revised Supplemental Appropriation Request

Present: Chairman Jim Duncan, HF Subcommittee Member Thelma Buccholdt, Standing Committee Member Bill Miles, Subcommittee Member Chris Lethin, Janet Green, Budget Analyst, Division of Budget and Management, Office of Governor, Wilda Hudson, Executive Director, Alaska Public Offices Commission, Nancy Paulson, Admin. Assistant, APOC-Juneau Office, Alison Farnan, Fiscal Analyst, Legislative Finance.

Log #	Description
0885	Chairman Duncan opened meeting at 7:15 p.m..
0901	Purpose of meeting. Supplemental appropriation for FY77.
0954	Wilda Hudson explained old budget request errors due to her inexperience in position and changes in laws.
0997	Janet Green further explained differences in old budget request and revised one. Reclassifications and shortening terms of some positions under Personal Services. Also, Travel was counted twice.
	Wilda Hudson - Revised Supplemental Appropriation Request.
	"What today's picture is versus last October": [See attachment entitled APOC FY77 Supplemental Appropriation Request Breakdown of Supplemental Request] Personal Services Travel Contractual Services
1166	
1214	Rep. Miles question re APOC trend of spending money they don't have.
1217	Wilda Hudson - Explanation - Overexpended in personnel because of unanticipated overtime and unrealistic budget for necessary staff.
	Further discussion between Rep. Miles, Rep. Duncan and Ms. Hudson re same.
1419	Rep. Lethin question re possibility of administering Commission through Director of Elections. Wilda Hudson answered that it is a possibility and is being considered. Further discussion re same.

- 1465 Rep. Miles question re travel. Ms. Hudson explained travel projections for herself and Administrative Assistants.
- 1502 Rep. Lethin congratulated Ms. Hudson on the job she has done.
- 1520 Rep. Duncan question re fines collected. Ms. Hudson responded - figures not presently available. Will probably be \$5,000-\$6,000.
- 1555 Rep. Duncan question re Research Analyst I. Ms. Hudson answered. Not subject to Governor's approval as a temporary employee. As long as money is available within the budget, no approval is necessary. Ms. Hudson said she intended to take monies out of other areas of her budget, if necessary, to pay him. He is essential to the Commission during elections.
- 1622 Rep. Duncan question re effect of new laws on the budget for the Commission if enforced. Ms. Hudson answered and further discussion re same.
- Rep. Buccholdt question re feasibility of hiring private attorneys instead of contracting with Attorney General's office. Discussion.
- 1711 Discussion by Rep. Buccholdt and Ms. Hudson re per diem rate.
- 1736 Chairman Duncan requested Ms. Hudson point out major changes in FY78 Budget. (Red Book)

Request:

Clerk II upgrade to Clerk IV
 Clerk permanent/part-time upgrade to Clerk IV
 Added permanent/part-time Clerk
 Permanent/part-time Clerk to permanent/full-time
 Clerk III temporary/part-time needed during the session in Juneau at least
 Reclassification of Administrative Assistants in Anchorage and Juneau offices.
 Upgrade temporary/part-time Research Analyst to permanent/full-time.

- 1869 Travel
 Meetings and hearings - necessary to hold public hearings on the regulations. If regulations are not changed, hearings will not take place.
 Outside Alaska - Annual Conference.
 Ms. Hudson - trips to Juneau for budget and legislature
 Juneau personnel - 5 trips to Anchorage
- 1915 Ms. Hudson explained workshops for the municipal collections.
- 1928 Contractual Services - increase in telephone budget for collect calls to Commission and postage increase.

- 1958 Advertising and Printing - Handbooks, notices, forms, etc. on conflict of interest laws and campaign disclosure and now for the lobbying disclosure laws.
- 1999 Rent - No figures. Alison Farnan asked where the budgeting would be if in ASHA building. Janet Green responded.
- 2014 Professional Services - Questions and answers regarding Regional Offices and legal services of Attorney General's Office. Discussion by Rep. Duncan, Rep. Miles and Ms. Hudson re increase in figure requested for legal services and hearing officers.
- 2175 Question by Rep. Duncan re Professional Services on page 208 Budget (Red Book). Ms. Hudson explained that she had not prepared that page and Janet Green explained the figure shown is for hearing officers and there is a full-time attorney budgeted in Attorney General's Office budget for FY78. Discussion continued re page 208 Budget book.
- Question by Rep. Duncan re possibility of decreasing Professional Services budget figure by substitution of a full-time attorney assigned by the Department of Law and budgeted for by that Department. Ms. Hudson responded that it is a possibility.
- Discussion benefit to Commission of a full-time attorney from Department of Law.
- 2311 Rep. Duncan question re figure for hearing officer and investigator if Attorney General's Office attorney is used? Ms. Hudson answered \$10,000 would probably be a good figure; however, importance was stressed on the availability of the funds during the year to be able to hold hearings whenever necessary. Excess would be returned if not used.
- 2349 Rep. Miles question re page 390 Budget (Red Book). Explanation by Ms. Hudson.
- 2362 Ms. Hudson clarified that the previous \$10,000 figure would probably not be acceptable to the APOC - strictly her figure.
- 2364 Chairman Duncan thanked Ms. Hudson for her frankness and explanations.
- 2378 There being no further questions or discussion, the meeting adjourned at 8:45 p.m.

/Attachments:

Breakdown of Supplemental Request
 APOC Revised FY77 Supplemental Appropriation Request
 Memorandum dated June 10, 1976 to Comm. Warwick
 from Wilda Hudson
 Changes Between FY77 Authorized and Governor's FY78 Budget
 Draft Law
 Memorandum dated December 7, 1976 to Dir. Lind

2/1/77

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

PERSONAL SERVICES - BREAKDOWN OF SUPPLEMENTAL REQUEST

Total of Personal Services supplemental appropriation request
This would provide for:

\$33,977

1. Research Analyst I, temporary part time, in the Anchorage office. RAI, R13C, 4 1/2 mo @ 1407/mo =
Although no temporary personnel was authorized in the FY77 budget, we have had to hire this Research Analyst in order to keep up with the heavy workload. This person was hired on 8/16/76 and \$1654, including benefits, has already been expended. We would like to continue to employ this person through 12/31/76 on a temporary basis and then hire on a permanent part time basis after that.

\$6332

2. Research Analyst II, permanent part time, in the Anchorage Office 1/1/76 thru 3/13/76.
RAII, Range 16A, 3 mo @ 1630/mo =
Justification for establishing this permanent part time position is contained in the attached copy of the request for new position which was included in the FY78 budget.

4890

3. Clerk III, permanent part time, was included in the FY 77 budget for the Anchorage office. This position has already been reclassified to Clerk IV and approved as a full time position. The position has been filled and the person hired is being paid at Range 9, step C.

From: PPT Clerk III, R8A, 6 mo @ 861/mo = \$ 5,166
To: PPT Clerk IV, R9C, 12 mo @ 1083/mo = 12,996
Total Additional for this position

7803

4. Reclassification of Administrative Assistant II to Administrative Assistant III in the Anchorage Office.

AA II, R14A, 6 mo @ 1407/mo = \$ 8,442
AA III, R16A, 6 mo @ 1630/mo = 9,780

Total additional for this position

1338

Justification for reclassification is attached.

5. Reclassification of Administrative Assistant I to Administrative Officer II in the Juneau Office.

AAI, R 12A, 6 mo @ 1231/mo = \$ 7,386
AOII, R19A, 6 mo @ 2034/mo = 12,204

Total additional for this position

4818

Justification for reclassification of this position is contained in the attached copy of the request for new position which was included in the FY78 budget.

350
N 78
budget

yes PFT -
in 78 at 1018
9A+B

222 x 3
for 7803

Personal Services - Breakdown of Supplemental Request

Page 2

6. Clerk III, permanent part time, in the Juneau office.
Clerk III, R8A, 6 mo @ 957/mo =
Justification for establishing this permanent part time position is contained in the attached copy of the request for new position which was included in the FY78 budget.
7. Clerk IV, temporary part time, in the Anchorage Office.
Clerk IV, R9A, 3 mo @ 1018 =
This position is needed to assist from time to time with the peak workloads. We should have someone to assist during this election period; however, since no none was authorized, we have had to hire Kelly Girl and Western Girl Services on a contract basis from time to time.

\$5742

3054

TOTAL SUPPLEMENTAL PERSONAL SERVICES

\$33,977

20,166

1 201-166 201-166
3 PT R.A.T. - 201-166
201-166 201-166
201-166 201-166

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

OTHER SERVICES - BREAKDOWN OF SUPPLEMENTAL REQUEST

210/ TRAVEL
220

Public Hearings for Administrative Regulations: It is critical that the Commission promulgate administrative regulations on the regulation of lobbyist law (AS 24.45) at the earliest date possible. Public hearings must be held on the proposed regulations. The Commission plans to hold hearings in Ketchikan, Sitka, Juneau, Anchorage, Plumer, Kodiak, Kenai, Bethel, Fairbanks, and Nome. Transportation and per diem is figured for all five Commission members and the executive director to attend all 10 of the hearings.

In state transportation (6 persons-10 trips each)	\$5046	
In state per diem (45 days @ \$50, 6 @ \$52, 12 @ \$54, 7 @ \$58, 6 @ \$65, and 10 @ \$67 = 68 total)	<u>4774</u>	
TOTAL		\$9,820

CONTRACTUAL SERVICES

320 Printing and Advertising

Advertising: The law requires that proposed administrative regulations be advertised.

