

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2692

graphy. We have no stratigrapher on our staff and therefore it would be difficult to make meaningful reservoir studies in this area and offshore in the Beaufort Sea. This component would provide for a petroleum geologist with stratigraphic expertise.

Amount

52.1 Component 6 - Oil and Gas Well Safety Inspection Program

The field surveillance work keeps gradually increasing. We anticipate that this increased work load will require another inspector in FY80 to maintain our surveillance program at the same level of efficiency as it is now.

HOUSE FINANCE COMMITTEE
February 22, 1979
9:10 a.m.

All members of the Committee were in attendance, except Representative Smith. Representative Duncan arrived later in the meeting. Also in attendance from the Office of the Governor: Robert Simon and John Garner, Commissioners, Commercial Fisheries Entry Commission; Murray Walsh, Coordinator, Office of Coastal Management; Hank Holiday, Deputy Gas Pipeline Coordinator; Chuck Taylor, Budget and Management; Janet Green. Also present: Bob Grogan, Division of Legislative Finance.

PRESENT

Chairman Meekins called the meeting to order and advised the Committee would continue hearings on the NATURAL RESOURCES category of the budget.

NATURAL
RESOURCES
BUDGET

OFFICE OF THE GOVERNOR

Limited Entry: In his opening statement, Bob Simon commented it is essentially a maintenance budget that reflects a 6% inflation increase. He added there is a notable increase in the area of fiscal management for computer services. He stated they are in the issuing stage and still adjudicating applications.

[Representative Duncan arrived at this time.]

Representative Moss asked about the Yukon-Kuskokwim area. Mr. Simon advised 750 permits were renewed in Kuskokwim in 1978 for permanent residents, and there were 683 renewals in the Yukon area, 94% permanent residents.

Fresh water fisheries were discussed, with Mr. Simon noting they are not limited by interim-use permits.

The gear license program was discussed, with Representative Haugen stating he is opposed to this. Mr. Simon stated this was a start-up request that will be paid back by an assessment to the fisherman. He further stated the interim-use permit has taken the place of the gear license.

There was discussion on the transfer of limited entry permits, with Representative Moss asking what stops them from being sold to outsiders. Mr. Garner replied, essentially, nothing now that the only restriction is that it has to be transferred to a natural person--not a company. There was discussion on the proposed legislation that would prohibit this.

In answer to a question from Representative Rogers, Mr. Garner stated salmon hand-trolling has become the only unlimited entry. Brief discussion followed.

Chairman Meekins noted the Governor has disallowed the buy-back program. Mr. Simon advised this program was instituted when the optimum number of permits was exceeded. Chairman Meekins questioned why this was not done when the Commission was formed. Mr. Garner advised the statute does provide for the re-issuance of permits at fair market value when the optimum number is reached. He stated this is when the optimum number is not less than the outstanding number of permits issued. In answer to a question, he replied very few permits have been forfeited.

There was discussion on the question of whether a person can hold more than one license. Mr. Garner noted the law prohibits the holding of more than one permit in the same area at a time. Mr. Simon added more than one permit is allowed if they are in two different areas. He stated the permit can only be used in one administrative area per year.

There was further discussion on Speaker Gardiner's bill regarding proposed legislation prohibiting transfer of licenses.

At this time, Representative Rogers asked that the Tourism section of the DEVELOPMENT category of the budget be re-opened. He brought up the subject of the Vogue magazine ad campaign and stated there is no place for State funds going into that kind of ad campaign. He commented the ad uses provocative language and sex to promote Alaska, and he is against this. He requested Richard Montague, Director of Tourism, and the Honolulu advertising agency representative be asked to appear before the Committee and present their comments. Chairman Meekins advised a subcommittee, chaired by Representative Smith, upon her return from China, would look into this matter.

DEVELOPMENT
BUDGET
REOPENED

Coastal Zone Management: In his opening comments to the Committee, Murray Walsh advised the 1980 budget shows an increase in federal funds. He stated this is because the program is moving from a development phase into an implementation phase. He advised implementation funds run 3-1 over development funds and added this is required match. He stated the current authorization for CZM federal funds expires in 1981. He commented they can be assured of federal funds for the next two, possibly three years. He stated the size of the coast determines the amount each state receives in federal funds.

NATURAL
RESOURCES
BUDGET

Representative Duncan requested the Committee be provided with a list of those communities receiving grants and those anticipated in the future.

REQUEST

Representative Moss questioned the travel figure and was advised this is for 16 members of the Council to attend the meetings. Mr. Walsh advised there were eight meetings in 1978. Janet Green, Office of the Governor, advised \$14.7 of the increase in travel is related to the new staff. There was further discussion on travel.

In answer to a question on funding sources, Mr. Walsh explained some comes from various State agencies, some from the communities and from federal and state match.

Responding to Chairman Meekins question, Mr. Walsh commented, "If you were to reduce that general fund match by 20%, we could still get the job done; it wouldn't cripple us. We would probably lose about \$250.0 of federal money."

State Pipeline Surveillance: In his overview, Hank Holiday stated the gasline funding is almost entirely funded on a reimbursement basis from Northwest. He advised their corporate headquarters is in Salt Lake City, but that their Alaska headquarters is located now in Fairbanks and is composed of eight people. He stated this was moved from Anchorage, where they will still continue to maintain a one-person office. He commented, presently, there is a total of 12 people.

There was discussion on Northwest's packing up and moving back to Salt Lake City if they decide they cannot build a pipeline. Mr. Holiday stated he feels it is in the best interests of the State to be on top of things and work with Northwest and be prudent with their funds. Chairman Meekins commented he feels that, Gas Pipeline Surveillance and Gas Pipeline Monitoring, that administer Northwest's funds, their budgets were put together too soon and do not reflect the current situation.

There was brief discussion on personnel. Mr. Holiday indicated the increase is in technical staff; there was none in field surveillance.

The meeting adjourned at 10:30 a.m.

ADJOURN

HFC Tape 79-40 Side 2 #282 - End
79-41 Side 1 #001 - End
Side 2 #001 - #445

HOUSE FINANCE COMMITTEE
February 22, 1979
1:38 p.m.

All members of the Committee were in attendance except Representatives Duncan and Smith. Representative Rogers arrived later in the meeting. Also present from the Department of Fish and Game: Dick Logan, Chief, Habitat Section, and Russ Clark, Administrative Services; and Bob Grogan, Legislative Finance Division.

PRESENT

<u>TAPE #</u>	<u>DESCRIPTION</u>	<u>NATURAL RESOURCES CATEGORY TESTIMONY FROM DEPT. OF FISH & GAME</u>
HFC 79-41 Side 2		
502	Call to order. NATURAL RESOURCES CATEGORY. Department of Fish and Game	
558	Habitat Protection, Dick Logan, Chief, Habitat Section, presented an overview of what Habitat Protection does.	
609	Logan advised general fund money in component was planning money. "Other funds" includes \$406.2 from CZM and CEIP and \$206.0 in Fish and Game Funds. Discussion on Fish and Game Funds.	
658	Moss questioned the 13 new positions. 8 were approved by RP. 6 are tied to CZM and CEIP. All are federal funds.	
677	Montgomery questioned contractual services. Logan advised they may not need it at this point and it could probably be taken out.	
707	Montgomery questioned relocation cost of employees between Anchorage and Fairbanks in the amount of \$4.0. Logan said they are finding it costs that much to move employees.	
714	Schaeffer questioned what kind of protection they are doing on North Slope Haul Road. Logan stated: (1) in planning phase with BLM; and (2) program with DOT to get them to replace colverts.	
750	<u>Administration and Support:</u> Russ Clark, Director of Administration, stated component consists of Commissioners Office, public information, and administrative services section of Department. (Rogers arrived.)	
776	Montgomery questioned new positions. Clark stated changes in staff count for addition of two new positions and others are transfers or reclassifications of half or part time positions.	

Tape #DescriptionHFC 79-42 Side 1

001 Administration and Support, Administrative Services:
Meekins asked if a position was being funded through
ASHA payments. Clark advised the supply assistant
has been funded by building maintenance.

047 Rogers questioned transferring of positions from one
component to another. Clark stated they tried to
keep increases to a minimum, so they reallocated within
the Division. Have transferred 2 positions in from
Commercial Fish and one from FRED to beef up their
efforts in bill paying area.

129 Habitat Section: Meekins requested Division to come
in with a budget that assumes there will be no gasline
for this fiscal year.

154 Administrative Services: Rogers questioned \$15.0
warrent to Fairbanks Zoo. Clark will check into.

200 Discussion on office space in Juneau and Anchorage

290 Brief discussion on subsistance.

310 Boards of Fish and Game: Meekins commented there is
a bill that has been introduced relating to this.

364 Schaeffer questioned advisory board travel. Clark
advised almost 50% goes to advisory travel.

374 Schaeffer questioned new position. Clark said intent
was to implement a regional council concept in a
pilot area. It will be in the western area, probably
in Nome/Kotzebue.

438 Discussion on advisory Board travel. Clark said they
are only reimbursed for travel expenditures, not per
diem. Clark will provide information on expenditures
made to advisory board.

497 Adjourn 2:33 p.m.

ADJOURN

Tape HFC 79-41 side 2 #502
to
79-42 Side 1 #497

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HOUSE FINANCE COMMITTEE

February 23, 1979

9:10 a.m.

All members of the Committee were in attendance, except Representative Smith. Representatives Schaeffer, Duncan and McKinnon arrived later in the meeting. Also in attendance: Representatives Charlie Parr, Mike Miller and Hugh Malone; John Crandall, Administrative Assistant to Chairman Meekins; and various members of the news media.

PRESENT

Chairman Meekins called the meeting to order and stated the first bill to be considered is HB 65.

HB 65 - "An Act making a special appropriation to the Department of Law; and providing for an effective date."

HB 65

Representative Charlie Parr, Chairman, House Judiciary Committee, and prime sponsor of the bill presented testimony. He stated the purpose of HB 65 is to provide a legal defense fund for those persons whose livelihoods have been taken away and who oppose the federal government's imposition of the Antiquities Act. He advised the bill is based on the belief that the President's use of the Antiquities Act goes beyond the intent of the law. He stated a lot of people are being hurt by this and cited examples of those who are losing their livelihood, such as miners.

Representative Moss, a co-sponsor of the bill, commented he has heard that the Legislature may be inducing people to violate the law by introduction of HB 65. Representative Parr indicated that Judiciary did have some testimony on that subject. He stated he feels this is not a great danger, that the bill would not pay someone's fine or keep them from sitting in jail, but would aid in their legal defense.

Chairman Meekins questioned the need for this should D-2 legislation pass and the Antiquities Act be out. Representative Parr advised that, should the Antiquities last for six months or more, it would hurt a lot of people.

Chairman Meekins questioned the reason for giving the money to the Department of Law instead of the Public Defender. Representative Parr commented neither wants this and added he has no problem with the Finance Committee giving this to the Public Defender as opposed to the Department of Law.

Representative Rogers asked how much it would cost to administer this fund, and Representative Parr stated it shouldn't cost them anything.

Chairman Meekins asked if Judiciary had the hearings transcribed. Representative Parr no that they just kept summary minutes but had all the tapes. He also indicated they had teleconferences with Ketchikan, Anchorage and Fairbanks but that these were not transcribed.

There was discussion on the philosophy of the bill with regard to civil liberties and rights and the question of whether this constituted civil disobedience.

[Representative Schaeffer arrived at this time.]

Representative Parr stated it has been pointed out that this is in violation of the law, but added that so were the Boston Tea Party, slavery, and the freedom marches. He advised the bill specifically states this is an illegal and arbitrary action that goes beyond the powers of the president. He indicated Judiciary received testimony from 29 witnesses.

Representative Freeman requested the bill be held over until such time as the Department of Law and the Public Defender can present testimony. There being no objection, HB 65 was held over.

HB 65
HELD OVER

Chairman Meekins stated the next bill to be considered is HB 18, assigned to Representative Duncan. He noted the fiscal impact is minimal.

HB 18 - "An Act increasing the benefits being paid under the territorial public employees' retirement system; and providing for an effective date."

HB 18

Representative Mike Miller, Chairman, House State Affairs Committee and sponsor of the bill, testified briefly that HB 65 only affects three old-timers in their 80's; two men and one widow. He stated this just increases their benefits to help compensate for inflation.

Representative Freeman moved and asked unanimous consent that HB 18 be reported out. There being no objection, it was so ordered. HB 18 was reported out of Committee with a "do pass" recommendation.

HB 18
REPORTED OUT

[Representative Duncan arrived at this time.]

Chairman Meekins advised the next bill to be discussed is HB 66, assigned to Representative Moss.

HB 66 - "An Act providing an exemption for senior citizens from payment for land leased from the state."

HB 66

Representative Moss referred to the 2-15-79 fiscal note and advised Pat Conheady states this would involve no more than \$20,000 statewide and no additional staff. Representative Moss stated he feels perhaps the "Sunset" law should be required to look into this in a few years. He added the fiscal impact is zero, "more or less".

Representative Rogers commented the fiscal note made him nervous, that the bill says the State is paying the rent. Representative Freeman stated he feels the philosophy is easy to understand and that he sees nothing wrong in helping out the senior citizens. Representative Freeman moved and asked unanimous consent that HB 66 be reported out.

During further discussion, Chairman Meekins commented he feels this is a philosophical question. He stated the concern is for the senior citizens and that the lease payments have gone up. Representative Rogers commented he would have no problem with freezing the lease payments.

Representative Moss moved that INTENT be added to include a "Sunset" review within five years, so as to have a better idea of fiscal impact. He added he would not favor the bill if the fiscal impact is more than \$20,000. Representative Freeman objected, stating he feels there should be no strings attached. Representative Moss withdrew his motion.

INTENT
DISCUSSED

Following further discussion, Representative Freeman moved to amend his motion to include the HESS amendments in a Finance Committee Substitute for HB 66. There being no objection, it was so ordered. Finance Committee Substitute for HB 66 was reported out with a "do pass" recommendation.

FINANCE CS
FOR HB 66
REPORTED OUT

[Representative McKinnon arrived at this time.]

The next bill to be discussed was HB 81, assigned to Representative Rogers.

HB 81 - "An Act relating to trapping license receipts; and providing for an effective date."

HB 81

There was brief discussion on the Committee Substitute draft, Section 4, with the result being "retrospective" should be changed to "retroactive".

Representative Rogers moved and asked unanimous consent that Finance Committee Substitute for HB 147 be reported out. There being no objection, it was so ordered. Finance CS for HB 147 was reported out with a "do pass" recommendation.

FINANCE CS
FOR HB 147
REPORTED OUT

The meeting adjourned at 10:00 a.m.

ADJOURN

Tape HFC 79-42 Side 1 #497 - End
 Side 2 #001 - #487

Representative Rogers advised the fiscal note is zero or \$36,000, depending on how you look at it. He proposed HB 81 be held over one week so that he could provide further information. There being no objection, HB 81 was held over.

HB 81
HELD OVER

The next bill to be brought before the Committee was HB 84, assigned to Representative McKinnon.

HB 84 - "An Act relating to the refund of the unused balance of personal leave upon termination from state employment."

HB 84

Representative McKinnon stated the bill has a zero fiscal note. It was questioned whether the fiscal impact would change if this were distributed in a lump sum, rather than "installments over a period of time" as noted in the fiscal note and whether this would be greater than or less than a paycheck. Representative McKinnon stated an amendment could be added to the bottom of the schedule on the bill. He requested the bill be held over until the afternoon meeting. There being no objection, HB 84 was held over.

HB 84
HELD OVER

The next bill to be addressed by the Committee was HB 147.

HB 147 - "An Act relating to registration fees for special request, personalized license plates."

HB 147

Representative Malone, prime sponsor, advised this is to correct what was an oversight regarding the bill that was passed last year dealing with specialized license plates. He stated, last year, the change was made that required the Department of Motor Vehicles to charge \$50 for these specialized plates. He advised HB 147 would change things back to the way they were.

Representative Malone pointed out the fiscal note with the bill states there will be a loss of revenue, and that if HB 147 passes, it would bring State revenue back to the beginning of 1978.

Representative Malone advised, if the bill passes in its present form, some people would pay the old charge and some the new. He stated the Department of Public Safety requested HB 147 be given an effective date this year. The Committee Substitute, he stated, was drafted containing this recommended language.

In answer to a question, Representative Malone indicated the original \$20 was to cover costs of the program, which it does. He added it will cost the State money to put the fees back to where they were, but the program will not be deficit spending.

HOUSE FINANCE COMMITTEE
February 23, 1979
1:40 p.m.

All members of the Committee were in attendance except Representative Smith. Representative Freeman arrived later in the meeting. Also present to testify were: J. H. Hogan, Director, Legislative Finance Division; Dan Hickey, Chief Prosecutor, Department of Law; Dave Miller, City of Skagway; John Farnan, Department of Administration; Lou Bandarolla and Russ Clark, Department of Fish and Game; Kay Diebels, Salary Commission; and Jeff Morrison, Division of Budget and Management.

PRESENT

Chairman Meekins called the meeting to order and brought up HB 84 for consideration.

HB 84

Relating to the refund of the unused balance of personal leave upon termination from state employment.

Representative McKinnon stated the Department's intent is that this can be done on a monthly basis by computer, so there is a zero fiscal note. He moved and asked unanimous consent that HB 84 be reported out. There being no objection, it was so ordered. HB 84 was passed out with a "do pass" recommendation.

HB 84
REPORTED
OUT W/
ZERO
FISCAL
NOTE

Chairman Meekins stated the next bill to be considered was HB 153.

