

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2710

TESTIMONY ON HOUSE BILL 644
ALASKA STATEHOOD COMMISSION
prepared and submitted

by

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to

The Alaska State Legislature
House Judiciary Committee
The Hon. Charles H. Parr, Chairman

February 28, 1980

If there is one thing that Alaskans and Secretary Andrus agree on it is that relations between Alaska and the Federal government have never been as strained as they are today. Secretary Andrus describes it as a "state of seige", and most Alaskans would probably agree with that description. That relations between our two governments should be at this unprecedented nadir is remarkable, since one could certainly argue that Alaska is no stranger to ill conceived federal interference. The late Ernest Gruening's book, The State of Alaska, is more or less a catalog of these incursions during the pre-statehood era.

Looking back at 1958, when the U.S. Senate approved the Alaska Statehood Act, I can recall the sense of euphoria that pervaded the state. Although only seventeen at the time I, like many others, was swept up in the rejoicing that the long colonial era had finally come to an end.

Today, the remembrance of that excitement is like ashes in the mouth, for it has been replaced by widespread cynicism about whether we did in fact become an equal partner in the union of states. The reason for this cynicism is obvious: The federal government appears to have successfully and unilaterally revised the terms under which we thought much of Alaska's land and natural resource wealth was to come under the control of the people who live in this state, terms which formed a part of the Statehood Act, the compact between Alaska and the United States.

Because of the dominance of the lands issue in Alaska's consciousness, it's easy to loose sight of the many other areas where Alaska's ability to chart its own destiny has been similarly reduced by the federal government. For

example, the legislature has been trying for many years to find a method of using the state's resources to reduce its chronic unemployment problem. Each try has been largely frustrated by judicial interpretations of the Federal Constitution. As far as we know, no other state shares this particular problem. Nevertheless, it is fair to say that all the states, to one extent or another, have seen the handwriting on the wall, and are concerned with the erosion that is taking place in the powers that have been traditionally reserved to the states.

Alaskans can generally be divided into three groups based on their attitudes toward the increasing dominance of the federal government. First, there are a few people who really don't mind the federal incursions, perhaps because current federal attitudes on land issues coincide with their own view of how Alaska should develop. The second group are the majority of Alaskans who seem to think that it is probably hopeless to do anything more than conduct rear-guard actions against a trend that has the full weight and power of the federal government behind it. Third, at the other end of the spectrum are a small but increasing number who advocate the final solution--secession.

So far, at least, the secessionists really haven't been taken seriously, either inside Alaska or Outside. The basic reason for this is that though they may be serious about it, secession itself is not really a serious proposal. Alaska simply doesn't have the kind of cultural and economic cohesiveness necessary to make an independent nation a viable proposition. For better or worse, we are Americans.

Those of us who support formation of an Alaska Statehood Commission firmly

believe not only that the relative roles of Alaska and the federal government should be changed, but that the people of Alaska can put together a concrete plan for determining how that change should proceed and then actually work constructively to bring it about. Thus, what we propose is a two-fold process under which we will systematically examine what is best both for our state and nation, and under which we will lay the groundwork for bringing about that change.

Some people have criticized the notion of creating a commission on the Alaska statehood issue as simply another effort to paper over a problem by studying it to death. Well, the fact is the problem needs a lot of study and a lot of discussion among Alaskans before we can be sure that we have found solutions which are both practical and supported by the majority of Alaskans. Remember, we're not simply trying to get the feds off our lands, but rather to redefine the relationship between us and the federal government. That itself is a subject about which not much serious thought has been given.

The fact that careful study combined with public awareness and discussion can come up with innovative and viable solutions can be seen in what happened when America extended its fisheries jurisdiction to the 200 mile limit. We now have what amounts to a new kind of government over that area around Alaska, managed by the regional councils, and although the solutions are not perfect, most Alaskans seem to be generally satisfied with the results.

Although it is most important to get Alaskans thinking about these matters, it is unlikely that we will accomplish much of long-term value unless we can enlist the support of other states and other regions. Just as Nevada

has taken the lead in the narrower issue of state sovereignty over public lands, and been followed by other states -- including Alaska, we are confident that other states will follow Alaska if it initiates a fundamental re-thinking of its role in the federal union.

In fact, Alaska may not be the first jurisdiction under the American flag to have tackled these issues. The Commission on the Status of Puerto Rico has been looking at these same matters, albeit in the context of their own special circumstances and needs. The people of Guam recently rejected a referendum on the proposed constitution that had been largely dictated to them by the federal government. Our sister state of Hawaii has been seriously considering seeking ways that would allow them some say over the rate of immigration into their island state, and have been considering constitutional change as a fundamental means of achieving this.

Even if Alaska didn't have its special problems to contend with, it would still be appropriate for us to establish the Statehood Commission. The federal union is not the same today as it was 50 years ago or even 10 years ago, and regardless of what we do, it will continue to change in the future. As that change takes place it is imperative that we as a people understand the effects those changes will have on us and where our interests lie with respect to them.

For example, few of us realize that some time in the 1980's there is very likely to be a U.S. Constitutional Convention. Article V of the U.S. Constitution provides that "on the application of the legislatures of two thirds of the several states [the Congress] shall call a [constitutional] Convention...." So far, 34 of the required 37 state legislatures have adopted

resolutions calling for such a convention. Most of these calls have specifically mentioned the issue of tax-limitation, but prevailing legal opinion holds that once a convention is assembled it can consider anything it chooses. Whatever one may think about the advisability of a U.S. Constitutional Convention, it seems likely that we will have one. As such, it is only prudent for us to begin thinking about where our interests lie in respect to that convocation. The Alaska Statehood Commission provides an ideal forum for initiating the necessary dialog among Alaskans, a forum in which they will have a chance to focus on the role of Alaska in the nation's future.

The creation of the Alaska Statehood Commission by the legislature will also have immediate and highly beneficial effects in our current problems with Congress. Most of the people who sit in Congress simply don't understand the depth of feeling in Alaska concerning what has been done to us lately. By adopting the Statehood Bill the legislature can help the Congress of the United States understand that the common heritage which binds this nation together is not a fabric that can be stretched indefinitely, that continued federal encroachment runs a real risk of tearing that fabric. The Commission will no doubt generate substantial national publicity. Congressmen hearing of it will realize that it is not rebellion that could bring about tears in that fabric, but the peaceful, rational and democratic response of peoples who increasingly feel that their government is no longer interested in their special needs and cultures. In short, the creation of the Alaska Statehood Commission will send Congress a clear and unmistakable message of the sort they have never heard before, a message which cannot help but influence their actions on issues of importance of Alaskans.

There are plenty of historical precedents to indicate that this will be the case. Every region within a federal democracy that has agitated for greater self government has ended up better off as a consequences of that agitation. On our own continent, Quebec has gained important concessions from the Canadian federal government, not only in language and educational rights, but in economic areas as well. The Basque provinces of Spain last year won a high degree of self government from the Spanish central government, and now have their own parliament and flag while still remaining an intergrated part of the Spanish nation. The list of others is fairly long: Greenland has just this year won self government in all areas except foreign policy and defense, and has gained greater economic support from the Danish government, as have the Faroe Islands in the North Atlantic.

Within the United Kingdom, Scotland has finally started to profit from the discovery of oil resources off its shores due to the peaceful and democratic agitation of the Scottish "Separatist" Party. The example here may be particularly significant for Alaska, since the "Separatist" Party has really never advocated separation from the United Kingdom nor has it ever resorted to non-democratic means to obtain its goal. There is every reason to expect that passage of the statehood legislation will bring about a similar response by the federal government.

Finally, the very best reason for supporting the statehood legislation is that it will be good for the nation as a whole. For better or worse, we are Americans. As Americans we Alaskans have a responsibility to work not just for ourselves but for all our fellow citizens. One of the most important things in making America a strong and tolerant nation has been our willingness and ability to accept diversity and to gain strength from that diversity. If the states are to be extinguished as a vital and viable source

of implimenting that diversity then our nation will have suffered a grievous loss.

Perhaps Alaska has an historic chance to initiate the process whereby the federal government is, in effect, saved from itself. If you will take a dime or a penny out of your pocket you will note that it has emblazoned thereon the nation's motto: "E Pluribus Unum". "One out of many". The Alaska Statehood Commission will be a concrete step to insure that the Many do not disappear into the faceless One, and that this basic principal remains a part of our nation's heritage.

HOUSE FINANCE COMMITTEE

March 25, 1980

1:50 p.m.

[Tape HFC 80-28, Side 2 #810.]

All members of the Committee were present. Representatives McKinnon and Duncan arrived later in the meeting. Present to testify were: Ginny Chitwood, Alaska Municipal League; Palmer McCarter, Department of Community and Regional Affairs; Ted Burns, attorney, Municipality of Anchorage; Gene Dusisk, Budget Officer, Municipality of Anchorage; Robert Jones, Fairbanks North Star Borough.

Present

Chairman Meekins called the meeting to order and handed out copies of the meeting schedule for closing out the budget. Subcommittee chairmen indicated they would be prepared to give recommendations on their categories on the dates indicated in the schedule.

Representative Rogers stated that several bills having fiscal impact have not been referred to the Finance Committee. He said one such bill is HB 205 (prevention and control of oil pollution). There was brief discussion. Chairman Meekins said he would accede to Representative Rogers' request to have this bill referred to Finance with the stipulation that it be reported out of Committee by a time certain.

Request to
refer
HB 205 to
Finance

[Tape HFC 80-29, Side 1 #145.]

Chairman Meekins brought HB 192 up for discussion.

HB 192

"An Act providing for equalization of the tax resources of municipalities, continuing a portion of the program of state aid for municipal purposes, and providing for minimum entitlements; and providing for an effective date."

Ginny Chitwood, Alaska Municipal League, said they support the revenue sharing program. She presented a chart showing when the rates were established and the impact of inflation on the amount (see attachment). Ms. Chitwood said they support separating hospital cost of construction out of the revenue sharing fund. She said they don't feel it is as important to separate out roads and highways, but they do support an increase in the per mile amount. Ms. Chitwood stated the Municipal League supports the concept of helping those communities who are willing to help themselves. She said they need some stronger hold harmless clauses than are in this bill.