Advertising for proposed regulations	\$1000
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Printing: The regulation of lobbyist law requires several forms to be printed and that the reports filed by lobbyist be published, as well as various other forms and reports that must be printed or published.

Regulation of lobbyist printing costs	\$2000
---------------------------------------	--------

390 Other: The members of the Alaska Public Offices Commission receive \$50.00 per day while attending Commission meetings. The Commission will hold ten meetings for the purpose of holding public hearings for promulgating regulations. These will be for one each day.

Total 10 meetings x 1 day x 5 members x \$50.00 =	<u>2500</u>	<u>5,500</u>
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TOTAL CONTRACTUAL SERVICES		<u>5,500</u>
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TOTAL SUPPLEMENTAL APPROPRIATION REQUEST FOR TRAVEL AND CONTRACTUAL SERVICES		\$15,320
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RECEIVED

NOV 16 1976

BUDGET & MANAGEMENT

TO: Wilda Hudson
Executive Director
Alaska Public Offices Commission

DATE

November 15, 1976

FROM:

Marian L. Endicott
Administrative Officer
Office of the Governor

SUBJECT:

Payment of Highways Prior
Obligation From Current Funds.

I have discussed the recovery of \$3,200 from prior year lapsed funds for the FY 76 highways obligations paid from current funds with Mr. Bill Mullin, Director of Finance and Mr. Dawson. Such prior recovery is no longer possible; however, in view of the fact that the delays in payment were not within your total control, it will be requested as part of your supplemental appropriation request.

bcc: Janet Greene
Budget Analyst

MLE:lsq

ALASKA PUBLIC OFFICES COMMISSION
FY77 REVISED SUPPLEMENTAL APPROPRIATION REQUEST

COMPONENT OPERATING EXPENDITURES BY OBJECT GROUP

Budget Component 01-96-2-03-03-00
Budget Request Unit 01-96-2-03-00-00
Agency: Office of the Governor

<u>Object Group</u>	<u>Object Group Description</u>	<u>FY77 Authorized</u>	<u>Revised Supplemental Request</u>	<u>FY77 Revised Total</u>
100	Personal Services	94.2	18.2	112.4
200	Travel	28.6	9.8	38.4
300	Contractural Services	79.0	6.2	85.2
400	Commodities	5.1	0	5.1
500	Equipment	2.7	0	2.7
600	Lands, Buildings, Improvements	0	0	0
700	Grants, Claims, Shared Revenue	0	0	0
800	Miscellaneous	0	0	0
	TOTAL	209.6	34.2	243.8

ALASKA PUBLIC OFFICES COMMISSION

Wilda G. Hudson

WILDA G. HUDSON, EXECUTIVE DIRECTOR
February 1, 1977

PERSONAL SERVICES (continued)

6. Clerk III, PPT in Juneau Office.
Range 8A @ \$957/month x 4½ months x 1/2 day = \$1,653
It really doesn't matter to us whether this position is PPT or TPT for the FY77. This position is requested in FY78 budget as PPT for 6 months. We are still feeling our way as to workload in the Juneau office. It may not be such that a clerk will be needed during the legislative session. However, should it prove necessary that we have a clerk, we would like to have that contingency covered.
7. Clerk IV, TPT in Anchorage Office.
Range 9A \$1018/month x 4 months = 4,072
This position is needed to catch up on backlog of undone work in the Anchorage office. We actually need the person during the elections. This position is budgeted for 4 months in FY78 budget
- | | |
|-------------------------------|--------------|
| TOTAL PERSONAL SERVICES | \$16,981 |
| + 7.35% payroll burden | <u>1,248</u> |
| GRAND TOTAL PERSONAL SERVICES | \$18,229. |

OTHER SERVICES - BREAKDOWN OF REVISED SUPPLEMENTAL REQUEST

210/ TRAVEL
220

The Commission has held one series of public hearings on the regulation of lobbying regulations in Fairbanks, Anchorage and Juneau. Given the present state of confusion over the lobbying law, the Commission may well have to hold another series of hearings in Anchorage and Juneau. When the original supplemental request was developed, it was anticipated that the Commission would hold hearings in the ten regional offices area; however, due to press of time, this was not done.

Additionally, we have had unforeseen travel and per diem costs for the Anchorage staff coupled with staffing of the Juneau office. At the present we have firm accrued and foreseeable costs of approximately \$6200. This amount plus the possible extra hearing costs, the original request of \$9800 would not be too excessive. If all 5 of the Commission members attended hearings (+ staff) in Juneau and Anchorage, the total cost of travel and per diem would be approximately \$1850 for only two days.

9,800

CONTRACTURAL SERVICES

320 Printing and advertising

Advertising: Should we have to advertise another public hearing this amount will not be sufficient; however, if we do not, they will be a small amount left unexpended.

1,000

OTHER SERVICES (continued)

Printing:

Our best estimate is that this figure should remain budgeted as originally requested

\$2,000

Added printing cost. We have our printing done at the Department of Highways, Anchorage office. Approximately \$2400 of printing was ordered in June and part of it was actually done in June and part in July. All of the costs were to have been charged to FY76 budget; however, they did not get charged to FY76 and were charged to FY77. The Fiscal Officer in the Office of the Governor and the Budget Analyst recommended that this amount be requested in our supplemental budget since the unexpended funds for FY76 lapsed to the general fund.

\$2,400

390 Other:

The actual accrued cost for the one series of public hearings was for 3 Commission members for 3 days x \$50 per day, for a total of \$300. If another series of hearings are held in Anchorage and Juneau, the cost would be 5 Commission members x 2 days x \$50 per day, making a total of \$500. This should be reduced to

800

TOTAL CONTRACTURAL SERVICES

6,200

TOTAL OF REVISED SUPPLEMENTAL REQUEST FOR FY77

\$34,229

ALASKA PUBLIC OFFICES COMMISSION
FY77 REVISED SUPPLEMENTAL APPROPRIATION REQUEST

PERSONAL SERVICES - BREAKDOWN OF REVISED SUPPLEMENTAL REQUEST

For ease of comparison with the original supplemental request for FY77, the item numbers are listed the same herein even though funds for that item are not being requested in the revised supplemental. An explanation is given as to why they are not being requested.

1. Research Analyst I, TPT, in the Anchorage office.
Range 13C @ \$1407/month x 8 months = \$11,256
Although no temporary personnel was authorized in the FY77 budget, we have had to hire this research analyst in order to keep up with the workload even to a reasonable degree. The person filling this position was hired 8/16/76 and the 6 month temporary hire limit will run out 2/16.77. I would like to get approval for a two months extension and keep this person on for a total of 8 months. This position has been requested as a Research Analyst II, PPT, R16A in the FY78 budget.
2. Research Analyst II - request for upgrade of the above position in the FY77 budget. Funding is no longer being requested since we have been informed that we cannot request supplemental appropriation for reclassification purposes. 0
3. Clerk III, PPT, was originally budgeted in FY77 budget for 6 month period. Request was made and granted to upgrade this position to a Clerk IV, R9. Also, a request has been made, although not yet approved, to make this a PFT position. The six months period for PPT, as budgeted, will expire 3/16/77. Funding is no longer being requested since I realized that this position could be funded for the additional 6 months from savings on the regional contracts with the municipalities. Request for transfer of funds has been submitted if the PFT position is approved. This position has been requested for PFT in the FY78 budget. 0
4. Administrative Assistant II - reclassification to Administrative Assistant III, R16. Funding no longer being requested since we have been informed that we cannot request a supplemental appropriation for reclassification purposes. 0
5. Administrative Assistant I, Juneau Office - reclassification to Administrative Officer II. Funding no longer being requested since we have been informed that we cannot request a supplemental appropriation for reclassification purposes. Reclassification of this position has been requested for PFT in the FY78 budget. 0

MEMORANDUM

TO: [

Ms. Marian Endicott
Administrative Officer
Office of the Governor
Pouch A
Juneau, Alaska 99811

DATE : October 24, 1976

FROM:

Wilda G. Hudson *Wilda*
Executive Director
Alaska Public Offices Commission

SUBJECT: FY77 Supplemental Appropriation
Request

Forwarded herewith is the Public Offices Commission's request for a FY77 supplemental appropriation. If my memory serves me correctly, you said that this could just be submitted in memorandum form.

As you are aware, this need for a supplemental appropriation was brought about because the legislature failed to appropriate funds for the administering of the regulation of lobbying law which was passed during the 1976 session and assigned to the APOC.

Because APOC has had considerable lapsed funds for the previous two years of their existence, I have prepared an analysis of the budgets in order that you and others may see that the reason for the lapsed funds was the fact that regional offices were funded under personal services; although, APOC never hired staff and established regional offices except by contract with municipalities. The analysis also points out the fact that APOC has never been able to operate within the personal services funds budgeted strictly for the staffing of the Anchorage office. Our workload has always required more personnel than has been budgeted. In addition to that we have to work too much overtime.

The reason I have shown the reclassifications for 6 months of the FY77 is because I figured that it would be the end of the year before the supplemental budget was approved and the reclassifications were processed and approved. However, if it can be accomplished quicker that would be all the better.

Also attached is a memorandum from this office to Commissioner of Administration, dated June 10, 1976, alerting him that it would appear that APOC might require additional funds for FY77.