"An Act relating to the Legislative Budget and Audit Committee; establishing a joing budget subcommittee; and providing for an effective date."

HB 153

Representative Duncan advised that a joint budget committee idea is not unique -- Colorado has one. He advised this bill establishes a committee that works on a year round basis on the budget. He stated he believes it brings the Legislature more knowledge on the budget process. He said that with a subcommittee of the Legislative Budget and Audit Committee, consisting of six members (three from each house), working with the agencies, and keeping track of revenue projections throughout the year, the Legislature should become very knowlegeable about the budget. He further explained the bill, and stated he believes it is a very good concept. He asked Mr. Jay Hogan, Director, Lelgislative Finance Division, to give a synopsis of the bill.

Mr. Hogan commented that he worked with the joint budget committee in Colorado in the late 1960's. He said that Colorado had a lot of the same situations as Alaska currently has when it created the Committee. Prior to that they had the same system Alaska has. He advised that in the late 1950's they decided they would like to have a joint operation as far as the budget is concerned, so they created a six member committee which was empowered to meet year round. He said that HB 153 is patterned in a large part on the Colorado structure.

Mr. Hogan stated one of the advantages of such a system is that it is easier to get a jump on preparation of the budget if a group can get together fairly early in the process and figure out what they want to do. He stated it also enables them to take control of the budget on the Legislative side. He stated the joint committee would be developing legislative programs in addition to reviewing the governor's programs.

Mr. Hogan stated that characteristically the budget is blamed for the length of the Session. He advised that Colorado tried to keep shorter sessions, in part by having the budget committee work in advance of the Session, so that by the time the legislature convened many of their budget sessions were actually out of the way.

Mr. Hogan stated that legislative intent is a big item in most states, and one that is also of interest here. He stated this is one of the main reasons behind formation of a joint budget committee. He stated that probably the biggest drawback of such a committee is that many people feel it would mean a loss of power to the standing finance committees. He stated Colorado has found that it divides the workload of the Committee; the more senior members spend their time dealing with budget related matters, while the newer members have more time to go into research on bills and new programs. He stated it creates an orderly process to gaining experience on the finance side.

Representative Rogers asked if the joint budget committee in Colorado also went back into Free Conference. Mr. Hogan said they did. He stated they have always had enough points of difference between the two houses, because of House and Senate additions, that the bill went back to Free Conference. But, he said that 70% to 75% of the budget is the same and left untouched on both sides.

(Representative Freeman arrived at this time.)

Representative Rogers questioned the effective date of January 1, 1981, and asked if it would be possible to get an earlier effective date. There was brief discussion.

Representative Haugen questioned the structure of the joint committee. Mr. Hogan stated in its present version, it would draw on the existing Budget and Audit Committee. In answer to a question from Representative Guy, Mr. Hogan stated he believes the committee would be neutral from the unicameral legislature question. He stated it might even make the unicameral legislature less of an issue.

Representative Haugen commented that in the earlier days of the Legislature, the House and Senate did meet together over the budget, and they worked out the differences before they got to Free Conference.

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Representative McKinnon stated his feeling is that all a joint committee on the budget will be doing is instituting a free conference committee and making it a year round system. He stated he thinks it is bad enough now that only eleven members of the House understand the budget, and with a joint committee there would only be three House members understanding it.

Representative Duncan stated his intent with this bill is that the finance committees play the final role in the budget process. He stated nothing in this measure precludes other legislators from participating in the budget process. There was further discussion on the bill.

Chairman Meekins stated it was not his intent to move the bill today. He wanted members of the Committee to get an overview of it because it does entail major changes in the legislative structure and procedure.

HB 153
HELD
OVER

Chairman Meekins stated the next bill to be considered was HB 241.

HB 241

"An Act relating to state bonding."

Representative Montgomery requested this bill be held until they receive a response to several letters written to bonding firms. HB 241 was held until they receive a response.

Chairman Meekins stated the next bill to be considered was HB 65.

HB 65

"An Act making a special appropriation to the Department of Law; and providing for an effective date."

Mr. Dan Hickey, Chief Prosecutor, Department of Law, stated the Department and Administration understand the justification underlying this particular proposal and they are sympathetic. However, he stated they have a number of concerns with the bill. He stated that as he reads it, it does have the effect of condoning violations of federal laws, which raises questions under the supremacy laws of the United States. He stated this proposal also places the responsibility for administering the program into the Department of Law. He stated he believes the Public Defender is more accustomed to this type of work. Mr. Hickey stated he has a problem with the bill in that it is located in their Department. He stated he feels uncomfortable with the responsibility for administering the bill because their background is more in prosecution.

Mr. Hickey stated there are problems in this bill that a similar bill sponsored by Representative Freeman does not have. He stated HB 65 imposes elaborate requirements for eligibility which raise several constitutional problems. He stated he thinks it is possible these proposals of the bill might be stricken, and if that happens individuals could be eligible that the Legislature didn't intend to be.

Mr. Hickey commented that the enactment of this legislation could weaken their position in Congress on d-2. He stated consideration should also be given to whether or not the federal reaction might be to increase fines beyond what they normally charge.

Chairman Meekins asked if they have been asked to prepare a formal opinion. Mr. Hickey stated they have not. Representative Rogers asked that a formal opinion on this bill be prepared. Mr. Hickey stated he would pass this request on to the proper person in the Attorney General's Office. Chairman Meekins stated he would like a formal opinion in terms of the constitutional questions raised. He stated action on the bill would be deferred until they received the opinion. Representative Rogers asked that the opinion also explain how the federal judges could increase fines.

HB 65
HELD
OVER

Chairman Meekins stated the next bill to be considered was HB 164.

HB 164

"An Act making a special appropriation to the Department of Education for the Sheldon Museum and Cultural Center; and providing for an effective date."

Representative Duncan stated this bill would appropriate \$87.2 to the Department of Education for completion of the Sheldon Museum and Cultural Center in Haines. He stated this was included in the Capital Budget last year in the amount of \$92.1, but it was vetoed by the Governor. He stated the Haines Museum committee has been working for a number of years to get the museum established. He stated he has a large list of funds and in-kind services the community has already put into the Museum. Representative Duncan stated this is a very worthwhile project.

There was discussion on putting this in an appropriation bill rather than going through the Capital Budget.

Representative Duncan commented that this small item is a high priority for both himself and Representative Miller this year. He moved and asked unanimous consent that HB 164 be reported out. There being no objection, it was so ordered. HB 164 was reported out with a "do pass" recommendation.

HB 164
REPORTED
OUT

Chairman Meekins stated the next bill to be considered was HB 110.

HB 110

"An Act making a special appropriation to the Department of Transportation and Public Facilities to complete realignment of the port at Skagway; and providing for an effective date."

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Representative Duncan advised the State Affairs Committee Substitute reduced the amount of the bill to \$114.0. He stated the money would be used to complete the cost of realignment of the port of Skagway. He stated this project has been going on for a number of years. He advised that after the state proposals were made, the City found they needed an additional \$435,000. He advised they city went to the EDA, and they will pick up \$238,000 of that amount. He stated this means they still need an additional \$114,000. Representative Duncan recommended that money be appropriated so this project can be completed.

Mr. Dave Miller, Engineer for the City of Skagway, stated they have combined the ferry terminal and city barge facility. He advised the Department of Transportation took the stand that the city of Skagway should pay the entire \$435,000. He stated they have been advised they will be able to get \$238,000 from EDA, but they need the additional \$114,000.

Representative Duncan commented that these funds could not go through the Capital Budget process because the City needs the money prior to July 1. He stated that otherwise the project will become more expensive because of the time lag.

Representative Haugen moved and asked unanimous consent that the State Affairs Committee Substitute for HB 110 be reported out. There being no objection it was so ordered. CSHB 110 was reported out with a "do pass" recommendation.

CSHB 110
REPORTED
OUT

Chairman Meekins stated the next bill on the agenda was SB 4 am.

"An Act relating to worker's compensation for volunteer ambulance attendants and police."

SB 4 am
HELD
OVER

Representative McKinnon requested this be held until they had completed their work on recommended changes to the workmen's compensation act. There was no objection to holding this bill until that time.

Chairman Meekins stated the next bill to be considered was HB 55.

HB 55

"An Act relating to an employee suggestion award system; and providing for an effective date."

A representative from the Department of Administration explained the bill and stated they support the State Affairs Committee Substitute. He explained how the grants would be used. He stated the awards would be limited to \$5,000 which could only be increased upon approval of the Legislature and Governor. He stated material they have received from national associations indicates use of such programs has initiated savings of about \$6.75 per dollar spent. There was discussion.

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Representative Freeman stated his feeling is that any employee working for government who has a good idea to save the state money should come forward without having to be bribed. There was further discussion. Representative Rogers stated he thinks the \$45.0 for grants is a good idea, but he questioned the need for the other \$60.0 for a new employee.

Representative Rogers moved that a new fiscal note be prepared in the amount of \$45.0 on the grants/claims line. Representative Freeman objected. The motion carried with four in favor and three opposed (Haugen, Montgomery, Freeman).

NEW
FISCAL
NOTE

Representative Rogers moved that the State Affairs CS for HB 55 be reported out with the new fiscal note. The motion carried with four in favor and three opposed (Haugen, Montgomery, and Freeman). CSHB 55 was reported out with individual recommendations.

CSHB 55
REPORTED
OUT

Chairman Meekins stated the next bill to be considered was HB 32.

HB 32

"An Act making a special appropriation to the Department of Commerce and Economic Development, power project revolving fund of the Alaska Power Authority; and providing for an effective date."

Chairman Meekins stated this bill had been discussed earlier and a recommended finance committee substitute had been prepared. Representative Freeman stated they came up with these three particular projects because they are the ones with a time squeeze. He stated the other projects don't need money right away.

Representative Freeman moved and asked unanimous consent that the Finance CS for HB 32 be reported out. There being no objection, it was so ordered. CSHB 32 was reported out with a "do pass" recommendation.

CSHB 32
REPORTED
OUT

Chairman Meekins stated the next bill to be considered was HB 229.

HB 229

"An Act relating to a fee permit system for king salmon and steelhead trout sport fishing."

Mr. Russ Clark, Department of Fish and Game, advised they are in favor of the bill. He advised that currently there is not a special fee permit charge for taking king salmon or steelhead trout in the state. He stated there is a requirement by the Board of Fisheries to have a permit fish system in the Cook Inlet area. He stated it is free if you have a state license.

Mr. Lou Bandarolla, Division of Sport Fish, explained the punch card system presently being used in Cook Inlet.

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Mr. Clark explained the bill does not limit this fee to Cook Inlet. He stated it would apply statewide. He stated the revenue collected will go into the Fish and Game fund.

Representative Haugen commented he doesn't see anything wrong with this bill. He stated he thinks it is a good idea since the funds could be used for restocking of fish.

Chairman Meekins stated he has been advised this bill will result in a charge of \$5 per fish caught. Mr. Clark stated this is not correct. He stated it effectively creates a special license for taking king salmon and steelhead trout. He stated it will cost \$5 above and beyond the normal fishing license. He stated the number of fish that can be taken with that license depends on regulations set by the Board of Fish. He stated that in Southeast that means one fish a day, and as many as you can catch in a season.

There was discussion on what the subsections of the bill were. Mr. Bandarolla stated one is for hardship cases and the other is for juveniles. Representative Freeman stated he thinks this is an unnecessary bill. Representative Montgomery asked if those who receive a special pioneers license would have to pay the additional fee. Mr. Bandarolla stated he believes so.

Chairman Meekins stated the response from his area regarding this bill has been negative.

Representative Guy stated the statute should be changed to raise the amount for hardship cases. He moved to add a new section to the bill changing the amount under AS 16.05.340 (5)(B) from \$3600 to \$5600. There was discussion. The motion carried.

Representative Freeman moved to report CSHB 229 out. There being no objection it was so ordered. CSHB 229 was reported out with individual recommendations.

CSHB 229
REPORTED
OUT

Chairman Meekins stated the next bill to be considered was HCR 2.

HCR 2

"Approving certain recommendations of the Salary Commission."

Ms. Kay Diebels, Chairman, Salary Commission, gave background information on the resolution. She stated they made their first recommendation on September 15th, President Carter's guidelines came through in October, and their report was made public in November. She advised they then went back and revised their recommendations.

Ms. Diebels stated they are talking about a multi-year contract averaging out to a 7% increase per year. She stated they come out with 8% for one year, and 6% for the other. She stated they also want to give a cost of living increase for the second year. She advised the Salary Commission can amend their report, but the Legislature cannot.

There was discussion on the fiscal notes attached to the bill. Ms. Diebels stated the State Affairs Committee Substitute makes changes they requested.

There was discussion on all the salary increases in the State. Chairman Meekins commented on the spiralling effect of each negotiating unit. Ms. Diebels asked if the Committee felt there should be no raises at all. Representative Montgomery stated he cannot support any raises until they have all these requests as a package so they can be considered as a whole. Representative Freeman commented there is a question in his mind as to whether government employees are the only ones who should be protected from inflation. Representative Moss commented they cannot take away from other people without also taking away from themselves. Chairman Meekins concurred with the above comments, and stated people are getting paid more in state government than they are in the private sector.

Representative Freeman moved that the State Affairs CS for HCR 2 be reported out. There being no objection, it was so ordered. CSHCR 2 was reported out with individual recommendations. CSHCR 2
REPORTED
OUT

Chairman Meekins called a recess at 4:50 p.m. and stated the meeting would reconvene on Saturday morning. RECESS

Tape HFC 79-42 Side 2 #487 to end
 79-43 Side 1 #001 to end
 Side 2 #001 to end
 79-44 Side 1 #001 to end
 Side 2 #001 to 387

2/23/79

HOUSE FINANCE COMMITTEE
February 24, 1979
10:50 a.m.

All members of the Committee were in attendance except Representatives Smith, Rogers and Schaeffer. Representative McKinnon arrived later in the meeting. Also present was Bob Grogan, Legislative Finance Division.

PRESENT

Chairman Meekins called the meeting to order and stated they would begin close-outs on the NATURAL RESOURCES category. The computer generated formula funding summary dated 2/16/79 is attached (attachment #1).

NATURAL
RESOURCES
CATEGORY
BUDGET
CLOSE-OUTS

OFFICE OF THE GOVERNOR:

Limited Entry: Chairman Meekins moved to accept the figure of \$850.3 which is a 5% reduction in Personal Services. No objection noted. Chairman Meekins moved to accept the figure of \$40.7 in Travel, which is a 25% reduction. No objection noted. Chairman Meekins moved to accept the figure of \$307.3 in Contractual, which is the computer generated formula plus \$105.3 for the data processing charge back. No objection was noted. Chairman Meekins moved to accept the figure of \$12.4 for Commodities and zero for Equipment. No objection noted. The total figure was \$1210.4. Representative Freeman moved to include legislative intent stating that "No money shall be expended on implementing a limited entry in the hand trolling fishery. There was discussion. Representative Duncan objected to the motion. The motion carried.

Office of
the Gov.

Ms. Alison Farnan, Legislative Finance Division, stated all the numbers for the data processing charge back to not add up. She stated she is working on this, and will prepare a memo to the Chairman. She stated the total figures are very close, but there is a discrepancy between the Departments.

Fisheries Commissions, International North Pacific: Representative Freeman moved to accept the computer generated formula funding figure of \$9.0. No objection was noted.

Fisheries Commissions, International Fisheries: Representative Duncan moved to accept the figure of \$106.9 in Personal Services, and the computer generated formula funding figures for the other line items. No objection was noted.

Fisheries Commissions, Pacific Marine Fisheries: Chairman Meekins moved to accept the Governor's figure of \$29.0. No objection was noted.

2/24/79

Fisheries Commissions, Law of the Sea: Chairman Meekins moved to accept the computer generated formula funding figure of \$14.8. No objection was noted.

Coastal Zone Management, CZM Administration: Representative Haugen moved the figure of zero. Representative Freeman objected. Representative Duncan moved to accept \$200.0 in general fund monies. No objection to the motion. There was discussion on the federal fund monies. Representative Duncan stated the local communities are the ones putting up the grants for the funds. Representative Duncan moved to not accept the six new positions. Mr. Grogan advised they will have to back out \$153.9 in federal funds. No objection to the motion. Chairman Meekins moved to delete 5% from Personal Services, for a figure of \$232.3. No objection was noted.

Coastal Zone Management, NOAA: Chairman Meekins moved to accept the computer generated formula funding figure of \$144.8. No objection was noted.

State Pipeline Surveillance, Gas Pipeline Review: Mr. Grogan suggested closing this component with a zero, pending revisions in the budget, which they could add in Free Conference Committee. Representative Freeman moved the figure of zero until they receive a revised budget for the three pipeline reviews. No objection was noted.

State Pipeline Surveillance: Chairman Meekins stated he doesn't see the purpose of having these programs anymore. Representative Montgomery moved the figure of zero for Oil Pipeline Surveillance and Pipeline Surveillance-Special Programs. No objection was noted.

DEPARTMENT OF REVENUE:

Fish & Game Licensing: Chairman Meekins moved to accept the computer generated formula funding figure of \$264.1. The motion carried.

Dept. of
Revenue

DEPARTMENT OF NATURAL RESOURCES:

Mr. Grogan presented a memo concerning growth in the entire Department of Natural Resources from Fiscal Years 1976 to 1980 (see attachment #2). There was discussion on increases in the Department. There was discussion on how to get land disposed of and how to get the Division of Lands to act. Chairman Meekins suggested going through the budget and coming up with recommended figures, and then give the Department a percentage of their budget, and suggest they come back with a supplemental request next year for the rest of their budget. There was further discussion.