3/25/80

Representative Meekins commented on including hospital cost of construction in revenue sharing. Ms. Chitwood commented it really isn't revenue sharing but hospital construction grants, and including it in revenue sharing distorts the figures -- it makes it look as though the municipalities are getting more than they really are.

Ms. Chitwood advised the House C&RA committee substitute adds a section that would make revenue sharing simply on a population basis. She advised that one paragraph (on page 17) really negates the rest of the bill. She commented on the section, and said it may be the basis for rewording as a good hold harmless clause. Representative Rogers commented the fiscal note on the C&RA CS is approximately \$200 million.

[Tape HFC 80-29, Side 1 #382.]

Mr. Palmer McCarter, Department of Community and Regional Affairs, advised his division is responsible for administering the revenue sharing program. He advised the Governor supports the notion of revenue sharing reform and the concept of HB 192. Mr. McCarter said the Department supports HB 192 with some exceptions. He said they are concerned with the language in the C&RA CS (page 17) which basically makes revenue sharing a per capital grant program. He recommended this section be taken out. Mr. McCarter commented on the revenue sharing program. He said page 9 of the bill is the language in the statutes now. He said they would recommend the deletion entirely from the state revenue sharing program of the hospital construction concept. He suggested that program be removed from the statutes and the Legislature look at the need for state involvement in hospital construction projects. He said his Department would suggest the program go back to the Department of Health and Social Services, where they believe it belongs.

Representative Freeman commented on the purpose of revenue sharing and said he concurred that hospital construction costs have no place in a revenue sharing bill.

[Representative McKinnon arrived at this time.]

Representative Rogers asked if communities would still receive revenue sharing for fire protection. Mr. McCarter said the bill gets away from the categorical approach. He commented that roads are broken out separately because road management is such a variable from community to community. Representative Rogers said he would like to have fire protection broken out also.

Mr. McCarter said they do support the minimum grant for the smaller municipalities with a very limited tax base. He commented that with the new formula some communities will benefit and some will get hurt. He said the communities that will get hurt are the wealthier ones, i.e. Valdez, Anchorage. He said the program redistributes the amount of wealth going from the State to the various municipalities.

3/25/80

[tape HFC 80-29, Side 1 #620.]

Mr. Ted Burns, Municipal Attorney, Municipality of Anchorage, commented that in spite of the significant amount of work done on revenue sharing in the past few years, they feel that HB 192 has some shortcomings in its present form. He said the bottom line as far as Anchorage and some other communities are concerned is a drastic reduction in the percentage of dollars that would go to their municipality. He commented their present revenue share is around 44%, and the latest data they have received indicates that under the formula in HB 192 they would receive about 34%.

Mr. Burns referred to page 2 of the CS, and said there is a 15% average value built into the formula. He said there are arbitrary numbers included in the formula to make it work around the state. He said they have had a difficult time determining what Anchorage can and cannot count. He said they have been told their utilities cannot be counted, and they have been told that revenue generated from ports or airports has to be excluded.

Mr. Burns said Anchorage is doing more than its share to hold down taxes and keep their budget in line. He said that, as written, they have problems with supporting HB 192. He said they would like to see included in the bill something in the manner of a hold harmless clause to assure them that they would not receive a drastic reduction in revenue sharing from what they are receiving at the present time. There was brief discussion.

[Tape HFC 80-29, Side 1 #760.]

Mr. Robert Jones, Fairbanks North Star Borough advised the Borough is in favor of HB 192. He said they feel this bill comes as close as it can to an equitable allocation of financial resources for the municipalities. He said they are strong believers in local communities providing for themselves in order to insure that they concur with the programs being provided. He suggested the bill and appropriation be allowed to keep pace with inflation.

Concerning utilities, Mr. Jones said they left out the kinds of utilities that in a normal municipal situation are self-supporting. He said that in looking at the number of utilities provided throughout the state they felt that they were opening up a "pandora's box", so they left the concept of a utility that is operating as an enterprise fund out of the formula in determining what the allocation would be.

Representative Rogers asked what the categorical fire protection funding would be to local fire departments. Mr. Jones said the present bill provides that at least 20% of the funds be allocated to the areas to which the service is provided. He assumed this bill would give them a little more flexibility in dealing with some of the problems within the service areas. Representative Rogers asked if the total for fire

3/25/80

protection would be the same, in other words was it the Borough's intention to hold harmless the fire protection category. Mr. Jones said it would be to the fire service area's advantage to be under the new formula. He said it would allow them more flexibility to look to their needs, rather than tie it to per capita rate presently set.

[Tape HFC 8029, Side 2]

There was discussion on what the communities would receive under the formula in this bill. Mr. Jones commented that under the new formula, percentage-wise the amount they would receive would be smaller, but the amount of money generated by the bill would give them a higher dollar figure. He said they couldn't support this bill if they were going to receive less money.

Representative McKinnon asked why they were excluding revenue from utilities. Mr. Jones said they tried to stay with those types of revenues that are used to offset various accepted general borough services. He said they avoided those utilities or enterprises which are normally self supporting and, as a rule, generated enough revenue to offset the expenses and are operated as a business. He said this created some problems for them because they found a number of enterprise funds around the state that are self supporting, and the only problem, as Anchorage pointed out, is the fact that their utilities are tied to a rate increase, and if they have revenue sharing that might make a difference. He said that generally the utilities are self supporting and they raise the local rates to offset the expenses. He said they wanted to use those revenues as a determining factor.

Representative Freeman asked if their utilities paid in lieu of taxes to the municipality. Mr. Jones said no. Representative Freeman said his feeling is that in lieu of taxes are a tax contribution. He said if the whole gist of this has to do with the reduction or lessening of the tax burden, that the utility customers are paying taxes. He said in lieu of taxes paid by utilities should be considered part of the tax contribution. Mr. Jones commented there is not a uniform application throughout the State, and that is where they have problems. Representative McKinnon said in those communities where taxes are put into the rate the utilities are collecting, the local population is paying taxes in one way or another. There was further discussion on utilities.

Mr. Jones said the objection was to using the total revenue from the utilities. Mr. Burns said they would have no qualms about not including the gross revenues of the utility. He said they specifically requested that in lieu of taxes be included and all the computer print outs they have received came back excluding in lieu of taxes. Mr. McCarter said

3/25/80

that from his reading of the bill he doesn't see why revenues from a municipal utility that are made to the municipality as a payment of in lieu of taxes should be excluded. Chairman Meekins asked if, as he read the bill, they would be included, but the question is whether or not Research is including that in their computer runs. Mr. McCarter said that is what he is saying.

Chairman Meekins asked if anyone had an objection to including this in the bill. No objection was noted. He suggested language be put in to clarify this. Chairman Meekins said they would address this and the port question before the next meeting and come back with recommendations.

Representative Rogers advised there is a fiscal note on a bill that was on the Floor that had never been to Finance. He said the bill is HB 869 (Relating to claims of the State) and it provides that if a person owes the State money, that money would be deducted from any income tax refunds made to the person. He explained the fiscal notes, and said the net effect is that it would probably make money for the state.

HB 869

[Representative Duncan arrived at this time.]

There was brief discussion on the bill. Representative Rogers said he is reluctant to add a new position when the Division is going to be drastically affected by other legislation before the Committee. He moved that the Finance Committee prepare a zero fiscal note for this bill. There being no objection, it was so ordered. Representative Rogers requested that if it is determined that they need a CRT terminal in order to do this, that the Free Conference Committee consider that in its budget process.

HB 869
Zero Fiscal
Note
Reported
Out

The meeting adjourned at 3:05 p.m.

Adjourn

Tape HFC #80-28, Side 2 #810 to end
HFC #80-29, Side 1 #001 to end
Side 2 #001 to 482

3/25/80

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3/25/80

STATE REVENUE SHARING - INFLATED RATES
Based on Anchorage CPI 1971 to 1979

<u>MUNICIPAL SERVICE</u>	<u>PRESENT RATE OF ENTITLEMENT</u>	<u>FISCAL YEAR RATE WAS ESTABLISHED</u>	<u>% INCREASED BASED ON ANCHORAGE CPI INDEX</u>	<u>RATE ADJUSTED FOR 1979 INFLATION</u>
Police Protection	\$ 12.00 per capita	1975	40%	\$16.80
Military	6.00 per capita	1975	40%	8.40
Fire Protection	7.50 per capita	1976	30%	9.75
Air/Water	2.00 per capita	1971	89%	3.78
Land Use Planning	2.00 per capita	1971	89%	3.78
Parks & Recreation	5.00 per capita	1971	89%	9.45
Military	1.25 per capita	1974	60%	2.20
Transportation Facilities	5.00 per capita	1971	89%	9.45
Military	2.50 per capita			4.00
Road Maintenance				
Public Roads	1,500.00 per mile	1971	89%	2,835.00
Ice Roads	900.00 per mile	1976	30%	1,170.00
Health Facilities	1,000.00 per bed or 4,000.00 per facility	1971	89%	1,890.00 7,560.00
Health Services	2.00 per capita	1977	23%	2.46
Hospitals	75,000.00 per hosp. or 25,000.00 per hosp. or 1,000.00 per bed	1977	23%	92,250.00 30,750.00 1,230.00
State Construction Aid	2,500.00 per bed or 5% of total project cost	1972	84%	4,600.00

FY 80 totals \$ 27,031,915

\$ 38,891,494

3/25/80

- 503 -

Attachment

HOUSE FINANCE COMMITTEE

March 27, 1980

1:50 p.m.

[Tape HFC 80-29, Side 2 #483.]

All Members of the Committee were present except Representatives Schaeffer, Moss and Haugen. Also present: Jim Souby and Dale Cheek, Department of Labor; Ken Humphries, Division of Retirement; Cherrie Shelley, APEA; Dave Walsh, President, Alaska Municipal League; Mayor George Sullivan, Anchorage; Mayor Ron Larson, Matanuska-Susitna Borough; Mayor Vince O'Rielly, Kenai; Mayor Bill Overstreet, Juneau, President, Alaska Conference of Mayors; Dick Smith, Judy Crondahl and George Crowder; Department of Administration; Jack Chenowith, Legislative Legal Services; and Mike Doogan, AA to Rep. Meekins.

PRESENT

Chairman Meekins called the meeting to order and brought the fiscal note for HB 43 (An Act relating to the Alaska Code Revision Commission) up for consideration. Representative Smith moved and asked unanimous consent that a new fiscal note be prepared, allowing three days of travel per meeting for a total of \$14.4. There being no objection, it was so ordered.