If you have any questions, please advise.

cc: All Commission Members

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

COMPONENT OPERATING EXPENDITURES BY OBJECT GROUP

Budget Component 01-96-2-03-03-00

Budget Request Unit 01-96-2-03-00-00

Agency: Officer of the Governor

<u>Object Group</u>	<u>Object Group Description</u>	<u>FY77 Authorized</u>	<u>Supplemental Request</u>	<u>FY77 Revised Total</u>
100	Personal Services	94.2	34.0	128.2
200	Travel	28.6	9.8	38.4
300	Contractual Services	79.0	(15.3) 5.5	94.3
400	Commodities	5.1	0	5.1
500	Equipment	2.7	0	2.7
600	Lands, Building, Improvements	0	0	0
700	Grants, Claims, Shared Rev.	0	0	0
800	Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
	TOTAL	209.6	(59.1) 49.3	(268.7) 258.9

ALASKA PUBLIC OFFICES COMMISSION

WILDA G. HUDSON, EXECUTIVE DIRECTOR

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

COMPONENT OPERATING EXPENDITURES BY OBJECT GROUP

Budget Component 01-96-2-03-03-00
Budget Request Unit 01-96-2-03-00-00
Agency: Officer of the Governor

<u>Object Group</u>	<u>Object Group Description</u>	<u>FY77 Authorized</u>	<u>Supplemental Request</u>	<u>FY77 Revised Total</u>
100	Personal Services	94.2	34.0	128.2
200	Travel	28.6	9.8	38.4
300	Contractual Services	79.0	15.3	94.3
400	Commodities	5.1	0	5.1
500	Equipment	2.7	0	2.7
600	Lands, Building, Improvements	0	0	0
700	Grants, Claims, Shared Rev.	0	0	0
800	Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
	TOTAL	209.6	59.1	268.7

ALASKA PUBLIC OFFICES COMMISSION

WILDA G. HUDSON, EXECUTIVE DIRECTOR

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

PERSONAL SERVICES - BREAKDOWN OF SUPPLEMENTAL REQUEST

Total of Personal Services supplemental appropriation request \$33,977
This would provide for:

1. Research Analyst I, temporary part time, in the Anchorage office. RAI, R13C, 4½ mo @ 1407/mo = \$6332
Although no temporary personnel was authorized in the FY77 budget, we have had to hire this Research Analyst in order to keep up with the heavy workload. This person was hired on 8/16/76 and \$1654, including benefits, has already been expended. We would like to continue to employ this person through 12/31/76 on a temporary basis and then hire on a permanent part time basis after that.
2. Research Analyst II, permanent part time, in the Anchorage Office 1/1/76 thru 3/13/76.
RAII, Range 16A, 3 mo @ 1630/mo = 4890
Justification for establishing this permanent part time position is contained in the attached copy of the request for new position which was included in the FY78 budget.
3. Clerk III, permanent part time, was included in the FY 77 budget for the Anchorage office. This position has already been reclassified to Clerk IV and approved as a full time position. The position has been filled and the person hired is being paid at Range 9, step C.
From: PPT Clerk III, R8A, 6 mo @ 861/mo = \$ 5,166
To: PFT Clerk IV, R9C, 12 mo @ 1083/mo = 12,996
Total Additional for this position 7803
4. Reclassification of Administrative Assistant II to Administrative Assistant III in the Anchorage Office.
AA II, R14A, 6 mo @ 1407/mo = \$ 8,442
AA III, R16A, 6 mo @ 1630/mo = 9,780
Total additional for this position 1338
Justification for reclassification is attached.
5. Reclassification of Administrative Assistant I to Administrative Officer II in the Juneau Office.
AAI, R 12A, 6 mo @ 1231/mo = \$ 7,386
AOII, R19A, 6 mo @ 2034/mo = 12,204
Total additional for this position 4818
Justification for reclassification of this position is contained in the attached copy of the request for new position which was included in the FY78 budget.

Personal Services - Breakdown of Supplemental Request

Page 2

6. Clerk III, permanent part time, in the Juneau office.
Clerk III, R3A, 6 mo @ 957/mo = \$5742
Justification for establishing this permanent part time position is contained in the attached copy of the request for new position which was included in the FY78 budget.
7. Clerk IV, temporary part time, in the Anchorage Office.
Clerk IV, R9A, 3 mo @ 1018 = 3054
This position is needed to assist from time to time with the peak workloads. We should have someone to assist during this election period; however, since no none was authorized, we have had to hire Kelly Girl and Western Girl Services on a contract basis from time to time.
-
- TOTAL SUPPLEMENTAL PERSONAL SERVICES \$33,977

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

OTHER SERVICES - BREAKDOWN OF SUPPLEMENTAL REQUEST

210/ TRAVEL

220

Public Hearings for Administrative Regulations: It is critical that the Commission promulgate administrative regulations on the regulation of lobbyist law (AS 24.45) at the earliest date possible. Public hearings must be held on the proposed regulations. The Commission plans to hold hearings in Ketchikan, Sitka, Juneau, Anchorage, Plamer, Kodiak, Kenai, Bethel, Fairbanks, and Nome. Transportation and per diem is figured for all five Commission members and ehte executive director to attend all 10 of the hearings.

In state transportation (6 persons-10 trips each)	\$5046	
In state per diem (45 days @ \$50, 6 @ \$52, 12 @ \$54, 7 @ \$58, 6 @ \$65, and 10 @ \$67 = 68 total)	<u>4774</u>	
TOTAL		\$9,820

CONTRACTUAL SERVICES

320 Printing and Advertising

Advertising: The law requires that proposed administrative regulations be advertised.

Advertising for proposed regulations	\$1000
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Printing: The regulation of lobbyist law requires several forms to be printed and that the reports filed by lobbyist be published, as well as various other forms and reports that must be printed or published.

Regulation of lobbyist printing costs	\$2000
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390 Other: The members of the Alaska Public Offices Commission receive \$50.00 per day while attending Commission meetings. The Commission will hold ten meetings for the purpose of holding public hearings for promulgating regulations. These will be for one each day.

Total 10 meetings x 1 day x 5 members x \$50.00 =	<u>2500</u>	<u>5,500</u>
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TOTAL CONTRACTUAL SERVICES		<u>5,500</u>
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TOTAL SUPPLEMENTAL APPROPRIATION REQUEST FOR TRAVEL AND CONTRACTUAL SERVICES		\$15,320
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ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

JUSTIFICATION FOR INCREASE IN PERSONAL SERVICES

The FY77 budget, when prepared, did not realistically provide for personnel to adequately carry the workload of the Alaska Public Offices Commission (APOC), even with only the campaign disclosure and conflict of interest laws to administer, as the attached budget analysis of FY75 and FY76 will show. The FY77 budget was based on the workload that these two laws would generate. However, the regulation of lobbying law was assigned to APOC by the 1976 legislature and no additional funds were appropriated to administer it.

The APOC came into being in July 1974 and was responsible for only the campaign disclosure law (AS 15.13). In 1974 (FY75) APOC administered the campaign disclosure law for the state primary and general elections and for municipal elections. Since the law was new, strict compliance with the law was not demanded, especially of the municipal candidates and groups. The FY 75 budget allocated \$49,976 to the APOC Central Office for a staff of two full time employees and one half time clerk. However, \$67,650 was actually expended for three full time employees, a temporary part time Research Analyst for eight months, three temporary part time clerks for short periods of time, and, in addition, APOC contracted with Kelly Girl Services in the amount of \$1308. This made a difference of \$18,982 between the budgeted amount and the actual amount expended for Personal Services. Even with only one law to administer, and even though strict compliance was not demanded, this amount of personnel was necessary in the Central Office in order to carry the workload. For a more detailed analysis of the FY75 budget see the attached Budget Analysis, FY75 - First Year Budget.

The 1975 legislature placed the responsibility for the conflict of interest law (AS 39.50) with APOC, effective April 1975. Under this law, approximately 660 state public officials are required to file conflict of interest statements with APOC annually. In addition, APOC must furnish forms and instructions to the municipal clerks in the approximately 130 municipalities subject to the conflict of interest law in order for them to distribute them to the approximately 1135 municipal officials who are subject to the law. APOC must also instruct and assist the municipal clerks in this area.

In 1975 (FY76) there were no state elections. APOC administered the campaign disclosure law for the municipal elections, approximately 28 municipalities are subject to the law; those with a population over 1000.

In FY76, the second year of operation, APOC budgeted only \$57,934 for three full time employees in the Central Office. However, \$84,923.79 was actually expended for three full time employees and three temporary part time employees (for a total of 14 man months for temporary employees), making a difference of \$26,989.79 between the budgeted amount and the actual amount expended for personal services in the Central Office. \$4305 of that amount

was for overtime. In addition, the acting Executive Director worked an average of 60 hours per week, without overtime compensation, from February through June (and continues to have to work many overtime hours due to the heavy workload). The APOC Executive Director resigned 1/30/76 and the Administrative Assistant was made acting Executive Director and carried both of the positions for the five month period. APOC was responsible for two disclosure laws in FY76 and the personal services continued to be budgeted for only three full time employees in the Central Office. The actual expenditure shows that there continued to be an even greater need for more than three full time employees. For a more detailed analysis of the FY76 budget see the attachment Budget Analysis, FY76 - Second Year Budget.

As stated, the FY 77 budget was developed with anticipation of having only two laws to administer: campaign disclosure and conflict of interest. The 1976 legislature placed the responsibility for the regulation of lobbying law with the APOC without appropriating additional funds for administering it. The FY77 budget had one significant change from the FY75 and FY76 budgets: the staffing of regional offices were removed from the Personal Services category and placed, instead, in Contractual Services. This was done to more properly reflect the manner in which the regional offices had been and would continue to be maintained: through contract with the municipalities. However, in doing this the then Executive Director, who prepared the budget, did not take into account that the history of Personal Services showed a need for additional full time help in addition to part time help during peak load periods, especially from July through November since 1976 is a state election year. The expenditure beyond that budgeted for the Central Office for the first two years had posed no problem because there was excess Personal Services funds due to the amount budgeted for regional offices.