Dept. of
Natural
Resources

A recess was called at 12:00 noon. Chairman Meekins recalled the meeting to order at 1:00 p.m. Discussion continued on the DEPARTMENT OF NATURAL RESOURCES.

Chairman Meekins commented this budget is further complicated by vacancies they are not sure about and one time appropriations that are being put into the base budget. He stated he would like to leave the detail work to the analyst. He suggested the Committee decide what they want done, and have the analyst come up with the figures and report back later. There was further discussion on partially funding the Department. There was discussion on zeroing out a PCN number.

(Representative McKinnon arrived at this time.)

Management and Administration, Office of the Commissioner: Representative Duncan moved to accept the figure of \$515.7 in Personal Services. There was discussion. Representative Duncan withdrew his motion. Chairman Meekins stated that although the budget indicates there are 22 positions, only 17 positions are listed in the PBR, and 3 are listed as being vacant. He stated he would like to take out the three vacant positions, plus three additional positions, which would give them eleven authorized positions. Representative Moss moved to accept eleven positions. Representative Duncan opposed the motion. The motion carried. Chairman Meekins moved the figure of \$10.0 for travel. No objection was noted. Chairman Meekins moved to accept the computer generated formula funding for the rest of the line items. No objection was noted.

Management and Administration, Planning and Research: Mr. Grogan advised seven positions are listed as vacant in this component. Chairman Meekins moved that these seven positions and their associated costs be deleted. Representative Duncan objected. The motion carried. Chairman Meekins moved that all the other line items be reduced proportionately to the personal services reduction: 7/17's to be reduced from the Governor's figure in each line item. There was discussion. Chairman Meekins stated there would be a zero for equipment. The motion carried.

Management and Administration, Temporary d-2 Operations: Representative McKinnon moved the figure of zero. Chairman Meekins stated he assumed the reason for doing this was to consolidate and make more effective their d-2 operation, which is being taken care of by the passage of the \$2 million supplemental. There was no objection to the motion.

Mineral and Energy Management: Representative McKinnon requested all the BRU's under this component be left open. He stated he has a meeting with Representative Miles this afternoon to come up with a program for Mineral and Energy Management. There was no objection. The component was held open.

Geological & Geophysical Programs, Resource Investigations: There was discussion on the figures. Chairman Meekins moved to accept the computer generated formula funding, with the funding sources to be allocated by the analyst. No objection was noted.

Geological & Geophysical Programs, Publications: There was discussion on the reason for this component. There was discussion on the statute requirements. Representative Duncan moved the figure of zero. Chairman Meekins opposed. The motion carried.

Geological & Geophysical Programs: Mr. Grogan advised the Governor's number of positions should be six instead of four. Chairman Meekins moved to accept the computer generated formula funding for all the line items. The motion carried.

Geological & Geophysical Programs, Regulations and Information: Representative Haugen moved to accept the computer generated formula funding for all the line items. The motion carried.

Geological & Geophysical Program, Administration: Chairman Meekins moved to accept the computer generated formula funding figures for all the line items. The motion carried.

Oil & Gas, Conservation: There was discussion on the personal services figure. Mr. Grogan advised that even with their exempt status there are four positions listed as vacant. There was discussion on the salary for engineers. Chairman Meekins moved to accept 22 positions in personal services. He stated this deletes their four vacant positions and assesses a 5% vacancy factor. He further moved that the rest of the line items be the computer generated formula funding figures. There was no objection to the motion.

Royalty Oil & Gas Board: There was discussion on personal services. Chairman Meekins moved to accept the Governor's figure of \$80.6 for personal services, and the computer generated formula funding figures for the other line items. No objection to the motion. Chairman Meekins stated that Representative Rogers had recommended that legislative intent be included stating that "Royalty Oil and Gas Board shall approve the expenditure of their own money." He so moved. There was no objection to the intent. Representative McKinnon moved to include legislative intent that the "Royalty Oil and Gas Board office shall not be moved from Anchorage. Representative Duncan objected. The motion carried. Representative Montgomery moved to take \$42.0 from the \$90.0 contractual figure previously accepted, for a contractual figure of \$48.1. There was no objection to the motion.

2/24/79

A recess was called at 2:15 p.m. and Chairman Meekins recalled the meeting to order at 2:30 p.m.

Land Management, Central Office: There was discussion on the vacant positions. Mr. Grogan advised there are 16 vacancies. Representative Duncan suggested funding 17 positions. Representative Freeman stated the surveying positions are the most important, and those positions are under contractual. Chairman Meekins suggested they give the money for surveying positions, but not the other items. Mr. Grogan stated he thinks that would be taken care of in cadastral engineering. There was further discussion. Chairman Meekins moved that in Personal Services they delete the vacant positions and associated costs, which would give them 17 positions. No objection was noted. Chairman Meekins moved to accept the figure of \$28.7 for travel. No objection was noted. Under contractual, Chairman Meekins moved to take \$200.0 from the \$240.0 requested for Sec. 2, Ch. 181, because eligibility requirements only need updating, for a total of \$204.6. No objection was noted. Chairman Meekins moved to accept the computer generated formula funding figure for commodities. No objection was noted.

Land Management, Land & Water Director: Mr. Grogan advised there are no vacant positions under this BRU. Chairman Meekins moved to accept the Governor's figure of \$135.4 for contractual, and the computer generated formula funding figures for the other line items. No objection was noted.

Land Management, Water Management: Mr. Grogan advised there are two positions vacant under personal services, one since October and the other December, 1978. Chairman Meekins moved to not accept the new positions, and to assess the 8 positions a 5% vacancy factor. No objection was noted. Chairman Meekins moved to accept the figure of \$6.8 (computer generated figure) for travel. No objection was noted. Chairman Meekins moved to accept the computer generated formula funding figures for the other line items. No objection was noted.

Lands Administration & Support, Lands Management: Chairman Meekins moved to delete Mike Smith's PCN Number (#0040). No objection to the motion. Chairman Meekins moved to accept the governor's figure, less the associated costs for Smith's position, and access a 5% vacancy factor. No objection to the motion. Under travel, Chairman Meekins moved to accept the computer generated formula funding figure. No objection. There was discussion on contractual. Chairman Meekins stated the back-up provided is ridiculous. He moved to accept the figure of \$342.4. Representative Duncan objected. The motion carried. Chairman Meekins moved to accept the computer generated formula funding figure for commodities. No objection.

2/24/79

Lands Administration & Support, Classification: Mr. Grogan stated there are six positions shown as vacant, but the PBR shows there are only 14 positions, so it doesn't make any sense. Chairman Meekins moved to delete the six vacant positions, and accept no new positions. No objection. Under travel Chairman Meekins moved to accept the figure of \$24.0. No objection. Chairman Meekins moved to accept the computer generated formula funding for the other line items. No objection.

Administration & Support, Cadastral Engineering: Mr. Grogan advised there are a number of vacancies, but most are short term. Chairman Meekins suggested disallowing the new positions and taking the computer generated figure, for a total of \$938.8. No objection. Under travel, Chairman Meekins moved to accept the computer generated figure. No objection. Under Contractual, Chairman Meekins moved to accept the governor's figure with the proviso that the funds are to be used for surveying and cannot be shifted. No objection. Chairman Meekins moved to accept the figure of \$56.3 for commodities, and \$8.0 for equipment. No objection.

Forest Protection & Management, Fire Protection-State: Representative Moss moved to accept the Governor's figure of \$221.9 less the new positions in personal services. He stated there are three more fire areas being covered than before. No objection to the motion.

Forest Protection & Management, Fire Protection-BLM: Representative Moss moved to accept the Governor's figure. No objection.

Forest Protection & Management, Research & Technical: Representative Freeman moved to accept the computer generated formula funding figure. Chairman Meekins objected. The motion carried.

Forest Protection & Management, Management & Timber Sales: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

Forest Protection & Management, Administration: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

District Operations: Chairman Meekins commented that under all the districts they are changing temporary positions to seasonal. Representative McKinnon commented the personnel agency has been pressuring the agencies to do this.

District Operations, Southeast District: Representative Duncan moved to accept the computer generated formula funding. Representative Freeman asked if that included the new position transferred in from cadastral engineering. Chairman Meekins moved

to delete the position transferred in. Representative Duncan objected, stating no one in Southeast can do cadastral engineering, and he thinks this new positions should be kept. He moved to keep the transferred in position. No objection. The computer generated formula funding was accepted.

District Operations: The Southcentral and Northcentral Districts were discussed. Chairman Meekins stated he would like to tentatively close these components and refer them to the resources committee for further scrutiny. No objection. Chairman Meekins moved to tentatively accept the computer generated formula funding for these two components. No objection. Representative Haugen requested that the Resources Committee also find out what the Merrill Field Subdivision unallocated funds are for. Chairman Meekins will draft a letter to the Committee.

Conservation Action Corps: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

Chairman Meekins moved to accept the computer generated formula funding for the following components, and there was no objection:

Parks & Recreation-Districts, Mat-Su
Parks & Recreation-Districts, Chucach
Parks & Recreation-Districts, Kenai-Kodiak
Parks & Recreation-Districts, Southeast
Parks & Recreation-Districts, Copper Basin
Parks & Recreation-Districts, Interior
District Operations, Operations Administration
Park Management, Park Development

Park Management, State-Federal Coordination: Representative Duncan moved to accept the governor's recommendations. There was no objection.

Park Management, Administration & Support: Chairman Meekins moved to accept the computer generated formula funding. There was no objection.

Historic Resource Management: Chairman Meekins moved to accept the computer generated formula funding figures. Representative Duncan questioned what the decrease would do in contractual. There was discussion. Chairman Meekins moved to tentatively accept the computer generated formula funding figure until Representative Duncan reports back with a recommendation on the contractual figure. There was no objection.

The meeting adjourned at 4:35 p.m.

ADJOURN

Tape HFC 79-44 Side 2 #387 to end
79-45 Sides 1 & 2 #001 to end
79-46 Sides 1 & 2 #001 to end
79-47 Side 1 #001 to 590

2/24/79

STATE OF ALASKA -- OPERATING BUDGET SUMMARY

19:16

2/16/79

* * * * * NATURAL RESOURCE MANAGEMENT * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT

FY78 ACT

FY79 ADJ

REQUEST

GOVERNOR

LEG.REC.

LEG.REC. - GOVERNOR
COMPARISON

2	OFFICE OF THE GOVERNOR	1159.3	1183.6	1879.7	1336.9	1105.1	-231.8	-17.2%
6	LIMITED ENTRY							
8	FISHERIES COMMISSIONS	12.0	12.0	25.0	25.0	9.0	-16.0	-64.0%
10	INTERNATIONAL NORTH PACIFIC	144.3	126.4	155.9	155.9	125.6	-30.3	-19.3%
12	PACIFIC MARINE FISHERIES	27.4	27.4	29.0	29.0	23.3	-5.7	-19.6%
	LAW OF THE SEA	17.6	18.0	20.0	20.0	14.8	-5.2	-29.0%
	*** PROGRAM TOTAL ***	201.3	184.7	229.9	229.9	172.7	-57.2	-24.8%
16	COASTAL ZONE MANAGEMENT	2119.7	2015.3	4141.5	4141.5	1325.9	-2815.7	-68.0%
18	CZM ADMINISTRATION			152.4	152.4	144.8	-7.6	-4.9%
	NOAA			4293.9	4293.9	1470.6	-2823.3	-65.7%
	*** PROGRAM TOTAL ***	2119.7	2165.0					
20	STATE PIPELINE SURVEILLANCE	149.2	1038.3	1658.4	1658.3	1009.1	-649.2	-39.0%
24	GAS PIPELINE REVIEW	525.8	87.2	184.8	38.6	27.9	-10.7	-27.6%
26	OIL PIPELINE SURVEILLANCE		23.3	11.7	11.7	8.8	-2.9	-24.7%
	PIPELINE SURVEILLANCE-SPEC. PR	675.0	1148.8	1854.9	1708.6	1045.8	-662.8	-38.7%
	*** PROGRAM TOTAL ***	4154.3	4682.1	9258.6	7569.3	3794.2	-3775.1	-49.8%
	*** AGENCY TOTAL ***							
	*** FUNDING IMBALANCE					-3794.2		
28	DEPARTMENT OF REVENUE	519.2	573.7	309.8	289.5	264.1	-25.4	-8.7%
	FISH & GAME LICENSING							
	*** FUNDING IMBALANCE					-264.1		
32	DEPARTMENT OF NATURAL RESOURCES	723.9	860.7	1105.8	974.3	778.4	-195.9	-20.8%
34	MANAGEMENT AND ADMINISTRATION							
36	OFFICE OF THE COMMISSIONER	54.2						
38	OFFICE OF THE ASSOC. COMM.	25.2						
40	PIPELINE ADMIN & SUPPORT	11.7						
42	COASTAL ZONE COORDINATION	651.2	884.2	957.6	766.2	703.6	-62.6	-8.1%
44	PLANNING AND RESEARCH		122.8	89.6	89.6	85.1	-4.5	-5.0%
46	TEMPORARY D-2 OPERATIONS	131.3	110.4					
	PLANNING UNIT	600.2	638.3					
	STATE-FEDERAL COMMISSION	2197.7	2616.4	2154.0	1833.1	1967.1	-263.0	-14.3%
	*** PROGRAM TOTAL ***							
50	MINERAL AND ENERGY MANAGEMENT	173.5	232.2	300.3	259.4	205.4	-54.0	-20.7%
52	LEASING MGMT	846.8	700.7	946.8	789.9	617.2	-172.7	-21.8%
54	PETROLEUM MGMT	38.3	58.9	135.8	55.6	50.5	-5.1	-9.1%
56	MINERALS MGMT	156.0	224.2	462.4	409.0	199.0	-210.0	-51.2%
	ADMINISTRATION	1214.6	1216.0	1845.3	1513.9	1072.1	-441.8	-29.1%
	*** PROGRAM TOTAL ***							
60	GEOLOGICAL & GEOPHYSICAL PROGR	1248.3	1042.1	1351.5	1219.7	971.4	-248.3	-20.3%
62	RESOURCE INVESTIGATIONS	169.9	174.5	224.1	114.5	105.8	-8.7	-7.5%
64	PUBLICATIONS	233.3	249.4	296.2	261.0	228.7	-32.3	-12.3%
66	MINERAL LABORATORY	167.0	167.6	200.4	190.3	165.3	-25.0	-13.0%
68	REGULATIONS AND INFORMATION	216.5	237.9	290.2	237.7	213.8	-23.9	-10.9%
	ADMINISTRATION	2035.0	1871.5	2362.4	2023.2	1685.0	-338.2	-16.6%
	*** PROGRAM TOTAL ***							
	OIL & GAS							