HB 43
FISCAL
NOTE

Chairman Meekins advised the next item to be considered was the fiscal note for HB 453 (An Act relating to labor relations between school boards and other public employers and their employees; and providing for an effective date).

HB 453
FISCAL
NOTE

Mr. Dale Cheek, Department of Labor advised he is speaking to the fiscal note dated February 27, 1980, and said that based on their experience with the Labor Relations Agency, they believe that most of the noncertified employees of school districts will want to organize.

Representative Rogers asked how many wage and hour investigators they have now and Mr. Cheek said approximately 45% of one investigator's time is devoted to Labor Relations for government workers in cities and boroughs. Representative Rogers asked if he thought passage of this bill would mean three times as much work, and Mr. Cheek said very definitely. He believes one position is very conservative.

Mr. Cheek explained that presently the Department of Labor doesn't have the authority to deal with non-certificated school employees, and this bill adds that responsibility. There was brief discussion.

Representative Rogers moved and asked unanimous consent that the fiscal note for this bill be adjusted to accept one-half the figure in personal services, and to accept the travel and contractual figures requested in the Department's fiscal note. He said this would give the Department a half time position. There being no objection, it was so ordered.

3/27/80

Chairman Meekins brought HB 154 up for discussion.

HB 154

"An Act relating to creditable service under the teachers' retirement system for territorial employment; and providing for an effective date."

Representative Duncan explained this bill is not new. He said it was passed a couple of years ago as part of another piece of legislation which was vetoed by the Governor.

Mr. Ken Humphries, Deputy Director, Division of Retirement and Benefits, explained this bill allows non-teaching service to be credited to the teachers' retirement system. He said he thinks this bill sets a bad precedent. He commented that TRS is very similar to PERS, and once you begin crediting service that does not belong in the retirement system, it is very difficult to say no to the next person making a request.

Representative Duncan said the bill is to benefit those people who have had territorial service and want to credit that to the retirement system. He said he didn't see how this was any different from what they have done in the past.

Representative Montgomery asked who would contribute the funds for past service if this is not teacher service. Mr. Humphries advised it would add to the past service liability and would be reflected in a very small increase in the employer rate.

Representative Duncan advised the bill provides that the person will make a retroactive contribution. The fiscal note is \$28.0 which would be the State's contribution to the fund. Mr. Humphries said they are not quibbling over the amount of money; the point is not whether or not it is territorial service, but that it is not teaching service. He said it is already proper to claim territorial service as a teacher.

Representative Duncan moved that HB 154 be reported out of Committee. Representatives Montgomery and Smith objected. The motion carried. HB 154 was reported out with individual recommendations.

HB 154
REPORTED
OUT

The next bill to be considered was HB 537.

HB 537

"An Act establishing the state deferred compensation board; and providing for an effective date."

Cherrie Shelley, APEA, advised that the bill adds to the Public Employees Retirement Board the authority to make regulations. She said they are asking to have this authority because they have had numerous problems with the Director of the Division of Retirement and Benefits. She explained some of the problems they have had, particularly with not having any input into the supplemental benefits employee program.

3/27/80

[Tape change HFC 80-30, side 1.]

There was brief discussion on the fiscal note. Representative Rogers moved and asked unanimous consent that the State Affairs CS be reported out with the fiscal note in the amount of \$36.7. There being no objection, it was so ordered. CSHB 537 was reported out with individual recommendations.

CSHB 537
REPORTED
OUT

The Committee then received testimony on HB 192.

HB 192

"An Act providing for equalization of the tax resources of municipalities, continuing a portion of the program of state aid for municipal purposes, and providing for minimum entitlements; and providing for an effective date."

Mayor George Sullivan, Municipality of Anchorage, said they would like to see 100% funding of this legislation. He said they would be hopeful for \$30 million in funding exclusive of hospitals. He suggested hospitals remain part of revenue sharing, but be separated out.

Mayor Vince O'Reilly, Kenai Peninsula, commented on the municipal assistance program. He said that revenue sharing is based on per capita. He commented on the gross business tax and its purpose. Mr. O'Reilly suggested that by fully funding the municipal assistance fund, the state would not be giving with one hand and having the municipalities withdraw with the other hand. He said it would also provide for some control at the local level, and would allow for a flow through of funds. He presented information on the dollar figures available (see attachment #1). There was brief discussion.

Representative Duncan suggested that if Governor Hammond has made a commitment to the Alaska Conference of Mayors to fully fund revenue sharing, he should at least submit a letter to the Legislature advising them. There was brief discussion.

Mayor Bill Overstreet, City and Borough of Juneau (President, Alaska Conference of Mayors) said they would encourage full funding of the revenue sharing for school debt construction. Mayor Ron Larson, Matanuska-Susitna Borough, commented on the impact of the state's share of debt service in his district. He said the share the Matanuska-Susitna Borough is receiving is approximately one-half million dollars. He advised that under pro-ration of revenue sharing they had a short fall of \$81,000, and they will have to come up with 8/10's an increase in their mill rate to cover what they thought was coming from the State.

Chairman Meekins said the logic for fully funding school debt would be the same as fully funding revenue sharing. He said this year the state has enough money to fully fund,

3/27/80

where last year it did not. However, Chairman Meekins said he doesn't believe that same logic applies in regard to shared taxes because no one expected that 10% of the corporate income tax would be such a large figure.

Assemblyman Dave Walsh, Anchorage (President, Alaska Municipal League) advised that in Anchorage their mill rate for schools is about 5; so it is not as if they are asking for an additional hand out with no local tax burden at all. He advised that the increase outlined under Senator Ferguson's bill would mean that for one more year they could maintain the same level. He commented further.

There was further discussion on the figures provided by the Alaska Municipal League in the attachment.

A recess was called at 3:00 p.m. and Chairman Meekins recalled the meeting to order at 3:30 p.m.

RECESS

[Tape HFC 80-30, Side 1 #816.]

SB 313 was brought up for consideration.

SB 313

"An Act exempting property of air and motor freight carriers regulated by the Alaska Transportation Commission from the oil and gas exploration, production and pipeline transportation property tax; and providing for an effective date."

Chairman Meekins advised there had been a motion to report the bill out pending receipt of the Finance Committee Substitute.

Mr. Jack Chenowith, Legislative Counsel, advised the request to have a CS drafted came with the notation that the Committee wanted only those companies that have aircraft they use themselves to be taxed. He explained the draft bill.

[Tape change, HFC 80-30, Side 2.]

Mr. Mike Doogan, AA to Rep. Meekins, briefly explained the fiscal note.

Representative Freeman moved and asked unanimous consent that the House CS for SB 313 be reported out with the fiscal note. There being no objection, it was so ordered. HCSSB 313 was reported out with a do pass recommendation.

HCSSB 313
REPORTED
OUT

Chairman Meekins advised that HB 205 ("An Act relating to the prevention and control of oil pollution.") will be referred to Finance, and he appointed the following subcommittee to review the bill and report back to the full committee with its recommendation as soon as possible:

HB 205
SUBCOMMITTEE
APPOINTED

Representative McKinnon, Chairman
Representative Rogers
Representative Smith

3/27/80

The next bill to be considered was HB 918.

HB 918

"An Act making supplemental appropriations to the Department of Administration, division of data processing; and providing for an effective date."

Mr. George Crowder, Division of Data Processing, advised the supplemental request covers two years.

Judy Crondahl, Department of Administration, said the amount for FY 79 is basically to "clean up their books". She explained they expended general funds that were not appropriated because the RSA's had been reduced or they didn't receive the payment for the service. She advised the only effect this will have on the general fund is that it would reimburse it \$70.5 from the PERS and TRS funds. She advised there are no outstanding bills; the bills have already been paid.

Mr. Dick Smith advised the monies they would have received were in other agencies that lapsed that money at the end of the fiscal year. There was brief discussion.

Ms. Crondahl advised sec. 2 of the bill is for the current fiscal year. She said they are anticipating some short falls in receipts for the charge back in data processing. Mr. Smith said the decision to go to a charge back system was made two years ago. He commented on the problems they are having in getting the U. S. Department of Labor to agree to the consolidation of the computer system.

Alison Elgee, Legislative Finance Division Fiscal Analyst, advised that their budget was based on anticipated receipts, and the bulk of those receipts were to come from the Department of Labor. She advised the money has been spent, but it has been spent by the Department of Labor. There was further discussion.

The committee briefly discussed the data processing function and the service they provide.

Representative Rogers moved that HB 918 be reported out. There being no objection, it was so ordered. HB 918 was reported out with a do pass recommendation.

HB 918
REPORTED
OUT

The meeting adjourned at 4:00 p.m.