The FY77 budget did contain a permanent part time Clerk III position for a six months period for the Central Office. A request for personnel action to make this a full time position has been approved. The Central Office now has a staff of four full time employees. Also, the FY77 budget anticipated opening an office in Juneau in order to better serve the public and the legislative and executive branches of state government as pertains to the campaign disclosure and conflict of interest laws. It was not anticipated that regulation of lobbying would be a function of APOC and that it would be necessary to assign the major administrative responsibility for this law to the Juneau office, thereby creating a need to hire an employee with more education and experience than required for an Administrative Assistant I, the position that was requested and approved in the FY77 budget.

With the addition of the conflict and regulation of lobbying laws, the Central Office workload has increased tremendously and has become far more complex. The responsibilities of the Administrative Assistant II far exceed those expected of this classification and there is a need to upgrade this position to at least an Administrative Assistant III.

ALASKA PUBLIC OFFICES COMMISSION

JUSTIFICATION FOR RECLASSIFICATION OF ADMINISTRATIVE ASSISTANT II POSITION FOR PURPOSE OF THE FY77 SUPPLEMENTAL APPROPRIATION REQUEST

The Alaska Public Offices Commission is charged with administering and enforcing the campaign disclosure law (AS 15.13), conflict of interest law (AS 39.50), and regulation of lobbying law (AS 24.45). Each of these laws plowed new ground in the field of public disclosure by candidates, political groups, public officials, and lobbyist. The three disclosure laws are people and public oriented in a field that is highly competitive and emotional: politics. The administering of these laws requires an ability to read and interpret them and apply them evenhanded in many and varied circumstances. Also, to administer them requires sensitivity and a good deal of public relations.

The Administrative Assistant II classification was established when the APOC first came into being in July 1974. In its infant stage the Commission was charged with the responsibility for only the campaign disclosure law (AS 15.13); in 1975 the legislature placed the responsibility for the conflict of interest law (AS 39.50) with the Commission; and in 1976 the legislature place the responsibility for the regulation of lobbyist (AS 24.45) with the Commission. With the additional responsibility of these two disclosure laws with which the APOC has been charged in the short span of two years, the duties and responsibilities of this position has increased and changed accordingly.

This position is located in the Anchorage (central) office and is the assistant to the Executive Director. This position is required to directly and indirectly supervise and monitor work done by others on the APOC staff. This position participates in management decision; must be thoroughly familiar with agency policies and procedures; must analyze problems and develop, recommend, and implement solutions; must be able to analyze situations accurately and take prompt, effective action on questions and problems associated with the many reports and statements required to be filed with APOC. This position plans, directs, and coordinates the work of others; prepares correspondence for the Executive Director's signature; gathers and analyzes data and draws conclusions based on that data; prepares reports; assists in investigating violations of the disclosure laws; serves as recording secretary for the Commission meetings and prepares the minutes of same; and assists in budget preparation. This position functions with a high degree of independandce. In short, in an office with a small staff such as APOC, this position must function as a back up the Executive Director and be able to handle most situations in the absence of the Executive Director. The position is much more than that of "office manager" as the classification of Administrative Assistant implies. In actuality, the position probably falls into the classification of Administative Officer rather than Administrative Assistant.

ALASKA PUBLIC OFFICES COMMISSION
BUDGET ANALYSIS
FY-75 - FIRST YEAR BUDGET

Description	Agency Request	Governor Budget	Legislature Approved	Actually Expended By Agency	Balance Lapsed to Gen. Fund
Personal Services (2)	\$214,000.	\$213,500.	\$114,000.	\$67,650.25	\$46,349.75
Travel	30,000.	30,400.	25,000.	15,883.91	9,116.09
Contractual Services	261,000.	260,800.	65,000.	57,123.59	7,876.41
Commodities	9,000.	8,400.	5,000.	4,949.20	50.80
Equipment	14,000.	13,400.	8,000.	7,921.11	78.89
TOTAL	\$528,000.	\$526,500.	\$217,000.		
Less: Inter Agency Transfer (1)	(174,500)	(174,500)	0		
ADJUSTED TOTAL	<u>\$353,500.</u>	<u>\$352,000.</u>	<u>\$217,000.</u>	<u>\$153,528.06</u>	<u>\$63,471.94</u>

FOOTNOTES:

- (1) Inter Agency Transfer: This amount was transferred to Office of the Lt. Governor for publishing the election pamphlet.
- (2) Personal Services: The budget provided for ten Clerk IV to staff the ten regional offices required by law. This was not done; instead, APOC contracted with ten municipalities for a three month period (10/1/74 thru 12/31/74) and this cost was charged to contractual services and not personal services. Actual personal services for the APOC central office was:

3 full time employees (Exec Dir,	-- Regular Comp.	\$47,852.46	
Adm Ass't II & Clerk Typist III)	-- Overtime Comp.	2,686.37	\$50,538.83
Temporary part time employees			
Research Analyst I (8 mos)	-- Regular Comp.	\$ 5,605.60	
	-- Overtime Comp.	879.53	
3 clerks for short periods of time--	Regular Comp.	2,043.56	8,258.69
TOTAL	-- Regular Comp.	\$55,501.62	
	-- Overtime Comp.	3,565.90	\$59,067.52
	Plus: Benefits		8,582.73
TOTAL PERSONAL SERVICES			\$67,650.25
In addition Kelly Girl Services used for peak workloads (charged to contractual services)			1,308.61
TOTAL FOR PERSONAL SERVICES FOR CENTRAL OFFICE			\$68,958.86

Personal Services was initially budgeted as follows:

Central Office (Ex Dir and AAIL full time, Clerk 1/2 time)	\$49,976.00	
Regional Offices (10 Clerk IV - 6 mos each)	64,024.00	\$114,000.00

This first year the APOC was responsible for the campaign disclosure law only. An analysis of the personal services shows that even from the outset the workload was such that there was need for more than 3 full time employees in the Central Office.

It will be noted that the biggest percentage of the lapsed funds was in personal services. This, of course, was due to not hiring APOC personnel to staff the Regional Offices.

FY75 was a state election year.

ALASKA PUBLIC OFFICES COMMISSION
BUDGET ANALYSIS
FY-76 - SECOND YEAR BUDGET

<u>Description</u>	<u>Agency Request</u>	<u>Governor Budget</u>	<u>Legislature Approved</u>	<u>Actually Expended Bu Agency</u>	<u>Balance Lapsed to Gen. Fund</u>
Personal Services (1)	\$138,900.	\$ 77,200.	\$138,600.	\$ 84,923.89	\$53,676.11
Travel	22,800.	20,800.	20,800.)	22,474.21	25.79
Additional Travel*			1,700.*)		
Contractual Services	68,100.	41,300.	58,000.	36,833.00	21,167.00
Commodities	4,800.	1,800.	2,500.	3,162.61	(662.61)
Equipment	0	0	0	1,386.20	(1,386.20)
TOTAL	\$234,600.	\$141,100.	\$219,900.		
Plus: .					
Additional Travel*			1,700*		
ADJUSTED TOTAL	\$234,600.	\$141,100.	\$221,600.	\$148,779.91	\$72,820.09

FOOTNOTES:

(1) Personal Services: The FY76 Personal Services budget was allocated as follows:

*10 Clerk III for 10 regional offices	\$58,666.
**Commission allowance for meetings	22,000.
***3 Full time employees for the Central Office	57,934.
TOTAL	\$138,600.

*The budget provided for ten Clerk III for six months each. The ten regional offices were not established not did APOC contract with the municipalities as was done in FY75.

**The budget provided for \$22,000 in Personal Services for allowances for Commission members to attend meetings. However, the object sub-group was changed to charge this to Contractual Services. The \$22,000 was never transferred from Personal Services to Contractual Services.

***The budget authorized three full time positions for the Central Office: Executive Director, Administrative Assistant II, and Secretary I. It is worthy to note that the difference between the amount budgeted for the Central Office Personal Services and the amount actually expended was considerable, as shown below:

		<u>Budgeted</u>	<u>Expended</u>	<u>Difference</u>
3 Full time employees	-- Regular Comp.	\$50,316.	\$55,898.26	\$ 5,582.26
	-- Overtime Comp.	1,245	3,764.23	2,519.23
	-- Term. Leave Comp.	0	1,849.43	1,849.43
3 Temporary PT employees	-- Regular Comp.	0	11,816.89	11,816.89
	-- Overtime	0	540.72	540.72
Employee Benefits		6,373	11,054.26	4,681.26
TOTAL		\$57,934.	\$84,923.79	\$26,989.79

Total expended for Personal Services was:

Regular Comp.	\$67,715.13
Overtime Comp.	4,305.05
Term. Leave Comp.	1,849.43
Benefits	<u>11,054.26</u>
TOTAL	\$84,923.89

Also, it should be noted that the Executive Director resigned 1/30/76 and the Administrative Assistant became acting Executive Director until appointed to the position on 6/21/76. The APOC functioned without an Administrative Assistant for five months, thereby effecting a savings of \$8150 plus benefits. Had it not been for this fact the Central Office Personal Services budget would have \$35,139.79 plus over the budgeted amount.

This second year the APOC was responsible for the campaign disclosure law and the conflict of interest law. There were no state elections, which reduced the workload for the campaign disclosure law. An analysis of the Personal Services shows that there continued to be a need for more than three full time employees in the Central Office.