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Attachment #1

bcl/hc/c

STATE OF ALASKA -- OPERATING BUDGET SUMMARY
 ***** NATURAL RESOURCE MANAGEMENT *****

1916 2/16/79

SHORT FORM PAGE	BUDGET COMPONENT	FY 78 ACT	FY 79 ADJ	REQUEST	GOVERNOR	LEG. REC.	LEG. REC. - GOVERNOR	COMPARISON
72	CONSERVATION	830.9	1588.8	2111.3	1707.9	1462.2	-245.7	-14.3%
76	ROYALTY OIL AND GAS BOARD	179.7	822.7	207.8	207.8	181.9	-25.9	-12.5%
	LAND MANAGEMENT							
80	CENTRAL OFFICE	743.0	1126.0	1408.9	1365.9	1065.9	-300.0	-22.0%
82	LAND & WATER DIRECTOR	166.0	439.1	170.3	170.3	155.9	-14.4	-8.5%
84	WATER MANAGEMENT	71.7	296.8	650.9	403.5	291.9	-111.6	-27.6%
	*** PROGRAM TOTAL ***	990.7	1861.0	2230.1	1939.7	1513.7	-426.0	-22.0%
	LANDS ADMINISTRATION & SUPPORT							
88	LANDS MANAGEMENT	585.1	1195.0	1547.8	1279.3	1116.1	-163.2	-12.7%
90	CLASSIFICATION	299.1	1043.2	1135.1	1002.3	879.7	-122.6	-12.1%
	*** PROGRAM TOTAL ***	884.2	2238.2	2682.9	2281.6	1995.8	-285.8	-12.5%
	ADMINISTRATION & SUPPORT							
94	CADAstral ENGINEERING	927.3	3674.5	3680.8	3314.7	2902.5	-412.2	-12.3%
	FOREST PROTECTION & MANAGEMENT							
98	FIRE PROTECTION-STATE	307.5	207.6	372.5	221.9	158.7	-63.2	-28.5%
100	FIRE PROTECTION-BLM	1200.1	277.6	371.9	371.9	316.1	-55.8	-15.0%
102	RESEARCH & TECHNICAL	57.1	105.2	136.9	126.2	103.6	-22.6	-17.8%
104	MANAGEMENT AND TIMBER SALES	129.9	260.2	250.3	250.3	217.2	-33.1	-13.1%
106	ADMINISTRATION	69.7	170.4	268.4	246.6	199.3	-57.3	-23.1%
	*** PROGRAM TOTAL ***	1764.3	1021.0	1400.0	1216.9	984.9	-232.0	-19.0%
	DISTRICT OPERATIONS							
110	SOUTHEAST DISTRICT	371.2	811.1	970.7	956.4	860.9	-95.5	-10.0%
112	SOUTHCENTRAL DISTRICT	1236.2	2434.4	3020.0	2667.9	1558.6	-1109.3	-41.5%
114	NORTHCENTRAL DISTRICT	833.6	1980.6	2305.5	1992.4	1261.6	-730.8	-36.6%
	*** PROGRAM TOTAL ***	2441.0	5126.1	6296.2	5616.7	3681.1	-1935.6	-34.5%
116	CONSERVATION ACTION CORPS	311.8	906.5	592.3	523.1	460.2	-62.9	-12.0%
	PARKS & RECREATION-DISTRICTS							
120	MAT-SU	394.3	437.7	510.7	463.6	420.1	-43.5	-9.3%
122	CHUGACH	400.5	448.9	519.8	451.4	404.5	-46.9	-10.3%
124	KENAI-KODIAK	232.1	235.3	309.1	288.9	219.5	-69.4	-24.0%
126	SOUTHEAST	208.0	210.2	349.7	252.4	225.0	-27.4	-10.8%
128	COPPER BASIN	100.0	136.9	161.2	146.3	127.0	-19.3	-13.1%
130	INTERIOR	315.7	374.2	416.7	379.8	342.1	-37.7	-9.8%
132	OPERATIONS ADMINISTRATION	44.2	49.0	75.7	50.7	45.6	-5.1	-10.0%
	*** PROGRAM TOTAL ***	1694.8	1901.2	2342.9	2033.1	1783.8	-249.3	-12.2%
	PARK MANAGEMENT							
136	PARK DEVELOPMENT	159.2	620.9	289.7	235.3	193.7	-41.6	-17.6%
138	STATE-FEDERAL COORDINATION	139.8	85.1	96.6	96.6	86.6	-10.0	-10.3%
140	ADMINISTRATION & SUPPORT	251.1	225.8	325.0	318.9	254.1	-64.8	-20.2%
	*** PROGRAM TOTAL ***	550.1	931.8	712.2	650.8	534.4	-116.4	-17.8%
142	HISTORIC RESOURCE MANAGEMENT	585.8	302.9	450.6	372.6	299.5	-73.1	-19.5%
	*** AGENCY TOTAL ***	16397.7	24980.4	29068.8	25232.1	20124.2	-5107.9	-20.1%
	*** FUNDING IMBALANCE					-20124.2		
	DEPARTMENT OF FISH & GAME							
	COMMERCIAL FISH							
146	RESEARCH	1875.0	2628.5	3675.7	2741.3	2117.8	-623.5	-22.6%
148	MANAGEMENT	4353.6	4521.7	5169.3	4905.5	4255.0	-650.5	-13.2%
150	ADMINISTRATION AND SUPPORT	736.5	849.8	845.0	1052.5	765.3	-287.2	-27.2%
152	FEDERAL AID PROGRAMS	1398.0	1442.0	1577.3	1539.2	1346.9	-192.3	-12.5%

STATE OF ALASKA -- OPERATING BUDGET SUMMARY

19:17

2/16/79

* * * * * NATURAL RESOURCE MANAGEMENT * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT

FY78 ACT.

FY79 ADJ.

REQUEST

GOVERNOR

LEG. REC.

LEG. REC. - GOVERNOR
COMPARISON

154

SPECIAL PROJECTS

8363.1

9512.0

12007.3

740.0

740.0

1.0

-739.0

158

SPORT FISH

2049.1

2957.2

3103.4

2740.0

2644.2

-295.8

-10.7%

160

INVESTIGATIONS AND RESEARCH

782.6

854.0

1030.1

811.2

750.6

-60.6

-7.5%

162

SPORT FISH RESTORATION

55.0

58.8

102.8

62.4

46.9

-15.5

-24.7%

164

ADMINISTRATION

177.4

207.9

221.1

235.4

191.0

-44.4

-18.8%

*** PROGRAM TOTAL ***

3064.1

3978.4

4457.4

3849.0

3432.2

-416.3

-10.7%

168

F.R.E.D.

4652.9

7000.4

9384.5

7395.0

5730.5

-1664.5

-22.5%

170

OPERATIONS

149.3

953.1

1041.2

869.2

680.5

-188.7

-21.6%

172

ENGINEERING SUPPORT

930.9

1247.7

1664.3

1377.9

1120.6

-257.3

-18.6%

174

TECHNOLOGY AND DEVELOPMENT

5742.1

9101.2

12090.0

9642.1

7531.6

-2110.5

-21.8%

*** PROGRAM TOTAL ***

5742.1

9101.2

12090.0

9642.1

7531.6

-2110.5

-21.8%

178

ADMINISTRATION AND SUPPORT

237.0

288.6

443.3

328.6

275.2

-53.4

-16.2%

180

OFFICE OF THE COMMISSIONER

191.1

197.8

372.7

220.1

186.4

-33.7

-15.2%

182

PUBLIC COMMUNICATION

2370.0

2189.1

3776.1

2308.6

2029.1

-279.5

-12.0%

184

ADMINISTRATIVE SERVICES

37.6

120.6

1526.9

1418.5

1247.9

-171.0

-12.0%

186

VESSELS

4041.4

4093.4

6119.0

4275.9

3738.2

-537.6

-12.5%

*** PROGRAM TOTAL ***

4041.4

4093.4

6119.0

4275.9

3738.2

-537.6

-12.5%

190

GAME INVESTIGATIONS AND RESEARCH

4174.6

5155.3

6188.4

5289.8

4708.8

-581.0

-11.0%

192

MANAGEMENT

444.0

553.8

683.4

442.0

394.2

-47.8

-10.7%

194

HUNTER SAFETY

66.4

126.1

128.1

122.4

108.6

-13.8

-11.2%

196

ADMINISTRATION AND SUPPORT

340.9

390.0

400.5

399.4

379.4

-20.0

-5.0%

*** PROGRAM TOTAL ***

5055.9

6225.2

7400.4

6253.6

5591.0

-662.6

-10.5%

200

BOARDS OF FISH AND GAME

147.2

312.8

342.0

399.7

231.5

-168.2

-42.0%

204

BOARDS OF FISH & GAME

500.0

1420.1

845.9

645.7

-200.2

-23.6%

FISH & GAME SUPPORT SERVICES

500.0

1420.1

845.9

645.7

-200.2

-23.6%

208

SURSISTENCE SECTION

271.2

285.7

385.1

305.8

279.1

-26.7

-8.6%

210

HABITAT PROTECTION

274.8

270.0

233.2

198.1

179.2

-18.9

-9.5%

212

MARINE/COASTAL HABITAT MGMT

289.8

493.1

703.5

531.8

465.0

-66.8

-12.5%

214

LAND AND WATER PROTECTION

176.8

44.0

455.5

455.5

-455.9

-100.0%

216

LAND AND WATER CONSERVATION

481.9

214.8

28.6

1691.3

1087.1

-604.2

-35.6%

218

ADMINISTRATION AND SUPPORT

76.0

1053.1

1691.3

1691.3

1087.1

-604.2

-35.6%

220

ENVIRONMENTAL MONITORING

481.9

214.8

28.6

1691.3

1087.1

-604.2

-35.6%

222

SPECIAL FEDERAL PROJECTS

76.0

1053.1

1691.3

1691.3

1087.1

-604.2

-35.6%

224

OIL PIPELINE MONITORING

1569.9

2438.9

3552.6

3237.9

2060.1

-1177.8

-36.3%

*** PROGRAM TOTAL ***

27983.3

36161.3

47388.8

39482.5

31716.8

-7765.7

-19.6%

*** AGENCY TOTAL ***

27983.3

36161.3

47388.8

39482.5

31716.8

-7765.7

-19.6%

*** FUNDING IMBALANCE

27983.3

36161.3

47388.8

39482.5

31716.8

-7765.7

-19.6%

228

DEPARTMENT OF PUBLIC SAFETY

4557.8

5319.6

6469.5

5525.1

4830.6

-694.5

-12.5%

230

PROTECTION

603.9

576.8

631.7

606.7

565.6

-41.1

6/24/79

STATE OF ALASKA -- OPERATING BUDGET SUMMARY

19:17

2/16/79

*** NATURAL RESOURCE MANAGEMENT ***

SHORT
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BUDGET COMPONENT

FY78 ACT

FY79 ADJ

REQUEST

GOVERNOR

LEG. REC.

LEG. REC. - GOVERNOR
COMPARISON

234

*** MARINE ENFORCEMENT ***

903.2

1306.0

1659.4

1447.3

1179.1

-268.2

-18.52

*** PROGRAM TOTAL ***

6765.8

7992.3

9815.0

8400.0

7235.5

-1164.5

-13.84

*** FUNDING IMBALANCE ***

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

238

WATER POLLUTION CONTROL

335.9

341.6

430.1

424.5

301.9

-122.7

-28.88

240

WATER SUPPLY

627.1

788.0

786.0

736.0

218.0

-568.0

-72.22

242

FACILITY CONSTRUCTION AND OPER

219.3

201.9

484.0

479.6

195.3

-284.3

-59.22

244

DIRECTORS OFFICE

91.5

95.2

125.7

125.7

91.0

-34.7

-27.58

246

ENVIRONMENTAL ANALYSIS

308.1

428.0

445.9

443.8

343.8

-100.0

-22.58

*** PROGRAM TOTAL ***

1603.9

1855.5

2271.6

2259.6

1149.9

-1109.7

-49.02

TERRESTRIAL PROGRAMS

250

AIR QUALITY

223.8

282.6

240.5

240.5

198.6

-41.9

-17.38

252

LAND USE

219.2

326.4

348.0

349.0

177.1

-170.9

-49.02

254

DIRECTORS OFFICE

95.2

95.7

96.7

99.6

92.3

-7.3

-7.22

*** PROGRAM TOTAL ***

538.2

704.7

688.2

689.1

468.0

-220.1

-32.08

ADMINISTRATION AND SUPPORT

258

OFFICE OF THE COMMISSIONER

445.6

354.4

396.7

336.3

303.4

-32.9

-9.78

260

ADVISORY BOARD

8.9

11.9

12.6

12.5

9.1

-3.4

-27.12

262

MANAGEMENT SERVICES

300.0

317.8

355.9

343.9

301.4

-42.5

-12.38

264

TECHNICAL SERVICES

328.1

351.0

436.7

406.5

315.9

-90.6

-22.22

266

PROGRAM COORDINATION

336.0

411.6

518.2

494.6

413.2

-81.4

-16.58

*** PROGRAM TOTAL ***

1418.6

1446.7

1720.1

1593.8

1353.0

-250.8

-15.62

OIL PIPELINE MONITORING

270

OIL PIPELINE MONITORING

165.0

20.3

610.6

610.6

238.0

-372.6

-61.02

272

GAS PIPELINE IMPACT

20.3

260.8

610.6

610.6

238.0

-372.6

-61.02

*** PROGRAM TOTAL ***

185.3

260.8

610.6

610.6

238.0

-372.6

-61.02

REGIONAL OFFICES

276

SOUTHEAST REGION

264.7

262.9

415.0

385.2

260.6

-124.6

-32.22

278

SOUTHCENTRAL REGION

455.8

572.6

778.6

759.5

580.0

-179.5

-23.52

280

NORTHERN REGION

421.9

568.0

664.1

664.1

496.1

-168.0

-25.22

282

PRINCE WILLIAM SOUND REGION

147.5

160.4

191.0

191.0

150.6

-40.4

-21.12

*** PROGRAM TOTAL ***

1289.9

1563.9

2048.7

1999.8

1497.3

-512.6

-25.58

TANK & OIL TERM SAFE

286

TANKER & OIL TERMINAL SAFETY

339.0

995.9

455.7

450.8

397.9

-52.9

-11.62

*** AGENCY TOTAL ***

5374.9

6927.5

7794.9

7602.7

5084.1

-2518.6

-33.02

*** FUNDING IMBALANCE ***

STATE BOND COMMITTEE

290

DEBT SERVICE

1847.9

2816.6

4582.2

3911.3

292

FISH AND GAME FACILITIES

3094.6

3496.0

5145.7

5149.7

294

WATER AND SEWER

358.2

596.5

1341.5

1341.5

296

PARKS AND RECREATION

77.0

138.1

191.7

337.3

*** PROGRAM TOTAL ***

5377.7

7047.2

11265.1

64/4/79

STATE OF ALASKA -- OPERATING BUDGET SUMMARY
***** NATURAL RESOURCE MANAGEMENT *****

19:17 2/16/79

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PAGE

BUDGET COMPONENT

FY78 ACT

FY79 ADJ

REQUEST

GOVERNOR

LEG.REC.

LEG.REC. - GOVERNOR
COMPARISON

***** TOTAL EXPENDITURES

56572.9

89264.5

113900.8

99315.9

78958.7

-20357.2

-20.0%

***** FUNDING

FED. RECEIPT
GENERAL FUND
OTHER FUNDS

10199.3

11671.9

14205.3

14806.4

50538.4

67174.7

89835.5

75069.1

5844.2

9417.9

9860.0

9449.4

294

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

February 22, 1979

MEMORANDUM

TO: Russ Meekins, Chairman
House Finance Committee

FROM: Robert L. Grogan *RLG*
Fiscal Analyst

SUBJECT: Analysis of Department of Natural Resources
Budget Growth - Fiscal Year 1976-1980 (Gov)

In response to your request for information concerning the budgetary growth of the Department of Natural Resources, the following chart is submitted. Basically, the rate of growth for DNR is approximately twice as great as the increase of general fund expenditures over the same four year examination period.

RLG:pw

Chart Attached

DEPARTMENT OF NATURAL RESOURCES
ANNUAL APPROPRIATIONS FISCAL YEARS 1976-1980 (GOV)

<u>Budget Component</u>	<u>FY 76</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	<u>% Increase</u>
Land & Water Mgmt	\$2,604.3	\$3,356.3	\$4,618.5	\$5,722.6	\$13,152.7	49.9
Hard Minerals	1,310.1	1,691.6	1,667.0	1,875.7	2,023.2	11.5
Oil & Gas	849.3	1,298.4	1,030.7	1,749.9	1,915.7	22.5
Fire Protection	895.4	1,192.2	1,347.5	1,373.3	593.8	-9.8
Forest Management	214.1	272.7	243.8	280.8	623.1	30.6
Parks	1,995.4	2,721.2	2,909.3	3,206.1	3,630.3	16.1
Commissioner's Ofc.	1,091.2	1,719.3	1,936.7	2,489.0	1,830.1	13.8
Mineral & Energy Management			1,082.3	1,203.5	1,513.9	18.3
TOTAL:	\$8,959.8	\$12,251.7	\$14,835.8	\$17,900.9	\$25,282.8	29.6
 Average GF Budget Growth						 14.2

Millions)

FISCAL
YEARS

K&E 353-B
1/4" to the inch

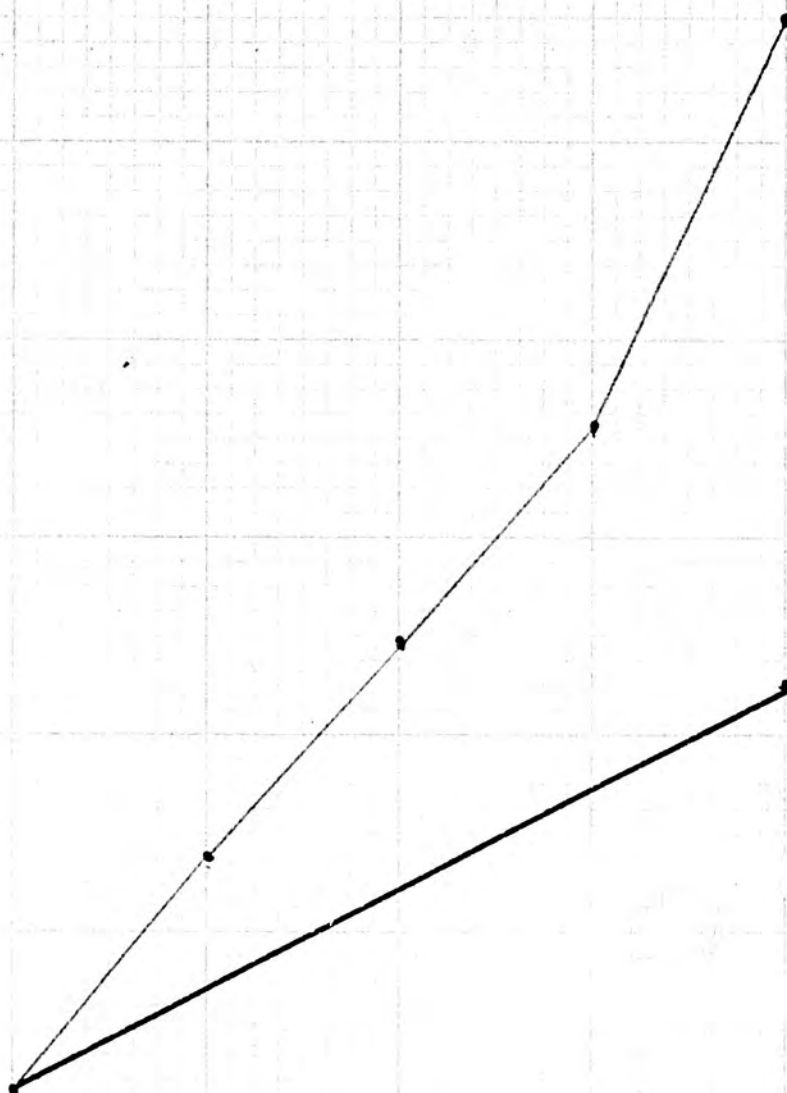
76

77

78

79

80



— AVERAGE GF BUDGET GROWTH

— DNR BUDGET GROWTH

297

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KEUFFEL & ESSER CO.
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HOUSE FINANCE COMMITTEE
February 25, 1979
1:03 p.m.