ADJOURN

Tape HFC 80-29, Side 2 #483 to end
HFC 80-30, Side 1 #001 to end
HFC 80-30, Side 2 #001 to 628

3/27/80

ALASKA MUNICIPAL LEAGUE FINANCE FACT SHEET

Revenue Sharing

FY '80	Entitlement	\$27,031,915
FY '80	Appropriation	<u>\$20,236,000</u>
	Shortfall	\$ 6,795,915
FY '80	Entitlement With Inflation Factor Applied	\$38,891,494
FY '81	Proposed Executive Budget	\$26,565,000

Municipal Assistance - General & Petroleum Corporate Income Tax

FY '79	Last Year Under 60% of Gross Business License Tax	\$13,400,000
FY '80	10% of FY '79 Corporate Income Tax Revenues	\$25,700,000
FY '80	Appropriation	<u>\$11,400,000</u>
	Shortfall	\$14,300,000
FY '81	10% of FY '80 Corporate Income Tax Revenues	\$41,700,000
FY '81	Proposed Executive Budget	<u>\$11,400,000</u>
	Shortfall	\$30,300,000

School Construction Debt Payments

FY '79	Entitlement	\$27,868,182
FY '79	Appropriation	<u>\$22,273,300</u>
	Shortfall	\$ 5,594,882
FY '80	Entitlement	\$30,812,110
FY '80	Appropriation	<u>\$24,081,000</u>
	Shortfall	\$ 6,731,110
FY '81	Estimated Entitlement	\$30,410,000
FY '81	Proposed Budget	<u>\$25,210,000</u>
	Shortfall	\$ 5,200,000

Attachment

STATE REVENUE SHARING - INFLATED RATES
Based on Anchorage CPI 1971 to 1979

<u>MUNICIPAL SERVICE</u>	<u>PRESENT RATE OF ENTITLEMENT</u>	<u>FISCAL YEAR RATE WAS ESTABLISHED</u>	<u>% INCREASED BASED ON ANCHORAGE CPI INDEX</u>	<u>RATE ADJUSTED FOR 1979 INFLATION</u>
Police Protection	\$ 12.00 per capita	1975	40%	\$16.80
Military	6.00 per capita	1975	40%	8.40
Fire Protection	7.50 per capita	1976	30%	9.75
Air/Water	2.00 per capita	1971	89%	3.78
Land Use Planning	2.00 per capita	1971	89%	3.78
Parks & Recreation	5.00 per capita	1971	89%	9.45
Military	1.25 per capita	1974	60%	2.20
Transportation Facilities	5.00 per capita	1971	89%	9.45
Military	2.50 per capita			4.00
Road Maintenance				
Public Roads	1,500.00 per mile	1971	89%	2,835.00
Ice Roads	900.00 per mile	1976	30%	1,170.00
Health Facilities	1,000.00 per bed or 4,000.00 per facility	1971	89%	1,890.00 7,560.00
Health Services	2.00 per capita	1977	23%	2.46
Hospitals	75,000.00 per hosp. or 25,000.00 per hosp. or 1,000.00 per bed	1977	23%	92,250.00 30,750.00 1,230.00
State Construction Aid	2,500.00 per bed or 5% of total project cost	1972	84%	4,600.00

FY 80 totals \$ 27,031,915

\$ 38,891,494

08/27/80

-510-

<u>Municipality</u>	Per Capita Cost for:						Mill levy:	
	<u>police</u>	<u>fire</u>	<u>pollution</u>	<u>planning</u>	<u>P & R</u>	<u>Trnsp.</u>	<u>1970</u>	<u>1979</u>
Mun. of Anchorage	\$ 120	75	-	-	40	75	21.98	14.44
Cordova	-	-	-	-	-	-	14	17
Dillingham	84.48	11	10.63	3.20	12.71	50.56	15.5	10
Fairbanks	97	109	64	-	-	-	10	8.5
Haines Borough		836.69					4.5	2
Kenai	124	124	82	-	16	26	7	12.5
KPB	-	-	-	-	-	-	5	2.5
Ktn. Gateway Bo.	-	39.32	-	21.96	86.39	-	4	4.5
Mat-Su Bo.	-	-	-	-	-	-	14	7.4
Palmer	176	43	44	-	-	16.50	4.5	5
Petersburg	145.41	18.45	85.46	14.48	4.69	33.53	no answer	
Skagway	115.16	29.16	-	-	9.33	-	20	8.3
Unalaska	550	112	-	-	8	4	19	14
Wrangell	74.75	16.45	33.32	1.45	5.71	27.87	no answer	
Yakutat		36.20					last 4 yrs. -	13.7

Out of 13 municipalities who responded to the questionnaire in regard to the mil levy, only four had not lowered their mil levy, most of them lowered it considerably.

3/27/80

-511-

HOUSE FINANCE COMMITTEE

March 28, 1980

1:55 p.m.

All members of the Committee were in attendance, except Representatives Duncan, Moss and Schaeffer. Representatives Rogers and Smith arrived later in the meeting. Also present: Senator Terry Stimson; Bob Greene, Alaska School Boards; Superintendent Don McKinnon, Juneau School District; Heather Flynn, Anchorage School Board member; Bob Van Houten, National Education Association; Commissioner Marshall Lind and Deputy Commissioner Bill Thompson, Executive Administration, Department of Education; Dave Walsh, Alaska Municipal League and Chairman of the Anchorage Assembly; Wayne Taylor, Nenana School District; Mike Doogan, Administrative Assistant to Chairman Meekins; Dave Scott, Jerry Schilz and Alison Elgee, Fiscal Analysts, Division of Legislative Finance.

PRESENT

Chairman Meekins called the meeting to order and advised the first order of business is HJR 83:

HJR 83 - Relating to compensation to Alaska physicians who participate in the Medicaid program.

HJR 83

Representative McKinnon briefly explained the resolution urges Congress to amend the medicaid law to allow Alaska physicians to become more reasonably compensated. He explained the problem in the Medicaid billing.

[Representative Rogers arrived at this time.]

Representative McKinnon moved to report out HJR 83. There being no objection, it was so ordered. HJR 83 was reported out of Committee with a "do pass" recommendation.

HJR 83
REPORTED OUT

Chairman Meekins announced the next order of business is to hear testimony on CSSB 199 (Finance) am. He introduced Senator Terry Stimson, who has been working on the bill.

CSSB 199(Finance)am - "An Act relating to the public school foundation program; to educational assessments of children; and providing for an effective date."

CSSB 199
(Finance) am

Tape #

Description

HFC 80-30 Side 2

745 Dave Scott gave a brief explanation of the information packet he distributed to the Committee: (1) Senator Ferguson's pro-

Tape #

Description

posed bill, (2) Comparison of Senator Ferguson's Bill, (3) Figure Sheet for Senator Ferguson's bill (see Attchmts 3, 4 & 5 to Minutes dated 3-11-80).

- 756 Bob Greene testified on Senator Ferguson's proposal dealing with a 2-year plan. He stressed importance of time element involved and noted local governments are waiting to see what the Legislature is going to do before they act on funding. Stated he feels treating REAAs as separate attendance areas creates a disadvantage in some areas such as Anchorage.
- 805 Greene discussed large school and small school formulas and stated the secondary school formula does not meet the funding necessary.

HFC 80-31 Side 1

- 001 Greene stated he feels there should be no changes in area differentials contrary to request of REAAs. Stated he feels current and updated information should be obtained as a basis for making that decision before recommending this change.
- 102 Greene advised the second-year approach takes into consideration Bilingual education, special education, vocational education & correspondence study. Advised of need for some change in the rural schools for bilingual education. Example: In impacted areas such as Western Alaska and Aleutian Chain, problem has been created by Indo-Chinese language because no thought was given to relocating these people there.
- 214 Scott noted all these changes are contained in Ferguson's proposal.
- 220 Greene stated they are asking that the elementary school formula be liberalized. Stated he feels the 3% local effort is meaningless.
- 274 Greene testified in support of implementation of all the Task Force recommendations. Stated they support 10% increase plus categorical funds.
- 285 McKinnon asked why not request an 18%-20% increase instead of a formula. Commented it seems to him like "an Alice in Wonderland situation" and "the more we get into this, the less sense it makes".

Tape #

Description

- Discussion on the need for a foundation formula and how there are always exceptions and someone is always going to be left out.
- 441 Meekins asked Greene to address the question of why not have a formula that says everybody gets the same amount for standards. Greene answered that the different areas can't be categorized. Example: Anchorage gets so much for a standard and a school in the Bush can't be operated for the same amount. Stated formulas are needed to take this into consideration and also because of the accountability question. Discussion on school district's obligation to spend those funds and audit problems involved. Scott noted categorical funds are based on instructional units and ADA.
- 525 Meekins discussed how the categorical funds would relate to his child abuse & alcohol & drug abuse programs. Greene advised there are no special funds for these programs that they are picked up by the districts themselves if deemed necessary in these districts.
- 595 Regarding all schools being considered separate, Meekins asked about the impact of schools that haven't been built yet. Greene commented this only affects urban schools, and the only REAA affected is Delta-Greeley. Stated this is strictly a city/borough problem. Thompson advised Hootch decree has already been implemented, and there aren't that many new schools. Scott reminded this is based on ADA and instructional unit and not on number of schools.
- 703 Discussion on the cost of the bill vs. the present system. Scott advised HFC has had 3 different presentations on school foundation funding: Task Force with equalization and categorical funding; Moss proposal; Ferguson proposal.
- 775 Greene discussed federal PL 874 funds that may no longer be retained by the State. He explained the "federal disparity test" and stated this may result if no legislation is passed. Scott stated this includes local support, State support & PL 874 funds. Discussion on the offset of PL 874 funds.

HFC 80-31 Side 2

- 001 Further discussion of equalization and PL 874 funds.

<u>Tape #</u>	<u>Description</u>	
109	Meekins made formal request of DOE for written explanation regarding problems and cost of equalization concerning "disparity test". Thompson indicated information would be to HFC by Tuesday.	<u>REQUEST</u>
139	[Meeting recessed at 3 pm and reconvened at 3:33 pm. HFC members present: Meekins, Freeman, Guy, Haugen, Rogers, Montgomery.]	<u>RECESS</u>
175	Don McKinnon testimony. Stated last time he was here was as chairman of the Task Force. Said he speaks favorably toward the Ferguson bill as he feels it has more thought to the long-range scheme. Indicated he does not like Moss' 5% bill which end up in a one-year shot. Stated Ferguson's bill addresses all parts of the Task Force recommendation, except equalization, and comes closer to meeting needs of Juneau.	
240	Heather Flynn testified in support of this proposal. Offered brief explanation of why a flat 18%-20% wouldn't work because of inequity problem. Stressed importance of time element involved. Advised their school budget goes to Assembly next week. Indicated overall total amount of budget increase this year is 9%. Discussion on time element and Assembly being mandated to act on budget within 30 days of presentation.	
407	Bob Van Houten testified in support of foundation funding. Noted "time crunch" facing all of them. Feels area differentials should be based on school districts rather than individual schools. Regarding surplus funds of school district, feels should wait until study has been done. Briefly discussed PL 874 funds the State might lose.	
479	Van Houten suggested consideration might be given to allowing 1st class cities--Craig, Klawock, Yakutat--to establish themselves as REAAs, if they so desire. Stated, of the three different proposals, he favors features of the Ferguson bill, realizing it does not address equalization, which perhaps should be addressed separately.	
532	Marshall Lind commented on most recent decision of the State Board of Education. Reaffirmed support of the Task Force recommendations, but if this does not emerge as amendment to current bill before HFC, then recommend the Ferguson bill. Stressed importance of time element so that districts are informed of decision as soon as possible.	