It is noted that the largest percentage of the lapsed funds was in personal services, the same as in FY75. This was because the regional offices were not established and Commission members were paid out of Contractural Services rather than Personal Services as originally budgeted. The next largest percentage of lapsed funds was in Contractural Services. This, again, was due to budgeting for regional offices that were not established: telephone and long distance \$4260; rent \$24,000; and IBM typewriters \$11,502.

FY76 was not a State election year.

STATE
of ALASKA**MEMORANDUM**TO: ☐

Mr. Andrew Warwick
Commissioner of Administration
Pouch C
Juneau, Alaska 99811

DATE : June 10, 1976

FROM:

Wilda G. Hudson
Acting Executive Director
Alaska Public Offices Commission
610 C Street, Suite 209
Anchorage, Alaska 99501

SUBJECT:

FY77 Budget Legislation

Reference the memorandum of June 3, from Governor Hammond. FCCS SCS CSHB 586 authorizes \$209,600 for the Alaska Public Offices Commission, which is the amount requested by this office. However, FY77 budget request was based on administering the campaign disclosure and conflict of interest laws only.

FCCS SCS CSHB 522, Regulation of Lobbying, places responsibility for administering this new lobbying law with the Public Offices Commission. No funds were appropriated to fund this new lobbying law. As you are aware, considerable reporting requirements are set forth in the law. While time has not permitted a thorough cost analysis of the lobbying act, it is anticipated that cost can run as high as \$35,000+ to fund personnel, equipment, paper, and printing necessary to carry out the provisions of the Act. It would appear that the Alaska Public Offices Commission may require additional funds for FY77.

WGH/ca

cc: All Commission members

Subj: FY77 Budget

ALASKA PUBLIC OFFICES COMMISSION

CURRENT OPERATIONS

FY 77 Authorized \$209.6. Five Commission members. Anchorage Office: Executive Director, Administrative Assistant II, Secretary, and one part-time Clerk. Juneau Office: One Administrative Assistant I. (Temporary Research Analyst and other part-time help hired as needed.)

Offices in each Senate district through contracts with major municipalities: Ketchikan, Sitka, Kenai, Kodiak, Mat-Su Borough, Bethel, Nenana, Fairbanks, North Star Borough, Nome.

CHANGES BETWEEN FY 77 AUTHORIZED AND GOVERNOR'S FY 78 BUDGET

	<u>Pers. Svcs.</u>	<u>Travel</u>	<u>Contract.</u>	<u>Comm.</u>	<u>Equipment</u>
FY 77 authorized	\$ 94.2	28.6	79.0	5.1	2.7
Salary increases/benefits/overtime	14.3				
Inflation and one-time costs		2.3	3.5	.3	(2.7)
PPT Clerk to Full-Time	7.8				
Reclass Juneau A.A. to Admin. Officer II	12.1				
Add 2 Part-Time employees (Juneau, Anchorage)	26.0				
New Part-Time Clerk IV	10.2				
Additional hearings, session lobbyist assistance		7.5			
Complaints hearing officer (attorney)			24.0		
Board honorarium increase (more hearings)			4.0		
Associated costs of new positions				1.5	1.2
FY 78 BUDGET TOTAL:	\$321.6	\$164.6	38.4	6.9	1.2

#1 .
DRAFT
Law

061567
1/25/77
RS

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MP

Senate

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6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Office of the Governor; and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

0 * Section 1. The sum of \$203,400 is appropriated from the general fund
1 to the Office of the Governor, for Fiscal Year 1977, to be allocated as
2 follows:

3 Limited Entry	\$150,000
4 Alaska Arts Council	12,000
5 Public Offices Commission	41,400

6 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
7 10.070(c).
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STATE
of ALASKA**MEMORANDUM**

TO: Ronald B. Lind, Director
Division of Budget and Management
Office of the Governor

DATE: December 7, 1976

FROM: Janet Green, Budget Analyst
Division of Budget and Management
Office of the Governor

SUBJECT: FY 77 Supplemental Request
Office of the Governor, Alaska
Public Office Commission

The Office of the Governor requests a FY 77 general fund supplemental appropriation of \$41.4 for the Alaska Public Offices Commission. This request is necessary due to expenses incurred to implement the new Regulation of Lobbying law, Chapter 167 SLA 1976, including public hearings on proposed regulations. No additional funds were appropriated at the time of the bill was passed.

The original agency request reflects a total additional requirement of \$59.1; however this amount includes several position reclassifications which the agency has agreed to postpone until FY 78. The remaining reduction in personal services is due to funding temporary employees for three months instead of the requested six.

The requested funds will be expended in the following line-items:

Personal Services	\$13.1
Travel	9.8
Contractual	18.5
	\$41.4

Personal services money will be used for temporary employees and overtime. No new positions are included in the request, although the FY 78 budget as approved by the BRC contains three additional part-time positions.

JG/pf

TO: Mr. Andrew Warwick
Commissioner of Administration
Pouch C
Juneau, Alaska 99811

DATE: June 10, 1976

FROM: Wilda G. Hudson
Acting Executive Director
Alaska Public Offices Commission
610 C Street, Suite 209
Anchorage, Alaska 99501

SUBJECT: FY77 Budget Legislation

Reference the memorandum of June 3, from Governor Hammond. FCCS SCS CSHB 535 authorizes \$209,600 for the Alaska Public Offices Commission, which is the amount requested by this office. However, FY77 budget request was based on administering the campaign disclosure and conflict of interest laws only.

FCCS SCS CSHB 522, Regulation of Lobbying, places responsibility for administering this new lobbying law with the Public Offices Commission. No funds were appropriated to fund this new lobbying law. As you are aware, considerable reporting requirements are set forth in the law. While time has not permitted a thorough cost analysis of the lobbying act, it is anticipated that cost can run as high as \$35,000+ to fund personnel, equipment, paper, and printing necessary to carry out the provisions of the Act. It would appear that the Alaska Public Offices Commission may require additional funds for FY77.

WGH/ca
cc: All Commission members

Subj: FY77 Budget

ALASKA PUBLIC OFFICES COMMISSION
FY77 SUPPLEMENTAL APPROPRIATION REQUEST

COMPONENT OPERATING EXPENDITURES BY OBJECT GROUP

Budget Component 01-96-2-03-03-00
 Budget Request Unit 01-96-2-03-00-00
 Agency: Officer of the Governor

<u>Object Group</u>	<u>Object Group Description</u>	<u>FY77 Authorized</u>	<u>Supplemental Request</u>	<u>FY77 Revised Total</u>
100	Personal Services	94.2	~~34.0~~ 11.7	128.2
200	Travel	28.6	9.8	38.4
300	Contractual Services	79.0	~~15.3~~ 18.5	94.3
400	Commodities	5.1	0	5.1
500	Equipment	2.7	0	2.7
600	Lands, Building, Improvements	0	0	0
700	Grants, Claims, Shared Rev.	0	0	0
800	Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
	TOTAL	209.6	~~59.1~~ \$ 41.4	268.7

ALASKA PUBLIC OFFICES COMMISSION

Wilda G. Hudson
 WILDA G. HUDSON, EXECUTIVE DIRECTOR

HOUSE FINANCE COMMITTEE
Thursday, February 3, 1977
11:20 a.m.

All Committee members were present. Also present was Ms. Chris Foster, Lobbyist for Alaska Public Interest Research Group.

PRESENT

Chairman Cowper explained reason for submitting a bill showing the Committee as Sponsor. He said that it was a mistake on his part, and that any bills submitted showing the Committee as Sponsor should be cleared with the full Committee, at least until next year.

Rep. Cowper requested the Committee members to carefully schedule their subcommittee meetings in such a manner that will not create conflicts with other meetings.

MEETING
SCHEDULING
COMMENT

Discussion of HB 5:

HB 5

Rep. Rhode explained the reason for pre-filing this bill. He said it would cost \$195,000. The committee had estimated the cost at \$155,000. They felt it could be left as is since it would cost more to redo the whole program than the \$40,000 difference.

Rep. Guy asked a question regarding the size of property necessary to qualify for program. Rhode answered.

Rep. Gruening commented that Committee Substitute contains changes in the retroactive dates. If full benefits are given to everyone qualifying under program, the rebate would be under \$200,000. No need to put an income limitation on the bill since most of those qualifying under program are having real difficulty holding onto their property and homes since they can't afford to pay taxes.

Rep. Freeman said that statistics show that Ketchikan has the highest percentage of elderly people than any other community in the state. He said that testimony before the State Affairs Committee pointed out that the difference to get the higher-bracket people involved would cost more than it would actually save. He would like to see the bill passed and on its way.

Rep. Meekins inquired regarding the fiscal note. He commented that it should have been with the bill. Chairman Cowper explained briefly the procedure of fiscal notes.

Rep. Swanson commented that if the limitation of \$40,000 is left on the bill, it works a hardship on those people who bought their property at a much lower figure than what they are attempting to sell it for.

Rep. Haugen expressed his feeling that everyone should be treated the same and recommended that a motion be made to report out CSHB 5.

Rep. Schaeffer asked if the upper limit is \$40,000.

Chairman Cowper said that was the limitation put in at the Free Conference by request of an unnamed Senator. He said that the Committee Substitute deletes the language regarding the limitation.

Chairman Cowper recommended that the Committee report out on this bill now and not wait for the fiscal note to come. He said that the costs are not going to be in excess of \$200,00 and that if the fiscal note is more than that, it be sent on to Rules.

Rep. Freeman stated that he would like it to go to Rules right away.

Chairman Cowper stated that normally bills should not go out of Committee without the fiscal note attached, but that due to reports given regarding the costs, the Committee could make this bill an exception.