All members of the Committee were in attendance except Representatives Smith, Rogers and Schaeffer. Also present was Bob Grogan, Legislative Finance Division.

PRESENT

Chairman Meekins called the meeting to order and stated they would continue closing-out the NATURAL RESOURCES category.

NATURAL
RESOURCE
CATEGORY
CLOSE-
CUTS

DEPARTMENT OF FISH & GAME:

Dept. of
Fish &
Game

Commercial Fish: There was discussion on the entire component. There was discussion on Speaker Gardiner's request for \$400.0 to go to nonprofit corporations. Representative Haugen stated he supports reducing the budget. He stated he the FRED Division they have an annual budget of \$9.5 million right now. He said they haven't built hatcheries from the bond issue approved two years ago, and they received additional bond monies this year. There was discussion on administration's priorities under the Commercial Fish component.

Commercial Fish, Research: Representative Haugen stated he supported the idea of reducing the budget and providing the Division with an ultimatum that they have to do a better job in managing the money. Mr. Grogan advised the vacancy factor is very low overall. Representative Duncan stated the main decision to be made here is whether or not they want to allow the new studies. There was discussion on the new programs. Chairman Meekins moved to tentatively accept the computer generated funding, which would not allow the new positions, and wait for further information from the Department and from House members before setting a final figure. He appointed Representatives Haugen and Duncan to a subcommittee to obtain further information from the Department and make recommendations. There was no objection.

Commercial Fish, Management: Chairman Meekins moved to tentatively accept the computer generated formula funding pending receipt of further information from House members and the Haugen/Duncan subcommittee. There was no objection.

Commercial Fish, Administration & Support: Chairman Meekins moved under Contractual to work from the computer generated formula funding figure and add back in the data processing charge back for a total of \$259.6 for this line item. He further moved to accept the computer generated formula funding figures for the other line items. There was no objection.

Commercial Fish, Federal Aid Programs: Chairman Meekins moved to accept the computer generated formula funding figures. There was no objection.

Commercial Fish, Special Projects: Chairman Meekins moved to tentatively accept the Governor's figures pending recommendations from the Haugen/Duncan subcommittee. He instructed the subcommittee to check and see if programs under this BRU do the same things as general fund monies are doing under the Research BRU. No objection to the motion.

Sport Fish, Investigations and Research: Representative Haugen moved to accept the computer generated formula funding. Chairman Meekins stated he would like the reduction to be taken out of the general fund monies because the Division indicated they did not know what the effect of the d-2 withdrawals would be on the fish and game fund. He stated they can come back with a request next year when they have better information. There was no objection to the motion.

Sport Fish, Management: Representative Haugen moved to accept the computer generated formula funding figures. No objection.

Sport Fish, Sport Fish Restoration: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

Sport Fish, Administration: Chairman Meekins moved to add the data processing charge back figure back into the contractual figure under the computer funding formula, and to accept the computer generated formula funding figures for the other line items. No objection.

F.R.E.D.: Representative Duncan said the new positions are related to new hatcheries. Representative Haugen commented he is not satisfied with what they are doing. Chairman Meekins requested that the Haugen/Duncan subcommittee take all the components under the F.R.E.D. Division under consideration, and report back with recommendations. He moved to tentatively close this section accepting the computer generated formula funding figures, and adding back in the data processing charge back under contractual. There was no objection. The following F.R.E.D. BRU's are tentatively closed: Operations, Engineering Support, Administration, Technology and Development.

Administration and Support, Office of the Governor: Representative Duncan moved to accept the computer generated formula funding figures. There was no objection.

Administration and Support, Public Communication: Chairman Meekins moved to accept the computer generated formula funding figures. There was no objection.

Administration and Support, Administrative Services: Chairman Meekins moved to accept the computer generated formula funding. There was no objection. Representative McKinnon moved to reinsert

the FY 79 legislative intent which states: "The allocation includes a grant of \$35,000 for the Anchorage Zoo". There was discussion. No objection to the motion. Chairman Meekins moved to add \$35,000 in contractual to the computer generated formula funding figure previously accept. No objection.

Chairman Meekins moved that in all the components fixed costs, such as rent and the data processing charge back, are to be accepted. He stated the analyst can check the figures to make sure these items are added back in. There was no objection to the motion.

Chairman Meekins called a recess at 2:20 p.m. and recalled the meeting to order at 2:30 p.m.

Administration and Support, Vessels: There was discussion on whether the repair costs were necessary. Representative Freeman suggested the Division be given their request figure to do the maintenance work. Representative Freeman moved to accept the Governor's figures for contractual and commodities, and the computer generated formula funding figures for the other line items, with the understanding they can reduce this later if they receive information that the maintenance work is not necessary. There was no objection.

Game, Investigations & Research: There was discussion on the general fund amount included here. Chairman Meekins moved to accept the figure of \$3404.7 in personal services, and taking the governor's figure for the rest less a pro rata amount from each line item to delete the \$750.0 in general funds. No objection. Chairman Meekins stated they could come in with a request next year when they have further information on how much money the fish and game fund will lose.

Chairman Meekins moved to accept the computer generated formula funding figures for the following BRU's, and there was no objection:

Game, Management
Game, Hunter Safety
Game, Administration & Support

Boards of Fish & Game: There was discussion on the pilot program recommended by the Governor. Chairman Meekins stated a bill has been introduced setting up regional programs, and if they accept the bill they won't need this pilot program. There was discussion on travel for the advisory boards. Representative Guy stated the advisory boards feel the intent, which was to have their travel and per diem paid for, has not been complied with. Chairman Meekins moved to take \$74.3 from travel and put it under grants/claims with

legislative intent that it may only be used for advisory board travel and per diem. He further moved to accept the figure of \$62.0 for travel, the governor's figure for personal services, and the computer generated formula figure for commodities. There was no objection to the motion and intent.

Fish and Game Support Services, Subsistence Section: Chairman Meekins moved this component be held open as the Committee will be taking testimony on this budget at its meeting tomorrow. There was no objection.

The computer generated formula funding figures were accepted for the following BRU's:

Habitat Protection, Land & Water Conservation (motion by Duncan)
Habitat Protection, Administration & Support (motion by Duncan)
Habitat Protection, Environmental Monitoring (motion by Freeman)
Habitat Protection, Special Federal Projects (motion by Meekins)

Habitat Protection, Oil Pipeline Monitoring: Chairman Meekins moved to accept the Governor's figure of zero. No objection.

Habitat Protection, Gas Pipeline Monitoring: Chairman Meekins stated this had been zeroed out by a previous motion, pending receipt of a revised budget.

Habitat Protection, North Slope Haul Road: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

DEPARTMENT OF PUBLIC SAFETY:

Dept. of
Public
Safety

Mr. Grogan presented a memorandum regarding a suggested change in format to make it easier for the Legislature to make their deliberations (see attachment #1). There was discussion on the suggestion. Representative Duncan moved to include legislative intent recommending that the Department of Public Safety prepare their budget next year in a formula similar to the one outlined in Mr. Grogan's memo. No objection to the motion.

Protection, Enforcement: Chairman Meekins moved to accept the computer generated formula figures for all the line items except Grants/Claims where the figure will be \$20.5. There was no objection.

Protection, Director's Office: Chairman Meekins moved to accept the computer generated formula funding figures. No objection.

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Protection, Aircraft Section: Chairman Meekins stated they have the same situation here concerning maintenance of equipment that they had under the Vessels BRU. He moved to take the computer generated formula funding figures for Personal Services and Travel, and to take the Governor's figures for the other line items. There was no objection.

Protection, Marine Enforcement: Chairman Meekins moved to accept the computer generated formula funding figures and to add \$65.0 to the contractual figure for vessel repair. There was no objection.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION:

Dept. of
Environ.
Conser.

See attached memo from Grogan concerning funding in the Department (attachment #2).

Chairman Meekins stated that Grogan's memo concerning a revised format also applies to this Department. Chairman Meekins stated he would like to deal with the numbers under the BRU's as they are presently formed, and then have Mr. Grogan put the numbers in under the revised format. There was no objection.

Water Programs, Water Pollution Control: Chairman Meekins moved to accept the Governor's figure in contractual and legislative intent stating that the contractual figure includes \$125.0 in federal funds for Anchorage pollution planning. He further moved that the other line item figures be the computer generated formula funding. There was no objection.

Water Programs, Water Supply: Representative Duncan moved to accept the computer generated formula funding figures except Miscellaneous shall be \$537.5. There was no objection.

Water Programs, Facility Construction and Operation: Representative Freeman moved to accept the computer generated formula funding figures plus the data processing charge back in contractual. There was no objection.

Water Programs, Director's Office: Representative Duncan moved to accept the computer generated formula funding. There was no objection.

Water Programs, Environmental Analysis: Representative Guy requested that the legislative intent from last year be included again this year. "The allocation includes a grant of \$15,000 for water supply assistance for Tuluksak to repair the water well. There was no objection. Chairman Meekins moved to delete the position vacant since 1977 from the Governor's figure, and then assess a 5% vacancy factor to that figure.

There was no objection. Chairman Meekins moved to accept the computer generated formula funding figures for the other line items, except Contractual is to include an additional \$15,000 to go with Guy's intent. There was no objection.

Chairman Meekins moved to accept the computer generated formula figure for the following BRU's and there was no objection:

Terrestrial Programs, Air Quality (plus the DP charge-back)
Terrestrial Programs, Land Use
Terrestrial Programs, Director's Office
Administration and Support, Office of the Commissioner
(plus the DP charge back)

Administration and Support, Advisory Board: Chairman Meekins moved to zero this component out. There was no objection.

Administration and Support, Management Services: Representative Duncan moved to accept the computer generated formula funding figures. No objection.

Administration and Support, Technical Services: Chairman Meekins moved to accept the computer generated formula funding figures. There was no objection.

Program Coordination: Chairman Meekins moved to accept the computer generated formula funding figures. There was no objection.

Gas Pipeline Impact: Chairman Meekins advised this had been zeroed out by a previous motion, pending receipt of a revised budget.

Regional Offices, Southeast Region: Representative Freeman moved to accept the computer generated formula funding figures. There was no objection.

Regional Offices, Southcentral Region: Representative Duncan moved to accept the governor's figure less the vacant position and a 5% vacancy factor assessment. He further moved to accept the computer generated formula funding figures for the other line items. There was no objection.

Regional Offices: Representative Duncan moved to accept the computer generated formula funding figures in the Northern Region and Prince William Sound Region BRU's. There was no objection.

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Tank & Oil Terminal Safety: Representative Rogers' Aide advised that he has a note from Rogers recommending this component be zeroed out because HB 205 would provide that this be funded through a fiscal note. Representative Duncan moved to accept the figure of zero. There was no objection. Chariman Meekins moved that intent be included stating this component has been zeroed out in anticipation of passage of HB 205 with a fiscal note. There was no objection.

There was discussion on funding only a percentage of the Natural Resources category budget. Chairman Meekins moved that they provide 65% funding with intent that the Department can come back next year with a supplemental request for the rest of the appropriation. He stated 65% would fund them for approximately 7 months, or up to February 15th. There was no objection to the motion.

The meeting adjourned at 3:45 p.m.

ADJOURN

Tape HFC 79-47 Side 1 #590 to end
 Side 2 #001 to end
79-48 Side 1 #001 to end
 Side 2 #001 to 688

2/25/79

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

February 21, 1979

MEMORANDUM

TO: Russ Meekins, Chairman
House Finance Committee

FROM: Robert L. Grogan *R. G.*
Fiscal Analyst

SUBJECT: Budget Format Reorganization

In response to your request to examine and evaluate the budget format of the Departments of Environmental Conservation and Public Safety-Division of Fish and Wildlife Protection, I am submitting the following remarks.

Looking at the budget presentation of the Department of Environmental Conservation budget, it appears that there are too many small overlapping components. The present format is essentially the same as first used in the Department's initial budget submission several years ago. The format might have had significance at one time but is of little value today.

The following chart contrasts the present format with a proposed one.

EXISTING FORMAT

Department of Environmental Conservation

Water Programs

Water Pollution Control

Water Supply

Facility Construction and Operation

Director's Office

Environmental Analysis

Terrestrial Programs

Air Quality

Land Use

Director's Office

2/21/79

Administration and Support
Office of the Commissioner
Advisory Board
Management Services
Technical Services
Program Coordination

Oil Pipeline Monitoring
Oil Pipeline Monitoring
Gas Pipeline Impact

Regional Offices
Southeast Region
Southcentral Region
Northern Region
Prince William Sound Region

Tank & Oil Terminal Safety
Tanker & Oil Terminal Safety

PROPOSED FORMAT

Water Quality Programs

Village Safe Water Programs

Terrestrial Programs

Administration and Support
Commissioner's Office
Management Services
Technical Services

Pipeline Monitoring

Tanker Safety

The proposed format consolidates the number of components while maintaining separation of the important individual program areas. The proposal would reduce the amount of paperwork by about half and should make for more meaningful budget hearings.

In terms of usefulness to the Finance committees, the Division of Fish and Wildlife Protection's budget presentation has two faults. First, the format is excessively consolidated (the Enforcement component amounts to more than \$5 million and

nearly 90 positions). The Committee has no way of examining individual program areas or regional emphasis. The present format is little more than a blank check to the Division. The second fault is the separation that does exist occurs over lines which are of little value to Finance Committee study. The Legislature has little interest or knowledge about the agency's aircraft or vessel requirements, but it often has definite ideas about such things as moose poaching on the Kenai Peninsula or policing the Bering Sea Crab Fishery, etc. The proposed format breaks the large request into more easily digested pieces. It would also create program areas that would be more useful to the committees. The following chart draws attention to the differences between the two formats.

EXISTING FORMAT

Department of Public Safety:
Protection
Enforcement
Director's Office
Aircraft Section
Marine Enforcement

PROPOSED FORMAT

Commercial Fish Protection
Southeast District Protection
Southcentral District Protection
Interior District Protection

Sport Fish/Game Protection
Southeast District Protection
Southcentral District Protection
Interior District Protection

Administration and Support

The regional breakdown of the proposed format shown above may not be the most desirable, but some means of allowing the committees to review the Division's budget in a more programatic fashion must be found.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

February 20, 1979

MEMORANDUM

TO: Russ Meekins, Chairman
House Finance Committee

FROM: Robert L. Grogan *RIG*
Fiscal Analyst

SUBJECT: Department of Environmental Conservation Funding

The following details the funding sources for the Department of Environmental Conservation per the Governor's FY 80 budget request:

<u>Source</u>	<u>Amount</u>	<u>%</u>
Federal	\$2,212.1	29
General Fund Matching	597.2	8
General Fund	3,560.7	47
Other*	<u>1,232.7</u>	16
TOTAL	\$7,602.7	

* Primarily consists of Oil Pollution Control Fund and receipts from Northwest Pipeline. Both funding sources can be considered unsure at this time.

HOUSE FINANCE COMMITTEE

February 26, 1979

9:05 a.m.

All member of the Committee were in attendance, except Representatives Duncan, Rogers, Schaeffer and Smith. Also in attendance: Representative Jack Fuller; Dick Holden, Deputy Commissioner, Facility Planning and Research, Department of Transportation and Public Facilities; John Crandall, Administrative Assistant to Chairman Meekins; Jay Hogan, Director, and John Lucas, Milt Barker and Dave Scott, Budget Analysts, Division of Legislative Finance.

PRESENT

Chairman Meekins called the meeting to order and stated the first order of business is to hear testimony from Representative Jack Fuller, Chairman of the Special Committee on Subsistence. He stated this is in NATURAL RESOURCES budget category, Department of Fish and Game, Subsistence Section, short form page 205.

NATURAL
RESOURCES
BUDGET

Representative Fuller distributed to Committee members a memorandum, with attachments, from him dated February 9 (see Attachment 1). He advised the best that can be expected is an operational date of October 1. He stated the Subsistence Committee recommended \$1,471,200. He advised the three basic differences from the Subsistence Task Force are: (1) they do not recommend the temporary positions, which are mostly clerical; (2) they recommend an equipment cut; and (3) they recommend 11, rather than 9, regional offices. He stated they also recommend 24 positions. He stressed the importance of getting the people out to the rural areas and advised \$98.0 of the contractual is mostly for air charter. He stated this does not include board meetings. He advised the two new offices they recommend would be in Fairbanks and Anchorage. There was brief discussion.

At this time, Jay Hogan, Director of Legislative Finance presented a memorandum dated February 26 (see Attachment 2), NEW COMPUTER RUN regarding the new computer run "Expenditure/Encumbrance Report". During his brief presentation, he advised the run is not by program category but like the "Haugen Report" by agency. He indicated there are two BRU's per page and they are in agency order instead of program order.

During discussion, Mr. Hogan advised this computer run is devoted to operating budget projects--not capital projects. He indicated Department of Transportation is currently working on a State accounting system designed to deal with capital projects.

Chairman Meekins stated the next order of business is an overview of the HEALTH budget by John Lucas, budget analyst.

HEALTH
BUDGET

Commenting briefly, Mr. Lucas advised the total budget the agency is showing is a net increase of \$280,000. He discussed medicaid receipts and explained how they are being handled this year.

The meeting adjourned at 9:55 a.m.