Tape #

Description

- 570 Meekins asked about the "federal disparity test" situation. Lind advised, "We just make the test now by a few percentage points." Stated this should be high-lighted, but is not unique to the Ferguson proposal as it would affect any proposal HFC would come up with. Discussion.
- 638 Lind stated flat percentage rate is not feasible. Stated districts could rate their critical needs by degree of quantity and quality. Meekins indicated this is good idea and added he feels Education is treated better than court system and Legislature in terms of accountability.
- 685 Rogers indicated, under Ferguson proposal, he feels there is inequity between way secondary and postsecondary education is being treated. Discussion.
- 708 Meekins-Scott discussed time element in getting out budget. Scott stated he feels a budget can be worked out within a reasonable time.
- 730 Scott gave rundown in differences between Moss and Ferguson proposals. Scott indicated some of the same language is in all three proposals. Stated some of issues have cost; some do not; secondary formula is different in Moss proposal. Noted Task Force did not address equalization. Advised everyone agrees area differential should be studied and handled as a regulation process within DOE. Stated inlieu tax payments is being read as a supplemental approach which was not the intent.
- 800 Greene on floor-rate change: take prior year's level as a base. Meekins discussed question of possibility of floor becoming a ceiling. Scott stated he feels the range in the bill does not address this question as interpreted by Greene at this time.

HFC 80-32 Side 1

- 001 Discussion on basic foundation formula changes. Scott advised Sec. 10, categorical changes, going up. Stated elementary school funding going up with the change in separate sites.
- 105 Scott advised of major changes in elimination of inlieu and PL 874 offset. Discussion on what approach to look at.
- 206 Dave Walsh testimony. Discussed urgency of time element in passing foundation formula funding.

Tape #Description

Advised of Western Interstate Region (WIR) conflicting meeting dates. Stated mill rate can't be set until they know if this will pass. Said they need to know what the Legislature is going to do by April 22 as the Assembly must finish the school budget by that date. Meekins advised HFC goal is to finish the budget by April 15.

331 Meekins advised of procedure HFC would follow in dealing with school foundation funding.

373 Meeting adjourned at 4:30 pm.

ADJOURN

Tape HFC 80-30 Side 2 #628 - End
80-31 Side 1 #001 - End
Side 2 #001 - End
80-32 Side 1 #001 - #373



Ombudsman

Frank Flavin

State of Alaska

March 28, 1980

Reply to:

- ☐ 840 K Street, Room 203
Anchorage, Alaska 99501
(907) 276-4011
- ☐ Pouch WO
Juneau, Alaska 99811
(907) 465-4970
- ☐ P.O. Box 74358
Fairbanks, Alaska 99707
(907) 452-4001

Russ Meekins
Chairman, House Finance Committee
Pouch V
Juneau, AK 99811

Re: H.J.R. 83

Dear Rep. Meekins:

Unfortunately prior commitments of my staffs' and my time conflict with your hearing on H.J.R. 83 and we will not be able to be present.

I believe the following information will be of interest to you and your committee when considering this bill.

1. In the past two years we have received about eight complaints or inquiries which have represented twenty-two physicians regarding the Medicaid fee profile for physicians.

2. The physicians (including psychiatrists) have strongly felt that they are forced to subsidize the state's medical assistance programs because of inequitable fee profiles and its percentage reimbursement scheme.

3. The Department of Health and Social Services is in the position of administering a federal program and having to comply with federal regulations which prevent them from reimbursing the physicians' costs in any way which reflects the cost of doing business in Alaska.

4. We are aware of one physician who left the state partially because of what he considered an inequitable Medicaid fee profile. Considering the Alaskan economy he felt that his time and business overhead could not cope with what he felt were below cost reimbursements he would receive from Medicaid.

5. We believe that the Department of Health and Social Services has made positive efforts to work with the federal government in order to make the fee profiles reflective of Alaskan costs. It appears that no adjustments can be made without Congressional action.

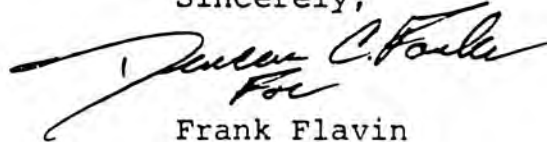
Russ Meekins
March 28, 1980
Page 2

6. It is our understanding that even if the legislature wished to augment the fee reimbursements which Alaskan physicians receive from the Medicaid program this option would not be permitted by the federal program. The only apparent options would be for the state to fully fund a medicare type program without federal participation or to take out health policies on eligible Alaskans. The financial impact of such a program on the state budget obviously would be great.

I hope the above information will be of use to you and your Committee during your consideration of H.J.R. 83.

If you have any questions please contact Duncan Fowler of our Juneau office or me in Anchorage.

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank Flavin".

Frank Flavin
Ombudsman

FF/DCF:mr

POSITION PAPER

ON

HOUSE JOINT RESOLUTION 83

This resolution seeks to eliminate the federal barrier which presently prevents fair compensation of Alaska's physicians participating in the Medicaid Program.

The problem stems from a federal law which sets physician reimbursement at the lowest of three factors;

1. The actual amount charged on the bill,
2. The physician's actual average charge for the preceeding year; and
3. The "adjusted 75th percentile" for all Alaska physicians' charges for the preceeding year.

A true 75th percentile would represent a figure which 75% of Alaska physicians did not exceed. However, under federal law the Alaska 75th percentile is not allowed to increase at the actual Alaska economic growth rate, but rather is limited to the economic growth rate for the United States as a whole. The potential effect of this growth limitation is displayed on the attached graph. This graph shows what would happen to a \$15 office charge over the last 10 years assuming, for illustration only, that costs in Alaska have grown an annual percentage of 2% higher than the rest of the nation.

The Department supports HJR 83 for the following reasons:

1. Physician participation in Medicaid is optional and an increasing number of physicians will either drop out of the program or refuse to see new patients if they feel they are unfairly compensated. This is already severely effecting the specialty service of OB-GYN.
2. Although physicians' as a group represent no more than 10% of total costs under our medical programs, they are the hub of our entire medical delivery system. They see patients in their offices at the early stages of disease or injury, they admit people to hospitals and long term care facilities, they perform surgery and provide follow-up care, and they refer patients to other providers of health care services. We need their participation to make our program work.

3. Hospitals and long term care facilities receive full reimbursement for all reasonable costs they incur. Clearly, under the present system, physicians do not. Even if an Alaska cost index is substituted for the national index, physicians will still receive only partial reimbursement for the costs they incur.
4. Unless the growing disparity between costs and reimbursement is lessened, physician losses will have to be made up by increasing costs of private pay patients.
5. Although Medicare is also a federal program, it does not force physicians into this box. If a physician elects not to accept Medicare payment as full settlement of his bill, he can bill the patient for the remainder under Medicare rules. In Medicaid it is partial payment or nothing. If the State attempts to make up the portion lost by the physician under Medicaid, the State then becomes responsible for the entire payment.

Approved by:

Rod Betit

Rod Betit, Director
Division of Public Assistance

March 28, 1980
Date

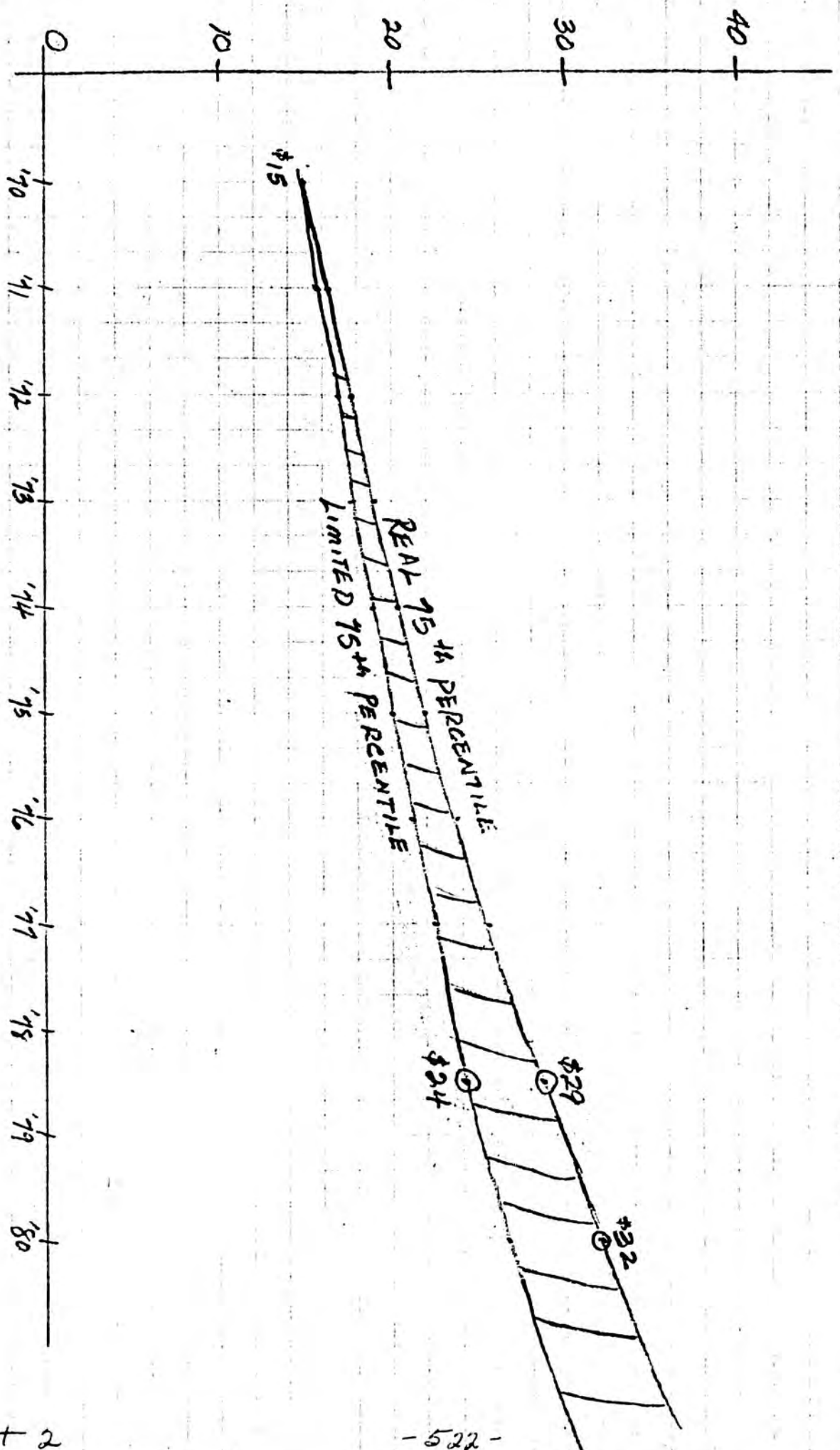
Helen D. Beirne

Helen D. Beirne, Commissioner
Department of Health & Social Services

3/28/80
Date

MARCH 28, 1980

COMPARISON OF REAL 75TH PERCENTILE
TO LIMITED 75TH PERCENTILE

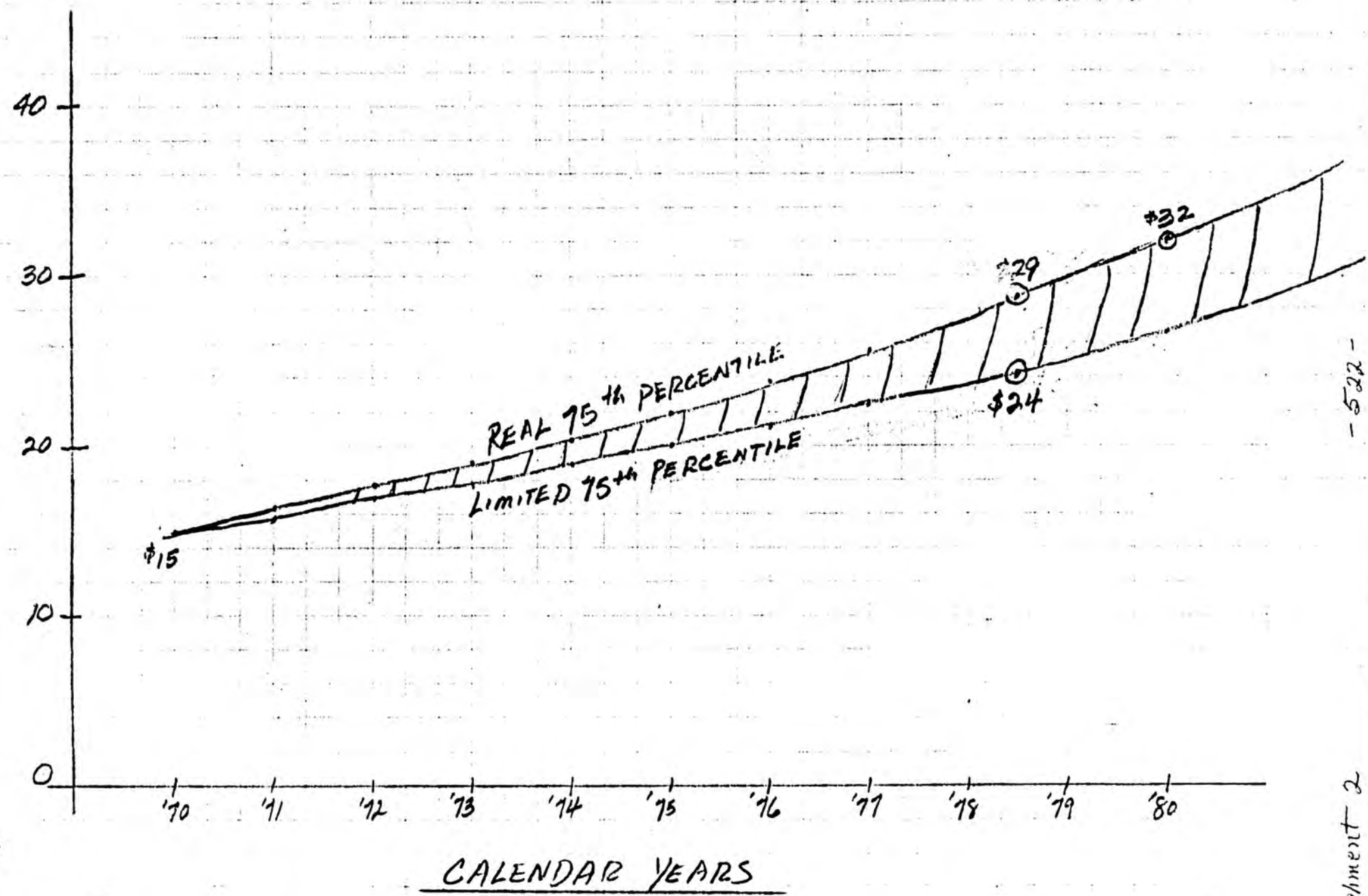


CALENDAR YEARS

MARCH 28, 1980

3-58-80

COMPARISON OF REAL 75TH PERCENTILE TO LIMITED 75TH PERCENTILE



-522-

Attachment 2

HOUSE FINANCE COMMITTEE
March 31, 1980
8:55 a.m.

All members of the Committee were present, except Representatives Moss and Schaeffer. Representatives Guy and Smith arrived later in the meeting. Also in attendance: Mike Doogan, Administrative Assistant to Chairman Meekins; Alison Elgee, Jerry Schilz, Bob Schroeder and Dave Scott, Fiscal Analysts, Legislative Finance Division.

PRESENT

Chairman Meekins called the meeting to order and advised the Committee would begin BUDGET CLOSEOUTS with the GENERAL GOVERNMENT category.

[Representative Smith arrived at this time.]

There were brief reports from subcommittee chairmen on how their budget category figures compare with the Governor's budget. Representative Smith advised the NRMEC budget would be under. Representative McKinnon stated the Health budget would be the Governor's budget plus the alcoholism package. Representative Duncan reported the General Government budget would be under. Representative Rogers advised the Social Services and University budgets would be approximately \$1.5 million above the Governor's request. Representative Freeman reported Marine Transportation would be higher. Representative Montgomery (taking over chairmanship of the Education subcommittee from Representative Moss) indicated the Education subcommittee has not yet begun budget markup. Chairman Meekins and Representative Rogers offered assistance. Dave Scott noted there is traditional opportunity for expense in the Education budget for the Arts Council and Public Broadcasting.

Chairman Meekins requested Jay Hogan, Director, Legislative Finance Division, make a computer run containing cash flow figures as well as all the Governor's budget amendments.

[Representative Guy arrived at this time.]

GENERAL GOVERNMENT

Commenting generally, Representative Duncan advised the subcommittee has made decisions in almost every category, noting some things yet to be done: Data Processing is in process of reorganizing; Department of Revenue requested a number of new employees, which the subcommittee held at continuation level waiting to see what happens in the income tax bill.

OFFICE OF THE GOVERNOR

Executive Operations, Executive Office, p 5: Representative Duncan noted the Special Projects Office was moved in here last year, and they want it moved back out this year. He advised this transfer out is the only change. He added the positions for the Bethel office were allowed.

Executive Operations, Special Projects Coordinator, p 9: Representative Duncan advised this is transferred from the Executive Office. Alison Elgee explained it was moved to Development last year in FCC, and they wanted it left in Office of the Governor, so rather than move it back as a separate component, it was combined with Executive Office. Representative Duncan advised Agricultural Action Council was reduced by \$50.0.

Executive Operations, Contingency Fund, p 11; Executive Mansion, p 13: Representative Duncan recommended the Governor's figures.

Executive Operations, Regulatory Reform Office, p 15: Representative Duncan stated this was left at the Governor's level. After discussion of the Governor's list of special projects, Representative Duncan recommended a zero figure with a request to have McConkie testify before the Committee. There was no objection.

Executive Operations, Reapportionment Board, p 17: Representative Duncan recommended the Governor's figure.

Executive Operations, Lieutenant Governor, p 19: Representative Duncan noted the House figures are reduced by \$38.1 representing the Governor's technical amendment to reduce hearing fees.

Executive Operations, Policy Development & Planning, p 21: Representative Duncan stated the request for three new positions was disallowed, reducing personal services \$88.0 and reducing travel for those positions. He advised the Governor's \$75.0 budget amendment was disallowed because it is a duplication.

Executive Operations, Growth Policy Council, p 25: Representative Duncan advised the recommendation is to leave in enough per diem for committee members travel and expenses. He noted the Executive Director position was cut because it is not currently filled. (Ms. Elgee to get figures.)

Executive Operations, Public Forum, p 27: Representative Duncan recommended zero.

Executive Operations, Budget & Management, p 29: Representative Duncan advised \$50.0 for the census data computer program was cut because they won't have the information back in time to develop programs for FY 81. He stated the three new positions were allowed.

Executive Operations, Internal Audit, p 31: Representative Duncan advised the new position and related costs was denied.

Elective Operations, p 39; Salary & Benefit Increases, p 43, 45, 47 & 49: Representative Duncan recommended the Governor's figures.

DEPARTMENT OF ADMINISTRATION

Science & Technology, Office of Science & Technology, p 53: Representative Duncan advised the Northern Technology grants program was reduced by \$100.0 because the increase is in HB 60. Representative Rogers objected and explained the \$200.0 in HB 60 was not intended to replace the \$150.0 here. He moved to reinstate the \$100.0. Chairman Meekins suggested a compromise increase of \$50.0. There was no objection. New total figure: \$249.4.

Elective Operations, Public Offices Commission, p 57: Representative Duncan explained a 3% vacancy assessment of \$6.0 was used and all four new positions were allowed with INTENT that the Administrative Assistant III be located in Juneau so Juneau would have a full-time, year-round office. Representative Rogers questioned the number of positions, then withdrew his objection.

Executive Administration, Office of the Commissioner, p 61: Representative Duncan advised this was reduced by the Governor's \$11.7 budget amendment. He noted the reduction in personal services represents the transferring out of the Word Processing Consultant to Administrative Services.

Executive Administration, Administrative Services, p 63: Representative Duncan advised this is where the Word Processing Consultant was transferred in from the previous BRU, which is the increase here.

Accounting, Pre-Audit, p 67: Representative Duncan advised the House figure represents the Governor's budget plus his \$20.4 budget amendment.

Accounting, Accounting Services, p 69: Representative Duncan advised the new position was allowed.

Accounting, Payroll Accounting, p 71; Administration & Support, p 73: Representative Duncan recommended the Governor's figures.