Rep. Haugen suggested that the staff be instructed to look for the fiscal notes upon a bill being referred to the Committee.

Chairman Cowper asked if there were any objections to reporting out the bill. There being no objections, a motion was made that CSHB 5 be reported out with unanimous consent. The motion was seconded and it was reported out with unanimous consent. The Committee Report was circulated and signed "do pass" by a majority.

Discussion of HB 117:

Rep. Guy asked what the bill is. Chairman Cowper explained that it sets out the process and schedule for introducing bills that have any fiscal impact so that the people who get the budget have a measure of fiscal implication. It does not mean that other bills cannot be introduced beyond that date.

Chairman requested a motion to report out HB 117 and unanimous consent. The motion was made, seconded, and the bill was reported out with unanimous consent. The Committee Report was circulated and signed "do pass" by a majority. Chairman Cowper advised Joy Hogan, Director of Legislative Finance, [who had stepped in the meeting room for a moment] that a Committee Substitute should be made up as drafted.

Mr. Hogan announced that the short forms are coming out. Transportation, General Government, and Health are done. There would probably be two more coming in by the afternoon. [Mr. Hogan then left the meeting.]

Discussion of HR 6

Chairman Cowper gave a brief explanation of the Resolution.

Rep. Freeman asked how to vote on the resolution if he is in favor of opening the road - for or against. Chairman Cowper said to vote for it in that case and that most all of the sponsors of the resolution are for opening the road.

Rep. Buccholdt asked regarding the fiscal note. Chairman Cowper said that Line 17 of the Resolution requests the Governor to furnish a brief report. That information is available now in Juneau according to the Governor's Office. Regardless of what the fiscal note might be, they can't actually spend any money on it.

Chairman Cowper said that State Affairs recommended it by unanimous consent and "do pass" recommendation on the Committee Report. Rep. Guy moved that HR 6 be given unanimous consent and a "do pass" recommendation. There being no objections to the motion, it was seconded, and HR 6 was given unanimous consent. The Committee Report was circulated and signed by a majority.

Chairman Cowper reminded the Committee members of the meeting scheduled for that afternoon [Feb. 3, 1977] at 1:30 p.m. regarding the request for appropriations for jail facility in Anchorage.

There being nothing further to come before the meeting, it was adjourned at 11:50 a.m..

Tape H77-5
Log #0000 to 0844

HOUSE FINANCE COMMITTEE
Thursday, February 3, 1977
1:30 p.m.

All members were present except Rep. Meekins and Rep. Gruening.

Others present were Jim Rhode, Assistant to Rep. Cowper; Rep. Ed Dankworth; Bob Schroeder, Fiscal Analyst, Legislative Finance; Dr. Francis Williamson, Commissioner, Dept. of Health & Social Services; Charles Sothan, Administrative Officer, Division of Correction; Lee Dalby, Deputy Director of Corrections; and William Huston, Director, Division of Corrections.

Rep. Cowper stated that the purpose of the meeting was to allow the Commissioner of Health and Social Services and representatives of the Division of Corrections to make an initial presentation on the proposed \$26,000,000 corrections facility which is contained in the Governor's budget.

*Proposed
Anchorage
Corrections
Facility*

Commissioner Williamson explained that the Division of Corrections was scrutinized in some detail by a special task force established by Governor Hammond a year ago last autumn. The purpose was to look into the activities of the Division primarily about security because of the anxiety of the state. The scrutiny included public hearings, an inspection of all facilities, the training programs, and an overall view. An inspection of the pre-sentence detention facility was included. The task force reviewed the crowding in the institution and measured it against the projection of the number of individuals that would be held in the institution. They made the recommendation that the facility be replaced.

*Task Force
Review*

Commissioner Williamson said a similar recommendation was made by a technical team sent by Law Enforcement Assistance Corporation. They came up during that interval when the Task Force on Corrections was conducting its inquiry. Their review included the recommendation that this facility should be replaced, that it was inadequate for the task it was being used for. The recommendation was translated into a part of that total bond package put before the legislature last year at \$30,000,000. The estimate was \$18,000,000 for a facility that would house 180 men. Directly after that cost estimate Mr. Huston, who was the Superintendent of the facility at Lemon Creek, became the Director of Corrections. It was his belief that the planning could have been more sophisticated in that we should have planned for a larger population. A 180 man facility was judged to be one that would be quickly filled. The maximum count last year was 174 men.

LEAA

Commissioner Williamson said the bond proposal did not include the funds for the construction of the facility, it included only \$2,000,000 which could have been used for site selection or that sort of thing.

*Bond
Proposal*

Commissioner Williamson continued saying that the bond issue had gone down to defeat. Mr. Huston then recommended that in the new planning the design should be for 250 men with a design capacity for an additional 250 men. This would represent better planning.

Commissioner Williamson said that in the Anchorage area now they are booking 6-800 persons per month. The mean count is 150. The high was 174, and the rated capacity is around 95. The emergency capacity is 115. By the year 2000 based on present population trends, it is estimated that 1,400 persons a month will be booked into the pre-sentence facility and the mean daily count could be as high as 300 individuals. Recently the inadequacies of the present facility have been outlined in litigation that's presently pending in the courts. The reports in the suit of Mosley vs. Williamson had been given to the Committee for consideration. Because of the overcrowding at the present time, it could become necessary to shunt these people into other institutions. Eagle River and Palmer would be the first overflow options.

*Capacity
of Current
Facility*

Commissioner Williamson said that one of the things that has come up since the Governor's budget message for scrutiny has been the cost of the structure. This is an awful lot of money. The figures were derived from estimates by the Division of Buildings of the State of Alaska. The means by which they were derived is outlined in the document. A ball park estimate was also given by a private consulting firm. The figure for the first 250 men is not unreasonable. The cost for the expansion would be less than the original construction.

Cost

Rep. Cowper asked if this proposed institution reflects the Department's overall policy on Corrections. Commissioner Williamson answered that it does with respect to what is a need over a long period of time for a facility to accomplish this sort of purpose--short-term housing for pre-sentencing. Rep. Cowper said it appeared that a great deal of interest had been aroused in this because of breakouts at Eagle River. Commissioner Williamson said that before he was the Commissioner, Mr. Adams was concerned about the inadequacy of space and over the fact that there were no central dining facilities. It was already overcrowded and there was a likelihood of litigation concerning the rights of individuals.

*Corrections
Policy*

Rep. Cowper asked if prior to the grand jury questions there had been a study of Corrections in the state. Commissioner Williamson said there had been one by the Division of Corrections in conjunction with their capital budget requests for proposed projects. Rep. Cowper asked when the LEAA study was undertaken. Commissioner Williamson replied that the date of the report was November, 1975. Rep. Cowper asked for a copy of the LEAA report as well as the findings in the grand jury reports and the response to reports by Monday.

*LEAA Study
of
Corrections*

In response to a question from Rep. Haugen about last year's bond package, Commissioner Williamson said the total bond package was reduced from \$30-\$10,000,000. The Corrections portion was reduced from \$18-\$2,000,000. Rep. Cowper said that the legislators from Anchorage on the Free Conference Committee last year said they did not feel that facility was necessary. Rep. Haugen asked if there were any plans wherein the \$18,000,000 figure could be justified. Commissioner Williamson answered that there were no architectural drawings. The figure was based on a per bed cost.

*Bond
Package
Justification
of Figures*

Rep. Swanson asked if there was any alternate plan to this one. This is planned for right downtown Anchorage. Commissioner Williamson replied that there was no firm idea of a site at the present time. A private firm has been asked to study the site selection. It is thought that a facility serving this purpose is best placed near the courts. Much could be saved in transportation costs. Rep. Swanson said it might be less expensive to build a facility in the country where there's the room to build it.

*Site
Selection*

Rep. Schaeffer asked where the \$100,000 per bed figure had come from. Mr. Huston said they had gone to the Division of Buildings. One of the things that makes it so expensive is the fire code which requires that the material must be noncombustible. However, a building of this sort has a long life expectancy.

Cost

Rep. Guy asked where the women would be kept for pre-sentencing. Commissioner Williamson said there would be a facility for men and women in the new structure. Rep. Duncan asked if the present structure was entirely a pre-sentence facility. Commissioner Williamson confirmed this.

Rep. Duncan asked if there was a problem in the state with maximum security. Commissioner Williamson said they were over capacity in every facility in the state. Expansion of the Lemon Creek facility is a viable option. Also, there's the construction of a new maximum security facility for Alaska at a future date. There's litigation which may require that 72 prisoners be returned from the federal prisons to the state. That would strain the holding capacity. Rep. Duncan questioned that the pre-sentence facility was of a higher priority than increasing the long-term holding capacity in the state.

*Long-Term
Capacity*

Rep. Buchholdt asked how long the usual stay was in the pre-sentence facility. Commissioner Williamson said it was 22 days, but one individual has been there for one and one-half years.

*Length of
Stay*

Rep. Cowper asked Commissioner Williamson for the name and address of the individual who said that the state's prisoners who are in federal prisons would have to return to the state.

Rep. Duncan said his concern would lie in the problem with long-term people. We may be reaching capacity with those kind of people. Why not upgrade that facility and look at solving the problem of the long-term prisoner. In another year we will be at capacity there. Commissioner Williamson said the point was well taken. However, the average daily count of the current institution is around 150 persons. It doesn't matter how long they are there. Some people ask why the concern here. These aren't very nice people. 80% of them are felons in there for violent crimes. There's a fear when a facility is as inadequate as that one is. There are problems in Juneau and Fairbanks, but they are not as critical.