ADJOURN

Tape HFC 79-48 Side 2 #688 - End
79-49 Side 1 #001 - #705



Official Business

Alaska State Legislature

House of Representatives

Special Committee
on Subsistence

Pouch V
State Capitol
Juneau, Alaska 99811

February 29, 1979

The Honorable Russ Meekins
Finance Committee Chairman
House of Representatives
Alaska State Legislature
Juneau, Alaska 99811

Dear Chairman Meekins:

The Special Committee on Subsistence is forwarding its recommendations on the section of the NRMEC budget dealing with the Subsistence Section in the Department of Fish and Game. Our basic recommendation is that the eleven offices and the 24 permanent positions specified in the fiscal note which accompanied H.B. 960 last year be funded in FY 1980. The Fish and Game Department currently plans to establish only 7 offices with 15 permanent positions during the current fiscal year due to the Governor's veto of the H.B. 960 appropriation from \$919,400 to \$500,000.

We recommend that \$1,471,200 be appropriated for the operation of the 11 Subsistence Section offices. This figure is considerably larger than the original appropriation of \$919,400 which accompanied H.B. 960. However, both Fish and Game Department personnel and the Subsistence Committee agree that the original fiscal note provided very inadequate levels of funding for travel and operations of the eleven offices.

In developing the enclosed budget, the Committee relied primarily on the Department of Fish and Game's budget request for FY 1980. Their request for the Subsistence Section was \$1,420,100. Our committee recommends a Subsistence Section budget of \$1,471,200. The Fish and Game Department's budget request was developed by the Department's Subsistence Task Force, composed of senior department staff who have had extensive experience in rural Alaska. The Committee respects the ability of this task force with regards to budget development for rural programs.

There are three basic differences between the Department's request and the Subsistence Committee's recommendations.

- 1) The Committee does not recommend the temporary positions (mostly clerical) costing \$114,226 which the Department requested.
- 2) The Committee recommends an equipment expenditure of \$24,700 rather than the ~~\$105,900~~^{\$28,428} requested by the Department. Much of the essential basic equipment can be bought with FY 1979 funds.
- 3) The Committee recommends the funding of 11 offices during FY 1980 rather than the 9 offices requested by the Department.

The Subsistence Committee is especially concerned that the field personnel in the Subsistence Section have adequate money available for travel. Travel will be of vital importance during the early stages of the Section's operations. The goals and objectives of the Subsistence Section must be explained to subsistence users throughout rural Alaska. The travel budget of \$235,600 and the \$98,000 allocated for air charter time under the Contractual line are of vital importance.

The Subsistence Committee staff talked at length with the newly hired Chief and Assistant chief of the Subsistence Section prior to the preparation of our recommended budget.

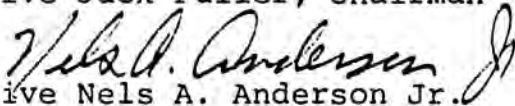
The Committee notes that the cut of the original Departmental request from \$1420,100 to \$845,900 by the Governor may be partially explained by the fact that no Subsistence Section staff had been hired at the time when the Budget and Management office was reviewing program requests.

The line item breakdown of our recommended appropriation is enclosed.

Sincerely yours,



Representative Jack Fuller, Chairman

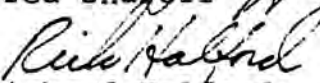


Representative Nels A. Anderson Jr.

Representative Joe Hayes



Representative Fred Zharoff



Representative Richard Halford



Official Business

Alaska State Legislature

House of Representatives

Special Committee
on Subsistence

Pouch V
State Capitol
Juneau, Alaska 99811

RECOMMENDED SUBSISTENCE SECTION BUDGET

100. PERSONAL SERVICES 800.4

This provides for a Resource Specialist II (Range 16) and a Fish and Game Technician III (Range 11) in eight field offices plus a Resource Specialist IV (Range 20) and A Clerk-Typist III (Range 8) in Fairbanks and Anchorage and a Chief, Assistant Chief, Rural Affairs Co-ordinator and Administrative Assistant in Juneau.

200. TRAVEL 235.6

This money would be used for travel to villages from regional centers and to staff meetings to co-ordinate efforts. There will likely be less money needed for travel in future years once the Section is well established.

300. CONTRACTUAL 322.1

This would be used primarily to pay for rent and basic utilities plus charter air time.

400. COMMODITIES 74.3

This provides for office supplies, fuel and oil for outboards and snow machines and camping equipment

500. EQUIPMENT 38.8

This provides snow machines, CB radios cameras etc.

TOTAL

313

1471.2

05-11-13-01-00 100-00-0-00-00-001

STATE OF ALASKA -- COMPONENT_BUDGET_SUMMARY

16132

1/25/79

CATEGORY: NATURAL RESOURCE MANAGEMENT
AGENCY: DEPARTMENT OF FISH & GAMEPROGRAM: FISH & GAME SUPPORT SERVICES
SUB-PROGRAM: SUBSISTENCE SECTION

FISCAL YEAR 1980

EXPENDITURES & FUNDING	(101) FY78 ACT	(102) FY79 ATH	(103) FY79 YTD	(104) RP	(105) SUP	(106) PAINT	(107) REQUEST	(108) GOV AND GOVERNOR	(109) HOUSE	(110) SENATE	(111) F.C.C.	(112) BILLS	(113) LEG. REC.
01 PERS. SERV.		344.0				590.6	817.2	552.6	800.4				
02 TRAVEL		68.0				155.8	173.8	89.0	235.6				
03 CONTRACTUAL		60.0				245.3	261.1	150.5	322.1				
04 COMMODITIES		22.0				56.3	62.1	49.6	74.3				
05 EQUIPMENT		6.0				45.8	105.9	4.2	38.8				
06 LANDS/BLDGS													
07 GRANTS, CLMS													
08 MISC.													
09 TCTAL EXPEND		500.0				1093.8	1420.1	845.9	1471.2				
10 I-A TRANSFER													
11 FED. RECEIPT													
12 G. F. MATCH													
13 GENERAL FUND		500.0				1093.8	1420.1	845.9	1471.2				
14 PGM RECEIPTS													
15 OTHER FUNDS													
16 FULL-TIME		17.0				16.0	23.0	15.0	24.0				
17 PART-TIME													
18 TEMPORARY		2.0				2.0	3.7	2.0	0				
19 MAN-MONTHS		134.0				224.0	327.0	204.0					

NEW POSITIONS

TITLE	LOCATION	TYPE	REQ	S&B COST	OTH.COST	TOT.COST	FED.FUND	GEN.FUND	OTH.FUND	GV	HS	SN	FC	FN
1 CLERK-TYPIST III	BETHEL	FULL	1	22.4		22.4		22.4						
2 CLERK-TYPIST III	KOTZEBUE	FULL	1	23.2		23.2		23.2						
3 CLERK-TYPIST III	NOME	FULL	1	22.4		22.4		22.4						
4 RESOURCE SPECIALIST IV	ANCHORAGE	FULL	1	40.4	20.8	61.2		61.2						
5 CLERK-TYPIST III	ANCHORAGE	FULL	1	18.2	1.5	19.7		19.7						
6 RESOURCE SPECIALIST IV	FAIRBANKS	FULL	1	44.7	20.8	65.5		65.5						
7 CLERK-TYPIST III	FAIRBANKS	FULL	1	19.8	1.5	21.3		21.3						
8 FISH & GAME TECH III	ANCHORAGE	TEMP	1	7.9		7.9		7.9						
9 FISH & GAME TECH III	ANCHORAGE	TEMP	1	6.9		6.9		6.9						
10 FISH & GAME TECH III	ANCHORAGE	TEMP	1	7.6		7.6		7.6						
11 FISH & GAME TECH III	ANCHORAGE	TEMP	1	3.8		3.8		3.8						
12 CLERK-TYPIST III	DILLINGHAM	TEMP	1	3.0		3.0		3.0						
13 CLERK-TYPIST III	BARROW	TEMP	1	3.2		3.2		3.2						
14 CLERK-TYPIST III	GALENA	TEMP	1	3.2		3.2		3.2						

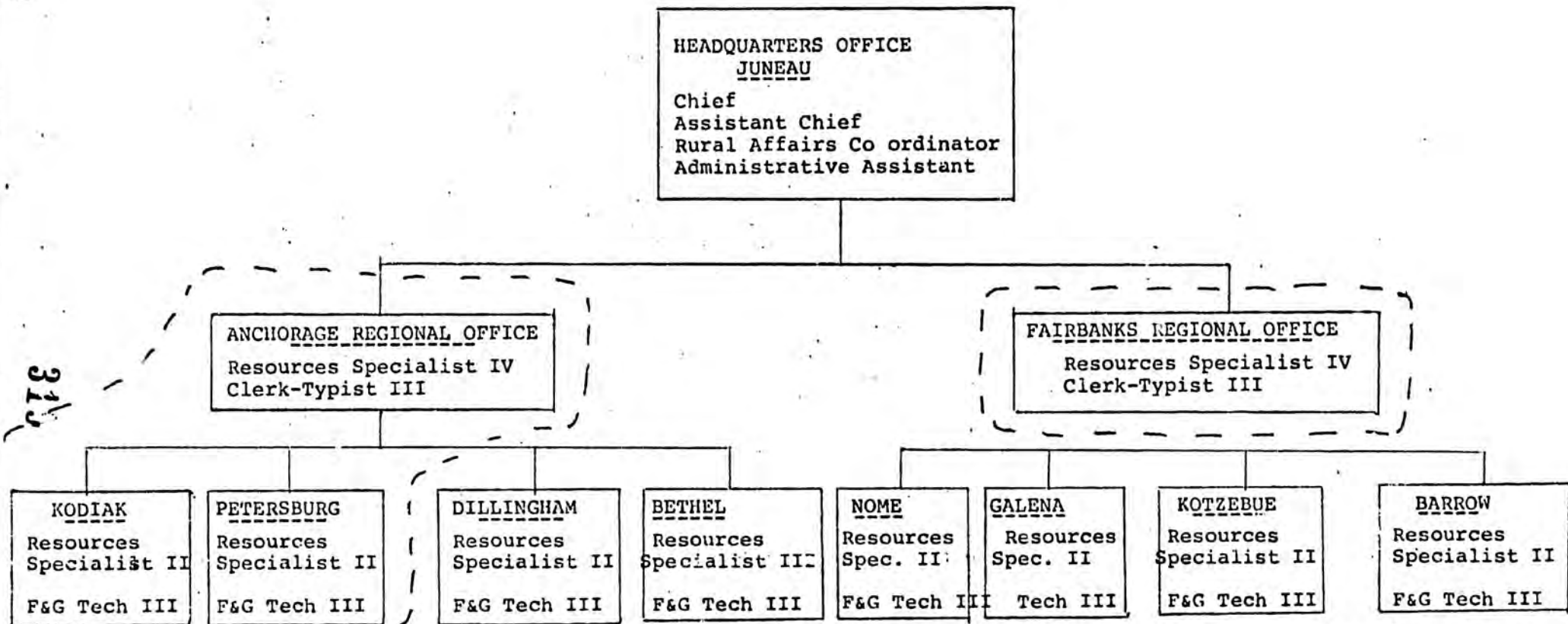
NEW POSITION TOTALS

14 226.7 44.6 271.3 271.3

Reource Specialise II Kodiak
F&G Tech III Kodiak
Resource Specialist II Petersburg
F&G Tech III Petersburg

Attachment 1

SUBSISTENCE SECTION AS PROPOSED SPECIAL COMMITTEE ON SUBSISTENCE



2-26-79 --- NOT IN FY 79 BUDGET

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

February 26, 1979

MEMORANDUM

TO: Chairman and Members
Senate and House Finance Committees

FROM: *[Signature]* H. Hogan, Director
Legislative Finance Division

SUBJECT: Expenditure/Encumbrance Report

Enclosed is a copy of a new run developed by Legislative Finance to show state agency expenditure trends and eventually to show the placement of encumbrances on accounts. The report has been designed to improve upon the "Haugen Report" and show agency operating expenditures for the most recent 5-month period plus the dollar value and percentage of appropriated balances remaining to be spent as of the most recent month shown. Using this report, Committee members will be able to follow closely the expenditure pattern of any particular element in the operating budget.

This has been a difficult report to generate, and this first run treats only half the problem. We are continuing program design to include a second 5-month record per element, one that would show when and at what level encumbrances are placed on the books. When both parts of the report are complete, you will be able to see on one page an agency's actual expenditures and their projections of expenditures as indicated by formal encumbrances of funds. (The attached letter explains why this information is not available for the University of Alaska.)

JHH:pw
Enclosures



UNIVERSITY OF ALASKA
Statewide System of Higher Education
Fairbanks, Alaska 99701

February 20, 1979

J. H. Hogan, Director
Legislative Finance Division
State of Alaska
Pouch WF - State Capitol
Juneau, Alaska 99811

Dear Jay:

This is to respond to your letter of January 15, 1979, a copy of which is attached for convenient reference, and to our several conversations relative to the need to get the University's data into your monthly expenditure reports for the Legislature.

First of all, again, I wish to express my desire, and President Diebold's sincere desire, to fulfill all the reporting requirements of the administration and legislature as soon as possible. To try to accommodate the various requests of the state as well as the internal needs of the University, the following monthly reports have been developed or are being developed:

1. Cash flow projections and cash requirements.
2. A summary of accounts receivable aged and segregated by unit.
3. A management report summary - including comparisons of unrestricted expenditures and encumbrances to budget, unrestricted revenues by source to budget, and restricted expenditures to budget.
4. An appropriation-level report comparing individually and combined unrestricted and restricted income and also expenditures to budget.
5. Three separate budget reports indicating the FCC budget and all revisions or modifications by allocation level.
6. A projection for the entire year of all unrestricted revenues and expenditures by appropriation.
7. A balance sheet and detail of available funds by construction project indicating the source of funds (i.e., G.O. Bonds, Direct Capital Appropriation, Revenue Bonds, Grants, etc.).

It is significant to note that all of the above reports now must be prepared by hand. Numbers 1 & 2 are prepared to accompany the drawdown request. Number 5 is prepared by the University budget

UNIVERSITY OF ALASKA

J. H. Hogan

Page 2

office pursuant to discussions with the State. Numbers 3, 4, 6 & 7 are prepared under Mr. Tom Judy's supervision. Numbers 3, 4, & 6 are the reports which appear to relate to your request. Those three reports can only be begun when the monthly status run is complete, as mentioned above. When we get the capability to produce these reports off the computer this will greatly aid our overall reporting capability.

As a result of your letter and our conversations, my staff met with our computer personnel to investigate the means of complying with your request. Their consensus after discussions and investigations is outlined below.

As you know, our computerized general ledger system is considered, by all who have been exposed to it, to be grossly inadequate for the University's needs. This system is over ten years old and is not capable of handling the present requirements of the University. As a result, we do much of our work -- reporting, drafting financial statements, etc. -- by hand or by some other cumbersome method. Aside from being archaic, the system has other major deficiencies, for example --

1. It is slow in terms of processing monthly reporting. For example, our present schedule for completing and distributing internally our status reports is the 10th of the month, normally about the 8th working day. This timing is the best the present system now can provide.
2. The information or data recorded on the system is incomplete. Encumbrances for the non-Fairbanks located units are not recorded centrally. One unit, the Geophysical Institute, now maintains its own general ledger system, separate and distinct from the rest of the University.
3. The University's general ledger system is not an on-line system and therefore is not available on call. Presently, to run our monthly reports takes a complete day of load time at the computer center. Therefore, whatever we might produce for you would only be available at specified times. Also, it should be noted that our general ledger files are only updated once a month, when we run our monthly reports. The new accounting system we are now building will update the general ledger file daily.

The University and State will be best served if we now concentrate efforts on development of a new accounting system rather than to expend more time than absolutely necessary modifying the existing system. It, because of continually patching, has become increasingly precarious, because of "cross-walking" different accounting codes, etc. It is so complicated and cumbersome that the whole thing could collapse.

With specific reference to your attached letter, and to the points that I have marked on it --

318

Your point marked # 1 -- You cannot yet access the University's accounting records for the reporting

Attachment 2 data you need. since it is not yet on any such file

2-26-77

UNIVERSITY OF ALASKA

J. H. Hogan

Page 3

We are trying to build an accounting system to get this data into a computer file, but this will take at least another two years. It will take longer than that if we must divert programming efforts into modifying the existing system to develop new reports or do not get sufficient resources to develop the new accounting system within the next two years.

Your point marked # 2 -- Again, much of the required data is currently not on the University's computer, so it is not possible to build a computer program to take this data out of computerized records.

Your point marked # 3 -- As explained elsewhere herein, the University cannot currently generate your reports on call.

Your point marked # 4 -- I cannot see why you must either access our files or show no data for the University, why you cannot, until we can develop an automated accounting system, let us prepare, by a combination of computer preparation and hand preparation, reports of the type mentioned above which we now can and do prepare and which seem to meet the needs of the Department of Administration and Division of Management and Budget. We realize that this is an interim measure. As soon as possible we will try to fix the University's financial accounting system to do what you wish to have done. No option that we now have can lead to preparation of the data you want, in the format you want it, according to your time constraints.

In answer to your question about file layouts, the points I have made above seem to make that academic. However, should you still wish to have a file layout of our monthly status reports, one can be provided.

Today your computer person contacted Tom Judy about the possibility of him working on a computer program to extract from the University's computer the financial data you want. Tom mentioned points made in this letter and that I was about to send it. Tom also indicated his willingness to meet with your technical representatives about these matters when you and they wish. However, as I continue to point out, the complete data you want is not in the file, and until we can get it in there, no program can be fixed to take it out.