HOUSE FINANCE COMMITTEE

March 31, 1980

1:45 p.m.

[Tape HFC 80-32, Side 2 #559.]

All members of the Committee were present except Representative Moss. Representative Meekins arrived later in the meeting. PRESENT

Vice-Chairman Freeman called the meeting to order and advised the Committee would continue with budget close-outs in the GENERAL GOVERNMENT category. [Representative Jim Duncan, General Government Subcommittee Chairman.] GENERAL GOVERNMENT

Department of Administration:

Adminis-
tration

Risk Management, Operations: Representative Duncan advised they allowed the four new positions requested by the Governor.

Risk Management, Premiums and Loss Retention: Representative Duncan advised they accepted the figured provided by Administration.

Personnel: Representative Duncan advised there was a budget amendment submitted by the Governor because they are splitting Personnel into two divisions. He said the decrease from this component shows up partially under Labor Relations. He advised they allowed two new positions.

Labor Relations: Representative Duncan advised this is a new division, and the Subcommittee's recommendation eliminates the Salary Commission's travel, but otherwise accepts the Governor's recommendations.

General Services, Purchasing: Representative Duncan said the Subcommittee did allow the three new positions requested by the Governor.

General Services, Property Management: Representative Duncan said the only difference between the Subcommittee and Governor recommendations is that the Subcommittee assessed a vacancy rate against personal services.

General Services, Central Mail & Switchboard: Representative Duncan advised there was a Governor's Budget Amendment reducing personal services by \$20.4, and the Subcommittee assessed a \$5.0 vacancy factor.

General Services, Central Duplicating: The Subcommittee accepted the Governor's recommendation.

General Services, Archives: Representative Duncan advised the Subcommittee allowed the three new positions requested by the Governor, and they took the Governor's figures.

3/31/80

General Services, Surplus Property: Representative Duncan advised they accepted the Governor's figures.

Data Processing: Representative Duncan advised the Subcommittee tentatively accepted the Governor's figures for all the Data Processing components because they are in the process of reorganizing these areas. He explained the totals will remain pretty much the same under the reorganization.

Labor Services, Labor Relations Agency: Representative Duncan advised the Subcommittee accepted the Governor's figures.

Labor Services, Equal Employment Opportunity: Representative Duncan advised they accepted the new positions requested and assessed a slight vacancy. He said the new positions are presently CETA positions that are all filled. Representative Duncan commented on CETA funding.

Representative Duncan advised the Subcommittee accepted the Governor's figures for the following:

Retirement & Benefits, P.E.R.S.

Retirement & Benefits, T.R.S.

Retirement & Benefits, Other Benefits

Under Other Benefits, Representative Duncan advised the Subcommittee added legislative intent that the Retirement & Benefits Specialist position is approved for support of the Elected Public Officials Retirement System, and if this system is voided by the courts, the position is to be eliminated. There was no objection to the intent.

Building & Equipment Services: Representative Duncan advised the Subcommittee accepted the Governor's figures under Leasing & Facilities and Employee Housing.

Department of Law:

Law

Legal Services: Representative Duncan advised the Governor submitted a budget amendment. He said the Subcommittee allowed the new positions, and explained most of the positions are filled positions that were established during the interim by other agencies. He commented briefly on the positions.

Legal Services, FERC Continuation: Representative Duncan said they accepted the Governor's figures. He commented the testimony the Subcommittee received indicated this might go on until 1987 before they get it resolved. There was brief discussion. Representative Rogers moved to include the same legislative intent that was included last year: Should the tariff proceedings be completed, the balance of this component shall lapse into the general fund. There being no objection, it was so ordered.

3/31/80

Department of Revenue:

Revenue

Revenue Operations, Audit: Representative Duncan advised the Department requested eight new positions for the "invisible taxpayer" program. He commented the program may be a good idea, but the Subcommittee didn't allow any of the new positions because they don't know what the impact of the new tax bill will be. Representative Rogers asked if they would be adjusting the figures if the tax bill is approved. Representative Duncan said this was correct.

Revenue Operations, Petroleum Revenue: Representative Duncan advised they accepted the Governor's figures.

Revenue Operations, Enforcement: Representative Duncan advised they assessed a vacancy, and deleted the travel increase and data retrievable system that were specified for the "invisible taxpayer" program.

Revenue Operations, Treasury Management: Representative Duncan advised they assessed a vacancy factor and increased travel. He commented they have to do a lot of traveling under this component. Representative Rogers suggested including the same legislative intent this year that was put in last year concerning the Permanent Fund safekeeping fees. There was no objection to adding the intent.

Administration & Support, Office of the Commissioner: Representative Duncan said the Subcommittee increased the vacancy assessment in personal services and decreased travel.

Administration & Support, Administrative Services: Representative Duncan advised they did not allow the new positions as they were related to the "invisible taxpayer" program.

Administration & Support, Fish & Game Licensing: Representative Duncan advised they accepted the Governor's figures. He said this is the first time this BRU appears in the General Government budget; in past years it was in NRMEC.

Department of Transportation:

DOT/PF

State Agency Communications, Support to State Agencies: Representative Duncan advised they accepted the Governor's figures. Representative McKinnon asked what happened to the teleconferencing system the Department requested last year which they said would cut down on costs. Fiscal Analyst Alison Elgee, Legislative Finance Division, said the Department found they did not have enough money to implement the program last year, and they have requested \$200.0 in this year's budget for tariff rates and one new position.

3/31/80

State Agency Communications, North Slope Haul Road: Representative Duncan said this BRU was zeroed out and combined with another area.

Public Telecommunications, Remote Village Radio: Representative Duncan said they accepted the Governor's figures.

Public Telecommunications, TV Demonstration Project: Representative Duncan advised the Subcommittee deleted the \$73.8 equipment request with the idea that there would be a telecommunications bill to provide the necessary equipment.

Facilities Planning & Research: Representative Duncan advised the following components were zeroed out in the Department's reorganization:

Transportation Planning
Office of Deputy Commissioner
Procurement Policy
Research & Development

Facilities Planning & Research, Administration & Support: Ms. Elgee explained the legislative intent. Representative Duncan advised they accepted the Governor's figures.

[Tape Change, HFC 80-33, Side 1.]

Facilities Planning & Research: Representative Duncan advised the Subcommittee accepted the Governor's recommendations for the following:

Central Region
Southeast Region
Interior Region

Facilities Planning & Research: Representative Duncan explained the following sub-programs all relate to the CIP conversion, and the Subcommittee accepted the Governor's recommendations except they took a vacancy assessment in personal services:

CIP Position Conversion-Administration
CIP Position Conversion-Central
CIP Position Conversion-Southeast
CIP Position Conversion-Interior

Facilities Design & Construction: Representative Duncan advised the Subcommittee accepted the Governor's figures for the following:

Administration
Design
Construction
CIP Position Conversion

Public Facilities M & O, Maintenance & Operations, Central: Representative Duncan advised they allowed the new position and accepted the Governor's figures. He told the Committee there will probably be an increase coming in for this category because of the increase in fuel costs.

Public Facilities M & O: Representative Duncan advised the Subcommittee accepted the Governor's figures for Maintenance & Operations, Interior and Maintenance & Operations, Southeast.

Public Facilities M & O, Maintenance & Operations, Western: Representative Duncan advised they accepted the Governor's figures except they deleted one position that has been vacant since 3/10/79 (PCN 8736).

Public Facilities M & O: Representative Duncan advised the Subcommittee accepted the Governor's figures for Maintenance & Operations, Southcentral and Maintenance & Operations Haul Road.

State Equipment Fleet: Representative Duncan advised they accepted the Governor's figures plus the Governor's budget amendments for fuel costs for the following:

Central District
Interior District
Southeastern District
Western District
Southcentral

State Equipment Fleet: Representative Duncan advised the Subcommittee accepted the Governor's figures for Administration & Support and North Slope Haul Road.

Representative Duncan advised the Subcommittee did not consider figures for the Budget & Audit Committee and Legislative Council components.

Legislature

Office of Ombudsman: Representative Duncan advised the Subcommittee allowed the new position requested for Fairbanks. He said they reduced the travel figure.

The Subcommittee recommendations on the GENERAL GOVERNMENT category were accepted.

A recess was called at 2:15 p.m. Vice-Chairman Freeman recalled the meeting to order at 2:25 p.m.

RECESS

(Tape HFC 80-33, Side 1 #274.)

The next budget category to be considered was SOCIAL SERVICES. [Representative Rogers, Chairman, Social Services Subcommittee.]

SOCIAL SERVICES

Office of the Governor:

Governor's Office

Alaska Plan: Representative Rogers advised they reduced this to the FY 80 request and added 7% inflation.

Volunteer Services: Representative Rogers said they accepted the Governor's figure of zero.

3/31/80

Department of Administration:

Adminis-
tration

Adventure Based Education: Representative Rogers explained this was transferred from the Department of Community and Regional Affairs last year. The subcommittee included intent that the Adventure Based Education program be contracted with Alaska Pacific University.

Longevity Bonus: Representative Rogers advised the figure was reduced by \$1.4 million based on better estimates of the number of people who participate. He said the Subcommittee reduced contractual by \$10.0.

Pioneers Home, Sitka: Representative Rogers advised they accepted the Governor's figures.

Pioneers Home, Fairbanks: Representative Rogers advised they took the Governor's figures and also accepted the \$14.4 budget amendment.

Pioneers Home, Palmer: Representative Rogers said they accepted the Governor's figures, except in Personal Services they added \$42.3 for vacancy and turn over. The subcommittee also reduced grants/claims \$3.2 based on year to date stipend payments.

Pioneers Home, Kotzebue: The Subcommittee accepted the Governor's figures.

Pioneers Home, Anchorage: Representative Rogers advised they accepted the Governor's figures except they adjusted personal services for vacancy and turn over, and reduced the inflation rate for food to 10%. He said they had requested 15%.

Pioneers Home, Central Office: Representative Rogers advised the Subcommittee accepted the Governor's figures except they reduced travel for the Administrative Office by \$2.5.

Department of Revenue:

Revenue

Child Support Enforcement: Representative Rogers advised the Subcommittee did not accept the Clerk Typist III position requested. He said they reduced contractual by \$20.0 for space rent.

Department of Education:

Youth Employment Services: Representative Rogers said they accepted the Governor's figures.