*Long-Term
Prisoners*

Rep. Guy asked if the pre-sentence people were in a jail. Commissioner Williamson confirmed this. Rep. Freeman asked what the difference in design would be for long-term use. Commissioner Williamson said one of the main differences is that there would be no program areas for gainful employment in a pre-sentence facility. Also, there would be less need for exercise areas.

Rep. Schaeffer asked what was included in the Division of Buildings formula. Commissioner Williamson said site acquisition, architectural design studies, administration, construction, planning, and engineering were included in that figure. Rep. Schaeffer asked where the figure of \$1,500,000 for land was derived. Commissioner Williamson said the Division of Buildings had that figure.

Rep. Dankworth asked if the Eagle River facility was being used for what it was designed for. Commissioner Williamson said it was. Rep. Dankworth said the testimony was at the time of the escapes that they were being forced to put people out there in a screening process, and it was not being used as it should.

Rep. Schaeffer suggested that perhaps the Division of Buildings and the Division of Lands should be asked to testify as to where they came up with their figures. Rep. Cowper said this budget request was referred to Rep. Schaeffer's subcommittee (Public Protection), and that would be his prerogative.

Rep. Cowper asked Mr. Huston to speak to the Committee. Mr. Huston said that the figures last year had come from a clearinghouse on correctional architecture. For a 180 bed correctional unit they said approximately 79,000 square feet would be needed.

Cost

Mr. Huston said he felt it was time for some long-range planning. If this facility is not built with an expansion capability, it will be necessary to come in again and ask for an additional facility another year. When the capital moves, that will attract growth. Growth generally means an increase in the crime rate.

Rep. Cowper said that according to a bar graph he had seen in July and August of 1975 there were 93 and 97 in pre-sentence custody. A year later there were 104 and 107. He asked what this reflects. Mr. Huston said it reflects a growth level.

*Crime Rate
Increase*

Mr. Huston said that if we believe in our constitution, people should be considered innocent until proven guilty. It was his belief that people should be treated a little differently at the pre-sentence state of the proceedings.

Regarding the increase in the crime rate, Rep. Cowper asked if they were taking into account the people who came in during the pipeline construction. It was Rep. Cowper's belief that the pipeline impact had something to do with the Fairbanks crime rate. Mr. Huston said that Anchorage is expecting an increase of 25,000 every five years through the year 2000. That probably means more crime. In 1976 the total crime rate per 100,000 persons was 5,567.9. In 1975 it was 5,013.7. That's an increase of 2%.

*Increased
Crime Rate*

Rep. Cowper asked what would be done with the 6th Avenue facility if this is built in downtown Anchorage. Mr. Huston said that belongs to the City of Anchorage. It was built sometime in the 60s. Rep. Cowper asked if Mr. Huston was recommending that this facility be abandoned. Mr. Huston said he would expect that the City of Anchorage would need the space. They are growing. Mr. Huston suggested that they should look at handling their own minor offenders or juveniles. It's a very limited facility. There's no room for expansion. People are now fed in their cell areas.

*Use for
6th Avenue
Facility*

Rep. Cowper said he had noticed that three years was the estimate for planning and construction of the new facility. He asked how much of that time would be used for planning. Mr. Huston answered that it would be approximately a year.

Rep. Duncan said he was not pushing for money to expand Lemon Creek to handle more long-term people. But, he wanted to be sure that we're not facing a critical point as far as long-term prisoners is concerned. Mr. Huston said Fairbanks is almost at emergency capacity, Juneau is at emergency capacity, Eagle River is housing 60, Palmer is housing 30.

Mr. Huston continued saying that this is a national phenomenon. Five western states say they are feeding in double shifts, and some even are sleeping in double shifts.

Rep. Cowper said he noticed that the staff at the 6th Avenue facility is 28 people. He asked Mr. Dalby what the staff would be at the new facility. Mr. Dalby said it would be 47 full time people. Mr. Cowper asked what the projected total yearly operating cost would be. Mr. Dalby said it was \$1,500,000 plus \$500,000 shown in the capital project which excludes the debt service. Rep. Cowper asked for a detailed breakdown of projected cost by Monday. Commissioner Williamson interjected that the cost per man per year in the new facility was less than in the old. It's currently around \$11,000 per man per year, and in the new facility it will be around \$8,000. Another point on operating expenses is the distance you would be transporting people. That would really add up in 50-80 years.

*Proposed
Staff*

Commissioner Williamson said the consulting firm of CC/HOK had been hired to look into possible uses of the 6th Avenue facility. The Committee will be given a write-up of what this group has been asked to tell us. Rep. Schaeffer asked when the consulting firm was hired. Commissioner Williamson answered that they were hired the first week in January. They were contacted in the autumn with respect to cost figures. Rep. Schaeffer asked when the report is expected. Commissioner Williamson said it was due on the 15th of March.

*Consulting
Firm*

Rep. Schaeffer asked what was meant when they said they were close to the figures in the budget request. Mr. Huston said it was between \$90 and \$100,000. Rep. Cowper asked who gave those figures from the Division of Buildings. Mr. Huston said John Steinman, who is now in Anchorage gave the figures.

Rep. Cowper said a statement had been made that there is no storage in the annex. He asked if that was correct. Mr. Huston said that recently some storage had been put in. Rep. Cowper asked what would be done for parking in the new facility. Mr. Huston said it could be built up one level. That has not been determined.

Storage

Rep. Buchholdt asked if CC/HOK were not the designers of the Eagle River facility. Mr. Huston said they were.

Rep. Cowper commented that he was concerned about what appears to be the attitude toward lawsuits on the part of the state. Every time a lawsuit is filed it appears that rather than fight the suit the state gives in and does whatever the people say. This seems to be a trend.

Rep. Cowper thanked Commissioner Williamson, Mr. Huston, and Mr. Dalby. There was no further business to come before the committee, so the meeting was adjourned.

Tape H77-5 550 to
Tape H77-6 162

Tape #: H-77-5

RECORDER LOG

Date: 3-77Beg. #: 850

1:30 PM

End #: 162 (H 77-6)General Subject: New State Jail - Anchorage

Reps
 Present: Cowper, Freeman, Rhock, Haugen, Guy Schnitzer
 Buchholdt, Duncan Swanson -

Rep. Dankworth, Jim Rhode, Bob Schroeder; Commissioner William
son, H+S; Bill Kluster, Mr. Lathan, Mr. Delby, Corrections Division.

Log #	Description
	Call to order
850	HR 6 Resigned recessed
864	Call back to order - Purpose of meeting
890	Commissioner Fred Williamson, H+S.S.
	Explanation of Reason for jail
968	✓ - cost estimates
1020	✓ - current capacity of jail + est 300 use each day; inadequacy of present
	(Dankworth Facility Arrived.)
1078	capital budget document for new facility - \$100,000 a bed figure
	(answered by Williamson)
1130	Questions: by Cowper
	Cowper: Policy on Corrections institutions
1177	Corrections Institution studies (Capital Budget Requests for yrs. prior to study)
	No actual studies prepared until '75
	LEAA Report + Grand Jury Findings Reports + Div. of Corrections response to it will follow
1271	Swanson Question - Asked
1282	Haugen Question - 5 year plan capital improvement - Does it include facility request?

Tape #: H 77-5

RECORDER LOG

Date: 3-3-77

Beg. #: _____

(2)

End #: _____

General Subject: Anchorage Corrections Facility

Present: _____

Log #	Description
~~1334~~	~~Swanson - Alternate Plans to facility?~~
1334	Swanson - Alternate Plans to facility?
~~1394~~	
1399	Schaffer - How ^{was} cost of facility derived? Answered by Huston
1423	Guy - facilities for women?
1445	Duncan - overextension of current facilities Pre-sentencing facility should have high priority - Williamson feels.
1495	Buhholdt - length of stay at facility
1509	Cowper - ^{re} litigation ~~costs~~ ~~used~~ + how it will be settled. Stevens vs. McGillis litigation Cowper asked for Williamson will provide name and address of person who provided him information on holding of Federal Prisoners
1583	Duncan - re overcrowding of present facilities (Randy Phillips arrived)
1632	Guy - explanation of Presentencing facility

Tape #: H 77-5

RECORDER LOG

Date: 3-3-77

Beg. #: _____

(3)

End #: _____

General Subject: Anchorage Corrections Facility

Present: _____

Log #	Description
1668	Freeman - re: difference between this + a jail
1689	Schaffer - re: site acquisition
1714	Dankworth - re: study done to support this facility; proper use of Eagle River Institution; + where would people ~~be serving 60-90 be incarcerated today.~~
1776	Schaffer - suggested Div + Buildings + Lands be called in to provide info.
1787	Mr. Bill Huston, Director, Division of Corrections Advised on how plans were acquired for facility + anticipated growth.
1843	Questions by Committee; Answered by Huston Cowper - raise in # individuals held. + how projections were arrived at.
1930	Williamson - # bookings per given population
1963	Further questions of Huston Cowper - re fac. in Anchorage at 6th Ave.