Finally, again, Jay, my request is that you please help us explain to persons who are concerned about the fact that expenditure data for the University of Alaska is not immediately available in the same format as that used for everybody else, that the University too is very concerned about that and is working to develop an accounting system that will provide such data. Meanwhile we can generate your data; however, that will involve a lot of hand-work and the data cannot be provided as promptly as the other

UNIVERSITY OF ALASKA

J. H. Hogan

Page 4

expenditure data contained in your report. It seems that present options include (a) using reports already being prepared by the University of Alaska as mentioned previously in this letter; or (b) letting the University develop by hand the data you want, recognizing that such data can only be made available after the report which you are now having prepared. Please let me know what you feel should be done next to try to resolve these problems in the most satisfactory manner for all concerned.

Sincerely,



Sherman Carter
Vice President for Finance

SFC:kap

cc: President Diebold
Commissioner of Administration
George Elgee
David Scott
Frank Spargo.

HOUSE FINANCE COMMITTEE
February 26, 1979
1:40 p.m.

All members of the Committee were in attendance except Representatives Smith, Rogers and Schaeffer. Present from the Department of Health and Social Services were: Richard C. Lee, Cathy Lloyd, Commissioner Helen Beirne, Thomas R. Branton, Ulmer Tillner, Mason Robison, Rod Betit, Dr. Fraser, Roger Lange, Janice Gates, and Fran Clayton; Dan Zobrent, Division of Budget and Management; and John Lucas, Legislative Finance Division.

PRESENT

<u>Tape #</u>	<u>Description</u>
<u>HFC 79-49 Side 1</u>	
705	Call to order. Testimony on HEALTH Category. Department of Health and Social Services
710	Commissioner Beirne presented and explained letter concerning 15% reduction requested by Committee. (See attachment #1) Rather than cutting they would prefer to look towards a fiscally contained budget for FY 81.
<u>HFC 79-49 Side 2</u>	
001	Further comments by Beirne on overall H&SS budget.
130	Beirne presented their new organization plan. 2nd page gives budget in minute form, 3rd page shows inflation of dollar.
193	<u>Mental Health.</u> Tom Branton, Div. Mental Health, presented memo concerning a reduction in the entire Mental Health budget.
224	Branton stated overall it is a maintenance budget. No requests for new positions. Have requested they fund COLA. Have requested funding in Community Mental Health to fund two programs.
260	<u>Alaska Psychiatric Institute:</u> Meekins asked if there had been a reduction in costs to institutes because of community based mental health programs. Branton stated there has been a change in types of admissions to API. Further explained.

HEALTH
CATEGORY
TESTIMONY
FROM DEPT.
HEALTH &
SOCIAL
SERVICES

2/26/79

<u>Tape #</u>	<u>Description</u>
375	Branton explained difference between their request and Governor's figures. It is approximately a 15% reduction.
410	Branton stated funds for V & T are not included in budget, so with decrease from Governor's figure they are looking at \$826.7 less then a fully staffed operating budget.
428	Discussion on laundry services at API. Branton said they have excess capacity in their laundry facility.
499	Discussion on food service.
523	Discussion on what a 15% reduction would mean.
566	McKinnon asked if they were deleting 18 PCN's to get to the Governor's figure. Branton said they have to be deleted or frozen. He said \$6215.8 pays for approximately 18 positions less than the 244 authorized.
633	<u>Contract Forensic Services:</u> Mr. Branton explained the funds are used to pay for contracting with Taskadero institute in California for people charged with offenses but not able to stand trial. Involves approximately 8 people.
687	Discussion on contractual and grants/claims. Contractual includes items like rent, light bills etc. If the money benefits a single recipient is goes under grants/claims.
710	<u>Community Mental Health Services:</u> Mr. Branton explained this component contains regional administrative staff, as well as funding for the regional community mental health programs -- the grants money to various programs.
734	<u>Community Mental Health Services, Community Mental Health Grants:</u> Mr. Branton stated the increase is for an adjustment for COLA and funds for the New Start programs in Valdez and Fairbanks.
750	<u>Community Mental Health Services, Emergency Hospital Care:</u> Mr. Branton advised the money is used as a payer of last resort. It is even behind GR Medical. Discussion.

2/26/79

<u>Tape #</u>	<u>Description</u>
HFC 79-50 Side 1	
021	<u>Harborview</u> : Mr. Branton advised the program is close to capacity in all things. He stated this is the only state operated program for these people.
036	The change in Medicaid funding was explained. Mr. Branton said they are asking that the budgets be general fund as far as facilities are concerned, and as medicaid payments are received they would go directly into the general fund.
134	Cathy Lloyd stated it is difficult to estimate how many patients an institution will get. She said it seems easier to fund with general funds, count the funds once, and when they get the money back from Medicaid to put it directly into the general fund.
171	Discussion on Medicaid eligibility. Mr. Branton said they believe a number of clients they thought to be eligible may not be. He said it is due to a change in interpretation of federal regulations.
211	Further discussion on Medicaid funding.
253	Increase in budget is to meet payroll costs which have already been incurred, and COLA costs.
261	<u>Council/Handicapped & Gifted</u> : Mr. Branton advised this is all federal money, and it is a federal requirement that this council exists.
283	<u>Community Developmental Disabilities Services</u> : Mr. Branton advised this provides developmental disability residential care program and regional administration.
302	<u>Community DD Services, Residential Care</u> : Mr. Branton said this program provides services for training and rehabilitation of the developmentally disabled. It is for people who are not able to live in their own homes. 24 hour care is provided.
336	Guy questioned the YKHC program. Mr. Branton said they reorganized and found the people they wanted to care for did not want care.
357	Discussion on autistic children.
422	<u>Community DD Services, Family Support</u> : Mr. Branton advised this is strictly a maintenance budget, and no money has been included to establish any new community programs.

2/26/79

<u>Tape #</u>	<u>Description</u>
430	<u>Mental Health Administration & Support: Brief explanation of BRU's under this component.</u>
436	<u>MH Administration & Support, Central Office Admin.:</u> Mr. Branton said this is a maintenance program. No change other than for COLA and vacancy increase.
440	<u>MH Administration & Support, MH Advisory Council & Land Board:</u> This is the Governor's mental health advisory council and board.
448	<u>MH Administration & Support, Demonstration Grants:</u> Mr. Branton stated this is mostly federal money. It provides funds for two programs now in operation.
471	Autisism was explained.
537	Recess 3:00 p.m. Recall to Order 3:20 p.m.
540	Further discussion on Commissioner Beirnes' Memo concerning areas of possible savings. Beirne recommended going in the direction of a competitive grant system instead of institutionalizing.
601	Meekins stated he plans to have the Committee vote later on whether they should request the Department to move forward on the budgeting concept, and whether they should sponsor a bill for the necessary statute changes.
614	Roger Lange commented that one reason costs have not been contained is there is no incentive for an effective management process. He referred to an audit which found that of 331 beds they are paying for, they was only a 235 full time occupancy. He said they are running at slightly less than 70% full.
640	Lange said foster care payments for a teenager run at approximately \$350 a month. Cost in an institution ranges from \$18 to \$110 a day. Beirne said present statutes do not allow them to pay a salary for foster care. The Department feels they should be able to pay a small salary. She thinks it would increase the number of patients and she doesn't think it would hurt the quality of the parents.

2/26/79

Tape #

Description

HFC 79-49 Side 2

- 001 Meekins requested the Department proceed on planning a budget that would assume passage of statutes that would allow for moving away from institutional care, and moving towards a foster parents program instead. He requested the Committee be provided with the information as soon as possible. Bierne said she could provide within 30 days.
- 039 Meekins moved the Committee have drafted a change in the statute which would be needed in order to accomplish such a change in budgeting. The Department will work with LFD staff on this draft.
- 093 Discussion on Pioneer Homes vs. out-patient facilities.
- 179 Beirne stated they have to go into prospective budgeting of nursing homes. She stated this may take some legislative changes.
- 190 Explanation of prospective budgeting.
- 300 Discussion on alternatives to nursing homes. Beirne said she would like to see a fund for "adult protective services". She stated they would have to develop a policy to let the money out to the people. She suggested they consider a pilot program in one area of the state. Meekins requested a proposal be prepared and submitted to the committee. Beirne will do so.
- 385 Freeman comments on Ketchikan Pioneer Home.
- 455 Meekins commented they could not reverse the trend by taking people out of pioneer homes, but maybe can allow some people a choice not to enter the homes at earlier ages.
- 508 Dr. Fraser comments on PUBLIC HEALTH. He stated prevention is the most important area. Presented memorandum on reductions in the public health budgets (see attachment #3).
- 552 Nursing: Dr. Fraser stated this budget is pretty much the same as last year but it allows for inflation. He stated they have significant vacancy and turnover in the field nursing budget, which necessitates keeping eight vacancies.

2/26/79

<u>Tape #</u>	<u>Description</u>
588	<u>Nursing, Home Health Service:</u> Dr. Fraser said the program provides nursing services in the home. He stated they are doing two demonstration programs: one in Juneau and one in Fairbanks.
630	<u>Nursing, Administration:</u> Dr. Fraser advised they have transferred in one position in recognition of the need for an organized program for continuing education. He said this is the only change.
643	<u>Nursing, Early Screening:</u> Dr. Fraser said there is essentially no change in the budget. This is Medicaid.
657	<u>Communicable Disease Control, TB Control:</u> Dr. Fraser stated there are almost 100 active cases of TB a year. He expected this to continue for next few years.
732	<u>Communicable Disease Control, VD Control:</u> Dr. Fraser advised they have pretty much controlled syphilis, but are still trying with gonorrhea. He stated Alaska has the highest rate for VD in the country, but it may be due in part to better reporting.

HFC 79-51, Side 1

025	Discussion on education on VD in schools.
135	<u>Communicable Disease Control, Immunization:</u> McKinnon questioned the new position. Dr. Fraser stated it was established by RP and it is federal funds.
186	Beirne stated there top priority for taking out would be the WICK program. She stated they are spending more money to run the program than they get from it.
209	<u>Communicable Disease Control, Epidemiology:</u> Dr. Fraser advised the strep program was given to the lab section; and travel and commodities were transferred from the lab section to this section.
261	The meeting adjourned at 4:45 p.m.

ADJOURN

Tape HFC 79-49 Side 1 #705 to end
79-50 Sides 1 & 2, #001 to end
79-51 Side 1 #001 to 261

2/26/79

2/26/79 #2

February 26, 1979

The Honorable Russ Meekins
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Meekins:

The Governor's Budget for the Division of Mental Health and Developmental Disabilities, BRU Alaska Psychiatric Institute, 06-36-8-000, contained a reduction of 400.0 from the Agency request. This reduction was made after all allowances for C.O.L.A. had been placed in the budget but with no allowance for any program growth. This left the Alaska Psychiatric Institute FY 80 budget as a continuation budget (same as FY 79) but further reduced by 400.0.

The C.O.L.A. adjusted FY 80 original budget request for Alaska Psychiatric Institute contained underfunding of 426.4 in the code 100 (personnel service) described as a factor allowed for vacancy and turnover. This V & T plus the outright 400.0 reduction totals 826.4 less funding than is projected as the need to operate Alaska Psychiatric Institute at the same level but with full authorized staff for FY 80. There must therefore be some serious program oriented administrative adjustments which will accomodate this funding reduction.

The Division of Mental Health and Developmental Disabilities proposes to delete 18 PCNs to cause funding changes of 399.4. Currently identified PCNs which are now frozen to administratively manage the FY 79 V & T are used for this projection. However, all program impact has not been assessed and further adjustments may have to be made; for example, the building maintenance superintendent PCN may have to be filled and one or more line maintenance staff substituted. The included PCNs cut across all program lines and include all three labor bargaining units. This speaks to the management of 399.4 of the allocated 426.4 V & T for FY 80. The balance of 27.0 of V & T will require "on-site" management as normal turnover happens.

In addition to management of the V & T, the Alaska Psychiatric Institute has addressed the 400.0 reduction below current year funding level. Foremost in mind was the priority to keep the hospital operational and the need of the department to meet the requirements set forth in AS 47.30... as Alaska Psychiatric Institute is the single "designated facility" in the State. No existing service could be eliminated without creating an off-setting financial problem. As an example, to move the long term acute patients into a private ICF facility would simply shift the cost from Alaska Psychiatric Institute to the Public Assistance Program.

The plan we propose will create its share of administrative problems, but the hospital can remain open. We propose that the labor sensitive, labor rich support programs of laundry service and food service are to be replaced with a 100% performance contract in the private sector.

The food service program is projected to cost a total of 716.9 for FY 80 and to continue the full time employment of 21 staff. The closing of the State operated food service will salvage a cost of 555.2 in salaries plus 161.7 in food purchases and other supplies. The surplanting cost for a contracted food service is projected as 568.2 annually. The pocketed saving is 148.7.

The laundry service program is projected to cost a total of 127.2 for FY 80 and to employ 6 staff. The closing of this service will salvage 115.7 in salaries plus 11.5 in supplies. A surplanting contract for laundry service is projected as having a cost of 68.1. The pocketed savings are 59.1 for FY 80.

The use of contracts for services for food and laundry keeps Alaska Psychiatric Institute from having to maintain a reserve capacity. We will be able to purchase as much or as little as is needed. The anticipated savings of 207.8 using contracts vs. in-house capability uses as a base a hospital population of about 100 patients. If the patient population were to increase, the cost for additional food and laundry service would have to be covered from the projected "savings." However, since the "savings" in this case are in fact, non-existent funds, the effect will be to limit the capacity of Alaska Psychiatric Institute to approximately 100 patients. In light of the 18 positions which must be deleted to meet V & T, this patient census limit is not unrealistic.

The administrative concern about contracts for laundry and food service are an anticipated negative reaction by the L.T.C. bargaining group when a large number of their membership are layed-off. The track record at the State Pioneer's Home in Anchorage indicates a need for very strong support to the Division of Mental Health and Developmental Disabilities from the Department of Administration and the Office of the Governor and the Legislature to procede in the contract mode.

The surplanting contracts will account for only 207.3 of the 400 reduction. Additional actions to be taken are the deletion of 5 PCNs. The five are equipment operator, 2 Mental Health Clinician I and 2 Mental Health Practical Nurse II positions. Salary saving from these PCNs is 130.5.

Honorable Russ McKinnis

-3-3

February 26, 1979

We estimate \$1.9 will be saved by a generalized reduction of the use of supplies and materials throughout the Hospital. The amount of \$9.8 will be saved by the discontinuation of the use of the large State-owned bus which is used to transport patients. Annual rental to the Department of Transportation for the bus is \$9.8.

Sincerely,

Helen D. Beirne
Commissioner

HDB:RL:lar

2/26/79 #1

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

POUCH H 01 - JUNEAU 99811

February 26, 1979

The Honorable Russ Meekins
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Meekins:

Your February 8, 1979 letter relating to a 15% General Fund reduction in the Governor's Fiscal Year 1980 Budget Request below the Fiscal Year 1979 authorized level was received, and the work related thereto has been assigned the highest possible priority within the department during these past two weeks. While we understand and fully appreciate the reasons for effecting reductions in the State's operating budget for Fiscal Year 1980 and subsequent years, we could not within such a short period of time completely rebuild at the reduced funding level the 36 Budget Request Units which comprise this department. The Governor's Fiscal Year 1980 budget submission for the Department of Health and Social Services represents the true and justifiable funding needs for the provision of minimally acceptable levels of health and social services. It is for this reason that we cannot recommend or support any reduction of the type and magnitude envisaged by the House Finance Committee.

But, notwithstanding our feelings and strong convictions in this matter, we have made an all-out effort to comply with the spirit and intent of your request. In this regard you will find attached the submittals from division directors and separate office heads which highlight the areas in which the 15% reduction might be made, and some assessment of the possible consequences of such acts. In your review of these materials we ask that you recognize the fact that time did not permit us to do any in-depth study or review at the interdivisional level as to appropriateness or feasibility. Further, no assessment has been made concerning the overall adverse impact on the health and social needs of the citizens served, as already addressed in the Governor's budget request for Fiscal Year 1980. These memoranda must be viewed in this light and in no way construed as a recommendation for budget reductions by the Administration and this department.

The program managers of the department are fearful that arbitrary reductions in their budget requests will for all intents and purposes negate the effectiveness of the programs they operate. The Commissioner's Office shares that view, and yet at the same time recognizes the need to

2/26/79

minimize the General Fund expenditures in future years. It is for this reason that I strongly recommend against the 15% reduction in the Governor's FY 1980 budget, and that instead we look to a fiscally contained budget submission for FY 1980 on which we will soon begin work. We now have under study a number of potential savings which we hope to include within our next year's budget request.

One of these areas of potential savings is the "Full Cost of Care" program operated by this department, as mandated under AS 47.40. It is felt that this is an area which could be addressed by the department in concert with the Legislature. Considerable savings could be effected while maintaining or even enhancing the quality of services offered Alaska's youthful citizens. Before "Full Cost of Care" became law during FY 70/71, our monthly rates (prescribed by Rate Schedule) for in-state child care services ranged from \$150 to \$318 per month. In FY 76 the average monthly cost per child under "Full Cost of Care" was \$846.00. In FY 79 the monthly cost per child is estimated to be \$1,833.00. This is more than a 100% increase in costs since FY 76 alone. On an annual basis, the department's cost for in-state institutional child care services has skyrocketed from \$477,369 (FY 1969 actual) for 244 children served to well over \$6,000,000 (includes anticipated FY 79 supplementals) for approximately the same number of children. Our caseload for in-state institutional child care has remained at 210-240 children since 1969. One factor which contributes to these inflated rates is a utilization rate of approximately 70%-75% of licensed capacity. Under present law we must pay for 100% licensed capacity.

In the event AS 47.40 is repealed, the department should be given the full option to (1) maximize foster home placements in lieu of institutionalization and pay foster home rates which will encourage and retain qualified foster parents, and (2) competitively bid all in-state child care institutional services. The department stands ready to present cost data and other program input should the Committee decide to review the entire concept of AS 47.40 ("Full Cost of Care"). A copy of the per diem rates now in effect is attached for your information.

Just as we believe that Alaska's children will be best served in the least restrictive setting available, the Department is equally convinced that our State's elderly individuals prefer to remain independent and self-reliant as long as possible, rather than be forced to enter an institution -- even a pioneer home -- prematurely. The development of alternative living arrangements for Alaska's senior citizen is a priority of this Department, in the interest of quality care as well as cost-effective care. While "deinstitutionalization" is commonly espoused as a favored philosophy, public funding has yet to adjust itself to the concept. Most governmental sources of revenue, both state and federal, are attached irrevocably to a facility or institution. For example, nearly 17 million dollars of the Department's FY 79 Medicaid budget goes toward supporting indigent individuals in nursing homes throughout the State. In addition, the State allocates over ten million dollars of its general fund monies to support approximately 500 individuals in the

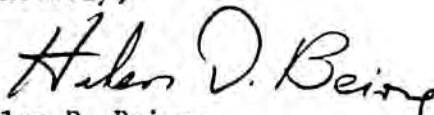
February 26, 1979

pioneer home program. Too many pioneers and indigent individuals are forced inappropriately into expensive nursing home or pioneer home care due to the absence of a continuum of community services designed to provide assistance with the problems of daily living. And too many senior Alaskans who are neither indigent nor affluent are denied care at all because limited funds are consumed by institutional programs.

The Department of Health and Social Services would suggest that the Legislature join with us in examining the possibility of establishing a fund to assist those senior Alaskans needing one or more of a variety of support services to maintain a dignified lifestyle in their own homes and communities. Each community should generate those programs most suitable to the needs of its residents. Rather than simply designating funds to build expensive institutions, resources would be available to community applicants to establish a range and mix of services for senior Alaskan residents. Logic tells us that for far less than the \$50 to \$125 per day we spend to maintain an individual in a nursing home setting, communities could provide a wide selection of creative support services in response to the variety of needs of our senior Alaskans. The Certificate of Need program assures us that future nursing home facilities may be built only in response to demonstrated community need. By providing resources to help the elderly remain in their homes we can minimize the need for additional institutions and perhaps even phase out existing long term care beds by preventing inappropriate placements and by accelerating appropriate institutional discharges.

In summary, I would like you to know that we have made a real effort to comply with your request for a 15% reduction, but would hope that instead of forcing these reductions in Fiscal Year 1980 that you will permit us to develop well thought out plans for inclusion in our Fiscal Year 1981 budget request. We stand ready to cooperate with you and the Committee in every way possible in this important matter. Thank you.

Sincerely,



Helen D. Beirne
Commissioner

Enclosure

MONTHLY PROVISIONAL RATES

(Based on 30 day month)

FULL COST OF CARE - AS 47.40

IN-STATE:

Alaska Children's Services

	<u>FY 76</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>
Aquarius	837.90	1,087.80	1,373.70	1,410.30
Coletti	862.80	1,108.20	1,461.00	1,169.40
North Star	937.50	1,196.40	1,935.60	1,216.80
Jesse Lee	1,236.60	1,846.50	2,262.90	2,734.80
Youth Services and Bunnell	1,488.00	1,627.80	2,087.10	3,299.70
Alaska Youth Village	935.10	1,115.70	1,321.80	1,564.80
Bethel Receiving	772.80	1,369.20	-----	-----
Booth Memorial	1,593.00	1,819.50	2,268.90	2,767.80
Hilltop Home	938.40	1,272.90	1,389.00	1,530.00
Jesuit Volunteer Home	897.60	786.30	1,081.20	1,408.80
Juneau Receiving	873.30	1,126.20	1,200.30	1,980.90
Juneau Teen Home (Boys)	885.60	1,190.10	1,226.40	1,383.60
Juneau Teen Home (Girls)	981.30	1,190.10	1,226.40	1,383.60
Kenai Center	1,091.10	1,441.80	1,545.20	1,678.80
Ketchikan Receiving	1,170.00	1,289.40	1,455.00	1,815.60
Ketchikan Teen	1,057.20	1,308.90	1,455.00	-----
Kodiak	397.80	483.60	621.60	545.70
Nome Receiving	1,201.20	1,310.10	1,867.50	1,799.10
North Star (Dot Lake)	568.20	687.60	1,273.50	1,224.90
Presbyterian Hospitality	1,830.90	1,947.90	1,944.90	1,945.80
Presbyterian Hillcrest	1,102.50	1,012.80	1,944.90	-----
Turning Point Boys Ranch	1,374.60	1,299.30	1,404.30	1,965.30
Barrow Receiving			2,401.50	-----
Youth Advocates (Sitka)			NEW	1,719.60

STATE
of ALASKA

MEMORANDUM

2/26/79 #3

TO: Helen D. Beirne, Commissioner
Dept. of Health & Social Services

DATE: February 23, 1979

FILE NO:

TELEPHONE NO:

FROM: Robert I. Fraser, M.D.
Director
AF Division of Public Health

SUBJECT: Reduction of FY 80 Budget

In compliance with the directive from the House to reduce the FY 80 budget to 15% below the FY 79 budget, the Division of Public Health has submitted budgetary reduction amounting to \$2.6 million. It is not possible to comply with the request and maintain all programs at the current level of service. An effort has been made to maintain to the extent possible the direct service programs and to avoid impacting more on one region than on others. However, the mandatory vacancy and turnover factor in the Division of Public Health budgets along with the 15% will necessitate a significant reduction in the field staff.

Certain programs such as the six special projects mandated by the Federal government in the Family Health Section could not be eliminated without loss of all the federal funding allocated to the Section for the support of Maternal and Child Health activities. Other sources of revenue may be reduced such as the Alaska Native Health Service funding in Public Health Nursing Service if the staff is reduced to the point where conditions of the contract cannot be met.

In the time available to prepare this 15% reduction it has not been possible to do an in-depth analysis of the impact of the reduction on all of the federally funded programs.

RIF/j1

DIVISION SUMMARY OF GENERAL FUNDS ONLY

FY 79 Auth General Funds	FY 80 Target	FY 80 Governors Budget	Reductions
\$ 11,430.6 X .85	\$ 9,716.0	- \$ 12,337.0	= (\$ 2,621.0)

COMPONENT SUMMARY OF GENERAL FUNDS ONLY

Component	FY 80 Gov Budget		Reductions		Revised FY 80 Gov Budget	
	GF	Other	GF	Other	GF	Other
Nursing	4,187.5	964.8	195.4		3,992.1	964.8
CDC	1,154.4	220.5	86.7		1,067.7	220.5
Env. Health	1,217.1	150.0	40.3		1,176.8	150.0
Family Health	2,715.5	1,145.4	891.6	455.5	1,823.9	689.9
Laboratories	1,460.2	125.4	322.4		1,137.8	125.4
PH Administration	1,351.8	107.4	834.1		517.7	107.4
EMS	250.5	781.9	250.5		-0-	781.9
Division Total	12,337.0	3,495.4	2,621.0	455.5	9,716.0	3,039.9

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE		5	
CODE	EXPENDITURES BY OBJECT	AMOUNT	
100	PERSONAL SERVICES	137.9	
200	TRAVEL		
300	CONTRACTUAL SERVICES		
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.	15.0	
800	MISCELLANEOUS		
TOTAL		152.9	
I-A TRANS. (non-add)			
FED. RECEIPTS - CODE:			
GF MATCH.			
GEN. FUND		152.9	
I-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
B		PRIORITIES	
DIVISION		Agency	GOVERNOR
			ACCEPT
			REJECT

Staff Reduction and Cut Fairbanks Breast Cancer Funds

Legislative Changes Required ☐ Yes, explain ☒ No, explain

Plain Reduction

Staff Reduction:

Director's Office Juneau:

Assistant Director (less 6 months accrued vacation) \$31,000

Fairbanks:

NR Health Officer 106,859

Clerk Typist III \$137,859

Total Personal Services \$137,859

Close out of Fairbanks Breast Cancer Clinic Funds 15,000

\$152,859

Briefly Describe Effect on Service Delivery

Loss of the Assistant Director position will severely hamper day to day operation within the Division and render more difficult coordination and planning for budget preparation, formulation of grant submissions and relationships with Region X. An attempt will be made to assign some of these functions to section chiefs and others remaining in the Division.

Elimination of the Northern Regional Health Officer position will divert coordination of public health programs in that Region - public health nursing, environmental health, laboratories, emergency medical services, etc. It will also eliminate the focal point for contacts with the City of Fairbanks which contributes substantially to public health operations within the Borough. The Health Officer also has statewide responsibilities for the rabies program. An attempt will be made to reassign functions to the SCR Health Officer and some functions will have to be assumed by the Division Director.

Division Public Health BRU P.H. Administration COMPONENT Administration DATE 2/23/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

ntinued:

Close out of Fairbanks Breast Cancer Clinic Funds:

State support of the Fairbanks Breast Cancer clinic would be completely eliminated. Possibly local or foundation funds could be found to replace this loss.

337

6/26/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

EV. TITLE

Grant to Anchorage

utory Changes Required ☐ Yes, explain ☐ No, explain

ain Reduction

700: Grant to Municipality of Anchorage
Support of local Health Services \$540,000

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	540.0
800	MISCELLANEOUS	
TOTAL		540.0
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		540.0
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TERM
()	()	()
PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

efly Describe Effect on Service Delivery

This grant supports a wide range of preventive services supplied to the citizens of Anchorage by the Health Department of the Municipality. Reduction of this magnitude would result in across-the-board cut in service but particularly in public health nursing and environmental health. It is doubtful that other sources of grant funds (e.g., federal grants) could be found for general support of the local health department.

ision Public Health BRU P.H. Administration COMPONENT Grant to GAAB-HD DATE REVISED 2/23/79

HOUSE FINANCE COMMITTEE

REDUCTION REQUEST

ONE PAGE ONLY

9c/e

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE Eliminate Health Education Unit		5			
utory Changes Required ☐ Yes, explain ☒ No, explain		CODE	EXPENDITURES BY OBJECT	AMOUNT	
ain Reduction Eliminate whole component with following positions: Bureau: Health Education Specialist Health Education Media Specialist Health Information Assistant Anchorage: Health Education Assistant Federal funds of \$12.4 to be used for other educational purposes.		100	PERSONAL SERVICES	111.6	
		200	TRAVEL	13.4	
		300	CONTRACTUAL SERVICES	12.8	
		400	COMMODITIES	3.1	
		500	EQUIPMENT	.3	
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.		
		800	MISCELLANEOUS		
				TOTAL	141.2
				I-A TRANS. (non-add)	
Effectively Describe Effect on Service Delivery With the elimination of the Health Education Unit, technical backup to program efforts aimed at developing individual self-responsibility for health and modifying health behavior will be lost. Some health education activities will continue to be provided by public health nurses, but the Division will be unable to respond to requests for development of new approaches or new materials. Response to public and institutional requests for films, literature, etc. will be delayed.		FED. RECEIPTS - CODE:			
		GEN. MATCH.			
		GEN. FUND			141.2
		I-A RCPTS.			
		PG&I RCPTS.			
		OTHER			
		OTHER			
		NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
		(4)	()	()	48
		B PRIORITIES			
		DIVISION	Agency		GOVERNOR
		/	/		ACCEPT REJECT

Signature Public Health Bureau Public Health Administration COMPONENT Health Education

DATE REVISID 2/23/79

HOUSE FINANCE COMMITTEE

REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 Staff Reduction

Statutory Changes Required Yes, explain No, explain

Explain Reduction

Staff Reduction: Anchorage Immunization Project

Clerk Typist III, Anchorage, personal services \$21,881

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	21.9
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
TOTAL		21.9
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		21.9
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
(1)	()	()
		12
PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Briefly Describe Effect on Service Delivery

This reduction would very substantially affect the operation of the Rapid Telephonic Reporting System which is used for reporting communicable diseases. Response time in cases of disease outbreaks could be prolonged. The implementation of the rabies program would also be affected since information on animal immunizations must be kept current and retrievable.

Division Public Health ORU Communicable Disease Control COMPONENT Immunization

DATE
REVISED 2-22-79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

BREV. TITLE Staff Reduction		5			
Statutory Changes Required <u> </u> Yes, explain <u> </u> No, explain		CODE	EXPENDITURES BY OBJECT	AMOUNT	
plain Reduction Staff Reduction: Anchorage T.B. Control Program Inhalation Therapist Clerk, Typist III Clerk, Typist II Total Personal Services \$64,777		100	PERSONAL SERVICES	64.8	
		200	TRAVEL		
		350	CONTRACTUAL SERVICES		
		400	COMMODITIES		
		500	EQUIPMENT		
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.		
		800	MISCELLANEOUS		
				TOTAL	64.8
				I-A TRANS. (non-add)	
Briefly Describe Effect on Service Delivery Elimination of the Chronic Lung Maintenance Program will end or drastically reduce services directed toward enabling 1000 or more patients to receive needed care in their own home villages, thereby reducing the need and costs of hospitalization or nursing home care. The reduction would also virtually eliminate the tuberculosis case registry which is a key tool in keeping tuberculosis patients under treatment and long term surveillance.		FED. RECEIPTS - CODE:			
		GF MATCH.			
		GEN. FUND			64.8
		I-A RCPTS.			
		PGIA RCPTS.			
		OTHER			
		OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS		
(3)	(.)	()	36		
B PRIORITIES					
	DIVISION	Agency	GOVERNOR		
	/	/	ACCEPT		
			REJECT		

Division Public Health and Communicable Disease Control COMPONENT T.B. Control DATE 2/23/79

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE Discontinue Special Education Grants		5				
tutory Changes Required ☒ Yes, explain ☐ No, explain		CODE	EXPENDITURES BY OBJECT	AMOUNT		
lain Reduction Eliminate Educational Specialist I - Anchorage Discontinue local grants for Infah Learning Programs AS 47.20.010 would have to be revised. Currently it states "a. The Department of Health and Social Services shall provide professional guidance and financial assistance to organized groups of parents, non-profit corporations, school districts, and regional educational attendance areas." and "b. The program established under (a) of this section shall emphasize individual needs and, where possible, be home based and involve parents in the education and training of their children." The language of this would have to be changed.		100	PERSONAL SERVICES	33.8		
		200	TRAVEL	3.2		
		300	CONTRACTUAL SERVICES			
		400	COMMODITIES			
		500	EQUIPMENT			
		600	LANDS, BLDGS., ETC.			
		700	GRANTS, CLAIMS, ETC.	288.0		
		800	MISCELLANEOUS			
				TOTAL	325.0	
				I-A TRANS. (non-add)		
efly Describe Effect on Service Delivery Support to groups of parents with retarded infants and children age 0-3 would cease, affecting approximately 70 children in seven communities. This reduction would entirely eliminate this program. The ultimate effect on the learning and socialization capabilities of these children cannot be quantified, but would be definitely deleterious.		FED. RECEIPTS - CODE:				
		GF MATCH.				
		GEN. FUND		285.0		
		I-A RCPTS.		40.0		
		PGM RCPTS.				
		OTHER				
		OTHER				
		NO. PFT		NO. PPT	NO. TEMP	NO. MONTHS
		(1)	(.)	()	12	
B		PRIORITIES				
	DIVISION	Agency		GOVERNOR		
	/	/		ACCEPT		
				REJECT		

sign Public Health BRU Family Health COMPONENT Special Education Grants DATE 2/23/79
REVISED

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE

Eliminate Child Development Component

tutory Changes Required ☐ Yes, explain ☒ No, explain

Plain Reduction

(The program is partially supported by \$113,600 in federal funds. These may be lost, however that has not yet been determined.)

Elimination of:

Mental Health Clinician - Anchorage
Nurse Specialist - Anchorage

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	92.3
200	TRAVEL	4.0
300	CONTRACTUAL SERVICES	17.1
400	COMMODITIES	1.2
500	EQUIPMENT	.5
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	27.9
800	MISCELLANEOUS	
TOTAL		143.0
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		71.0
GEN. FUND		72.0
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
(4)	()	()
		48
B PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

efly Describe Effect on Service Delivery

The Child Development program currently provides diagnostic and treatment planning services to about 75 children and their families in Anchorage and 100 in other areas of the state. The team is a major resource for diagnosis of complex problems in developmental disabilities, including mental retardation. Loss of this program would increase costs to families and might lead to increased institutionalization of children if local resources can no longer be developed to provide services.

ision Public Health eru Family Health COMPONENT Child Development

DATE REVISED 2/23/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE

Reduction in Benefits to Individuals

utory Changes Required ☐ Yes, explain ☒ No, explain

ain Reduction

Reduce the number of conditions eligible for treatment under the Handicapped Children's Program.

344

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	201.0
800	MISCELLANEOUS	
TOTAL		201.0
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		201.0
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEAM
()	()	()
PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

efly Describe Effect on Service Delivery

Families of children with a variety of congenital and acquired diseases would have to assume entire treatment and diagnostic costs unless they are successful in finding other resources. Probably, some children with disabling but non life-threatening diseases would not receive treatment. Long term effect on future productivity of affected children could be considerable. Conditions which might be cut from current list of eligible conditions would have to be determined by careful study of program case load and cost experience.

Public Health BRU Family Health COMPONENT Handicapped Children

DATE 2/23/79
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REDUCTION REQUEST