Tape #: H 77-5

RECORDER LOG

Date: 2-3-77

Beg. #: _____

(4)

End #: _____

General Subject:

Anchorage Corrections Facility

Present:

Log #	Description
2027	Cowper: How long for Planning of facility + how long for construction
2041	Duncan: holding of long term Prisoners (Schaffner left @ 2:40)
2119	Freeman: Double shifts + how full are facilities; comparison with other States. (@ 3:50 Phillips left) ~~current~~ ^{recent} failure of Bond Issue.
2193	Cowper - Add'l info. on ~~coral~~ Bond Issue
2208	✓ - staffing of new facility - Answered by Dalby, Admin. Officer, Div. Corrections (Haugen left @ 3:55)
2240	operating costs of new facility - Dalby will Provide Breakdown of costs to Committee by mon.
2254	Williamson - cost of operation
2274	Dankworth Asked Huston - where women will serve time; where short time prisoners will serve; why pre-sentence facility ^{only} + not short-time prisoners (3:05 Duncan left)

Tape #: H 77-546

RECORDER LOG

Date: 2-3-77

Beg. #: _____

(5)

End #: _____

General Subject: Anchorage Corrections Facility

Present: _____

Log #	Description
2342	Williamson - consultant opinion re: suitability of 6th Ave. Anc. Facility. will provide copies of this to committee.
2363	Schaffer - asked Williamson when this was conducted & when they were (3:10 Dankworth left) retained (3:10 Duncan returned) (3:10 Rhoads left) e
2441	Hudson re: Div Buildings figures
2424	Cowper asked storage space in current complex

TAPE 6

33	Buchhalt - Question Hudson answered re: consultant
80	Cowper - ~~to~~ suits filed against state.
106	Schaffer - figures in budget request. asked Corrections to supply comm. with list of Agencies who compiled info. - chairman has info.

Tape #: H77-6

RECORDER LOG

Date: 2/8/77

Beg. #: 0190

End #: 1898

General Subject: ^{House Finance} Subcommittee on Natural Resources - Department of Fish and Game Budget

Present: Rep. Duncan, Rep. Haugen, Rep. Specking, Rep. Schaeffer, Comm. Brooks,

Jeff Morrison, Administrator; Dir. FRED Div. Bob Roys; Dir. Comm. Fisheries

Carl Rosier; Rep. Swanson; Chuck Taylor, Budget & Mgmt. Analyst; Bob Grogan, Fiscal Analyst, Legis. Finance.

Log #	Description
0190	Meeting opened by Vice Chairman Duncan.
	Brief overview by Mr. Roys. FY78 will have to be adjusted due to reorganization of Department. Should be determined in the next couple of weeks.
0260	Considerations: Cook Inlet. Explanation.
	Questions and answers re revision of figures in hatcheries and engineering sections. Probable changes when reorganization begins.
0400	New facilities - personnel needs.
	Construction bids will be opened for this summer and possibly fall construction.
0511	Explanation and discussion re testing some of the components of new facilities in already existing facilities. Could save a year and therefore funds.
0554	Breakdown of costs from legislative reports. By region.
	Russell Creek - \$4,780,000; Karlik (phonetic) - \$2.8 million;
	Interior facilities - \$1,080,000; Hidden Skilak (phonetic) - \$3.2 million; Cannery Creek, Whittier - \$3.6 million [2 facilities];
	Hidden Falls - \$4 million; Kluwok - \$4.4 million; Nenana Creek - \$5 million; Frazier Fish Lab - \$ ____ ? _____. [missed figure - secretarial]
0684	Explanation of necessity for highly trained experts.
	1.) Misbeliefs in past due to lack of expertise in subject of

Tape #: H77-6RECORDER LOGDate: 2/8/77Beg. #: 0190End #: 1898

House Finance
General Subject: Subcommittee on Natural Resources - Department of Fish and
Game Budget

Present:

Log #	Description
	genetics. 2.) Possible to introduce hatchery fish into wild stock successfully. 3.) Past history of hatcheries being run in too casual manner.
0762	Explanation of steps being taken to curb IHN virus in salmon.
0825	Return of Sockeye explanation.
	Japanese hatcheries systems studied.
0847	Explanation of staff credentials.
0874	Survival of Kohos.
0941	Discussion of protection of spawning fish in various areas.
0954	Explanation of magnetic tagging - tool for evaluating efficiency of hatcheries.
0966	Explanation - appropriation for estimating efficiency of lake hatcheries systems.
0985	Comments on personnel needs of facilities.
1002	Difficulties in budget in the past - inadequate administrative help. Subcommittee Chairman Swanson arrived - 2:45. Rep. Duncan left.
1030	Location of facilities for harvesting - housing for personnel.
1062	Questions by Rep. Haugen and Specking re effect of predators on juvenile salmon survival. Comm. Brooks answered.
1240	Question re 6% figure. Answer by Dir. Roys.
1282	Budget - pages 184-185 Red Book. Major differences: Maintenance

Tape #: H77-6RECORDER LOGDate: 2/8/77Beg. #: 0190End #: 1898

General Subject: House Finance Subcommittee on Natural Resources - Department of
Fish and Game

Present:

Log #	Description
1316	level \$79,000.00. Transfer of Commissioner to Operations \$85,000.
1352	Discussion of Planning Funds.
1400	Beaver Falls - personnel additions.
1415	East Creek - \$163,000 to operational
1444	Lake stocking program - \$44,000 in operation accounts
1452	Big Lake hatchery - \$47,100
	Requestion rental of space for shop in Anchorage to service and repair equipment used at hatcheries in area.
1506	Sitka facilities - \$5,000
1572	Discussion re eggs taken and reasons for increases and decreases in various spots.
1602	Equipment request for all facilities - \$104,200
1639	Discussion re federal matched funds.
1653	Establishment of regional office in Kodiak. Both Anchorage and Kodiak regions have been administered by Anchorage office. Need office and administrator for Kodiak area with the two new hatcheries programs in that area.
1712	Rep. Swanson reminded Dir. Foys that the Budget will be closed on March 13.
1760	Hatcheries components, maintenance and engineering - administration - explanation by Jeff Morrison.

Tape #: H 77-6

RECORDER LOG

Date: 2-8-77Beg. #: 1898

7:05 p.m.

End #: H 77-7 2091General Subject: Dept. of Administration - Gen. Govt categoryPresent: Reps. Buchholdt, Duncan, Cowper, LethinAlison Larran, LTD; Dick Freese, Admin.; Commissioner of Admin., Mr. Smith; Rep. Miles; Mrs. Krowder; Janet Green; Kellus Sewell, Mike Wheeler.

Log #	Description
1898	meeting called to order at 7:05 by Rep Duncan
1929	p. 28 Office of Commissioner
1944	personal services - Archives
1970	Larran - transfer to Dept. of Admin, program receipts
1994	Duncan - transferring positions
2012	ASHA Court Bldg. - bond payment
2050	p. 30 Internal Audit
2066	number of audits in a year
2084	Louis Efficiency Review - savings of \$450,000
2120	audit report
2157	work load - need for additional auditors
2175	responsibilities statewide - need to spend time with things other than audits
2201	Lethin - people in organization, where?
2211	advantages of Executive Dept audit - thoroughly explained - goes further than recommendations
2231	procedure for implementing audit recommendations
2248	living as a result of audits
2287	Commissioner -
2303	rate of compliance - improving rate? - state

Tape #: H 77-6

RECORDER LOG

Date: 2-8-77

Beg. #: _____

(2)

End #: _____

General Subject: Dept. of Administration

Present: _____

Log #	Description
2335	Lethin - priorities of Dept.
2345	Commissioner's response - service organization to Exec branch
2363	Buchholdt - role of Internal Audit in performance reviews (Rep. Miles joined the meeting at 7:35)
2406	Commissioner -
2417	Lethin - Were not doing enough with Audit.
2429	Commissioner - staff of auditors should be increased.
2444	Smith - many requests for examinations - need for bigger budget - doubled
2467	Duncan - high noncompliance rate - how can it be reduced. - Smith response
2504	Miles - what happens after audit is done
2520	release of audits.
2544	Commissioner - solving noncompliance
2554	Duncan - why is there difficulty in filling positions. - Smith response
2586	Audit positions underclassified
2613	Smith - excellent staff

Tape #: H 77-6

RECORDER LOG

Date: 2-8-77

Beg. #: _____

(3)

End #: _____

General Subject: Dept of Administration

Present: _____

Log #	Description
2625	Lethin - location of audits
2651	~~to~~ Duncan - travel budget - Smith response
2680	request for list of agencies who have subsidized travel
2709	Jarman - role of Internal Audit as coordinator for Efficiency Review - Smith response
2740	Buchholdt - are conclusions similar with those of Leg. Audit? - Smith - similar, but Internal Audit goes further.
2785	Administrative Services - p. 32
2796	word processing - savings in private sector - equipment reviews
2825	Centralizing & decentralizing secretarial services
2840	Duncan - when was consultant hired? - exempt position
2867	Duncan - documented savings, how? how much - \$88,000
2891	Miles - salary - range 21 roughly - Discussion on where salary came from in budget - corresponding deletions, Commission staff

Tape #: H 77-6

RECORDER LOG

Date: 2-8-77

Beg. #: _____

(4)

End #: _____

General Subject: Dept of Administration

Present: _____

Log #	Description
2991	Duncan - Mgt Consultant & Word Processing Consultant personal services vacancies
3023	Duncan - plans for Mgt Consultant positions - insurance programs
3039	Risk Management
3051	Lethin - analysis of premium dollars & claims
3072	Miles - Office of Commissioner - Bldg & Improvements
3100	Lethin - debt service & front end loading - ASHA
3119	Miles - plans for filling vacant positions in Admin Svcs.
3150	PAYROLL, Finance, & Data Processing p. 44
3173	Employee Information System - schedule ^{July 1 -} cost, \$650,000 - testing.
3190	System Administrator - Div. of Finance -
3204	duties - keep system alive
3218	Duncan - contractual money in coming years?
3231	additional equipment - terminals
3243	selection of terminals - rental figure \$75,000
3298	Study needed for conversion - study will be done in department.
3308	Duncan - lead time for terminals & mini computer