3/31/80

Department of Health & Social Services:

Health &
Social
Services

Assistance Payments, AFDC: Representative Rogers advised the Subcommittee reduced this by \$1.4 million. He said that considering the extraordinary measures being taken by the Legislature to stimulate the economy, they felt the AFDC increase was higher than it need be. Representative McKinnon asked if this assumption would hold true for all the public assistance programs, and Representative Rogers said he thought so. Fiscal Analyst Jerry Schilz, Legislative Finance Division, explained the formula used to come up with the figure -- they used FY 80 authorized + 18% + 1980 supplemental (CHSB 60) + the Governor's Budget Amendment. Representative Rogers said they also included the same intent as last year concerning operating at the full statutory level.

Assistance Payments, Aid to the Blind: Representative Rogers advised they accepted the Governor's figures.

Assistance Payments, Aid to the Disabled: Representative Rogers advised they reduced this component \$153.7, using the same formula used under AFDC.

(Chairman Meekins arrived at this time.)

Assistance Payments, General Relief: Representative Rogers explained what had been done in this area last year, and said the Division is running into severe financial problems now and needs an additional \$250.0. He advised the Subcommittee increased the figure by \$150.0 to accommodate their need.

Public Assistance Eligibility, Eligibility Determination. Representative Rogers stated the Subcommittee reduced the contractual figure by \$38.2 based on a mistake made in the Governor's budget.

Representative Rogers advised the Subcommittee accepted the Governor's figures for Public Assistance Eligibility, Staff Development and Program Services, Homemaker Services.

Program Services, Foster Care: Representative Rogers advised they accepted the Governor's figures plus \$5.0 for a grant to the Alaska Foster Parents Association for their newsletter.

Program Services: Representative Rogers advised the Subcommittee accepted the Governor's figures for Institutional Care and Day Care.

Program Services, Youth Services: Representative Rogers advised the Subcommittee added \$79.0 for the Youth Alternative Services Network and \$88.0 for Kotzebue Adventure Based Education. He said the figure the subcommittee accepted for Kotzebue should be changed to \$55.5. There was discussion on the programs. Representative Schaeffer advised that the Kotzebue Adventure Based Education program was added in the supplemental appropriation (CSHB 60) and therefore could be taken out of this budget. Mr. Schilz advised the new total would be \$559.3.

3/31/80

Program Services, Adult Supportive Services: Representative Rogers stated the Subcommittee did not make a recommendation on this area. He said the figure shown on the short form was his attempt to come up with a figure. He explained what he had included and presented a list of requests he has received for this area, totaling \$3805.9 (see attachment). He requested the the full Committee review this BRU. Representative Schaeffer advised the \$59.3 included for the Kotzebue Women's Crisis Center was already included in HB 60 and he moved that it be deleted here. There was no objection. Chairman Meekins said if the full Committee is to make the decision, they would have to receive testimony first. Testimony was scheduled to be received tomorrow afternoon. This component was held open.

[Tape change, HFC 80-33, Side 2.]

Social Services, Southcentral Region: Representative Rogers advised the Subcommittee accepted three of the five positions requested. He commented the social services area is understaffed throughout the State. He said that in terms of caseload, other areas of the State need new positions more than the Southcentral region does.

Social Services, Northern Region: Representative Rogers advised the Subcommittee accepted the Governor's figures and added \$40.0 to grants/claims for the Fairbanks Crisis Foundation.

Social Services, Southeastern Region: Representative Rogers said the Subcommittee accepted the Governor's figures. Representative Eliason presented testimony on the need for a Social Worker in the Sitka area. He said they currently have only one social worker in Sitka and the case load is too large for him to handle, and this is creating many problems in the community. He stated the Sitka office has over 80 clients, and the caseload average for other areas of the state is between 30 and 50. He requested that \$31.8 be added to this component for a Social Worker II position in Sitka. Chairman Meekins supported this addition. There being no objection, the amount and position were added.

Representative Rogers requested the Committee go back to the Social Services, Northern Region, and he moved to add \$31.8 to the figure for a Social Worker II position in Fairbanks. He advised their caseload in Fairbanks is over 50. There being no objection, it was so ordered.

Social Services, Western Region: Representative Rogers advised the Subcommittee added one Social Worker III in Dillingham.

Social Services: Representative Rogers advised the Subcommittee accepted the Governor's figures, reducing the vacancy and turn over assessment in Personal Services for the Northwestern Region and the Southern Region. He advised they took the Governor's figure for Wrangell (zero).

3/31/80

Chairman Meekins advised that Representative Munson has a request for an item she would like to have included under Program Services, Adult Supportive Services, and he invited her to present testimony at this time. Representative Munson advised that her request is for \$500,000 for Mental Health Boarding Homes. She said that figure doesn't nearly cover the cost they should be looking at to really take care of these people.

Representative Munson referred to the "forgotten people" and said these are the people that have been discharged from API because they cannot be cured. She said these individuals cannot get jobs or take care of themselves, and most of them are living on SSI assistance at the present time. As far as the State is concerned, she said they pay their own way.

Representative Munsun explained the Department of Health and Social Services is in the process of writing regulations regarding the boarding homes where these people are staying. She said the people running the boarding homes are operating on a profit basis. She said she understands the necessity for the regulations, but to demand certain standards when there is no money available to pay for the upgrading will cause many of the homes to close. She commented further on the facilities available, and requested that the Committee consider including the \$500,000.

Social Services Administration: Representative Rogers advised the Subcommittee accepted the Governor's figures for the Central Office and Staff Development.

WIN: Representative Rogers advised the Subcommittee accepted the Governor's figures with a change in the funding source for the Fairbanks WIN office. He said the Subcommittee recommended that the WIN office be opened with General Funds, and they included intent that the office continue to try to receive federal funds.

Office on Aging, Administration: Representative Rogers advised the Subcommittee increased personal services by \$10.0, and they reduced equipment to continuation only (no new equipment).

Office on Aging, Grants: Representative Rogers advised the Subcommittee increased grants by \$200.0, with intent that the money be used to employ twenty elderly persons in private non-profit day care centers. He commented on the program for hiring elderly persons on a part time basis, and said it is a very popular program.

Old Age Assistance Payments: Representative Rogers advised the Subcommittee accepted the Governor's budget amendment, and also included the same legislative intent as last year concerning operating at the full statutory level.

Commissioner's Office. Representative Rogers said they accepted the Governor's figures. He said they made this a separate BRU so travel funds cannot be transferred in. There was discussion on travel.

Administration, Director's Office: Representative Rogers advised they accepted the Governor's figures, except they reduced vacancy and turnover to 4%.

Administration: Representative Rogers advised they accepted the Governor's figures for Personnel and Supply.

Administration, Finance. Representative Rogers advised the figures include full funding for existing physicians. He said the Subcommittee reduced vacancy and turnover to zero.

Administration, Graphic Arts: Representative Rogers advised the Subcommittee accepted the Governor's figures. He commented this is funded with interagency receipts.

Administration, Program Assessment & Evaluation: Representative Rogers advised the figure is zero.

Administration, Audit: Representative Rogers advised they did not allow the position requested.

Administration, Fraud Investigation: Representative Rogers advised the Subcommittee fully funded the existing positions and included intent that they submit a report on how much money they are saving as a result of having this unit.

Administration, Contract Internal Audit: Representative Rogers advised the Subcommittee zeroed out this component.

Administration, Management & Budget: Representative Rogers advised they accepted the Governor's figures. There was discussion on whether or not this new division was necessary.

Office of Internal Review: Representative Rogers advised the following components were zeroed out in the Department's reorganization:

Administration
Audit
Collection
Fraud Investigation
Contract Internal Audit

Quality Control: Representative Rogers advised the Subcommittee accepted the Governor's figures.

Title XX Offset: Representative Rogers advised they accepted this with legislative intent that the Department provide a report detailing the cost to the general fund of deleting the Title XX offset.

3/31/80

Department of Labor:

Labor

Employment Security: Representative Rogers advised the Subcommittee accepted the Governor's figures plus the Governor's Budget Amendments for Employment Services and Unemployment Insurance.

Employment Security, Fraud Investigation: Representative Rogers advised the Subcommittee deleted the request for a Clerk Typist III. He said the Division wanted to use the Training and Building Fund but that Fund is to be used only for new programs, so the Subcommittee didn't allow it. He explained there is a net increase of \$40.0 in general funds.

Employment Security, CETA Services: Representative Rogers explained the Subcommittee accepted the Governor's figures and added intent that the Department begin reducing the number of public service employees in state government. Representative Rogers said there are 74 CETA positions in state government, and the Federal government is reducing the CETA program.

Employment Security, Support Services: Representative Rogers explained this was zeroed out in the Department's reorganization.

Employment Security, ESD Directors Office: Representative Rogers advised the Subcommittee reduced travel and commodities to continuation only.

Employment Security, DP Applications: Representative Rogers advised the Subcommittee accepted the Governor's figures. He commented this is the area the Committee passed the Data Processing supplemental appropriation for (HB 918).

Employment Security, DP Operations: Representative Rogers said the Subcommittee accepted the Governor's figures.

Employment Security, ES for Seafood Industry: Representative Rogers advised this is a new program for the seafood industry. He said the Subcommittee funded \$130.0 of this from the Training and Building Fund, and included legislative intent that in the future funding is contingent upon receipts of federal funds. He said he thinks the program is justified on a one year basis.

[Tape change, HFC 80-34, Side 1.]

Anchorage CETA Contract: This BRU was zeroed out.

WIN: Representative Rogers advised this is the Department of Labor's portion of the Fairbanks WIN office.

Commissioner's Office: Representative Rogers advised the Subcommittee decreased vacancy and turnover in personal services, decreased travel, and reduced contractual. He said they also accepted the Governor's budget amendment.

3/31/80

Administrative Services, Management Services: Representative Rogers advised they reduced travel, contractual and equipment.

Administrative Services, Labor Market Information: Representative Rogers said they accepted the Governor's figures with a reduction in personal services for vacancy and turnover.

Administrative Services, Research Contracts: Representative Rogers advised they increased the figure by \$75.0 for a study of real unemployment, employment opportunities and the feasibility of establishing an employment security office in the Lower Kuskokwim Region.

Representative Rogers advised they accepted the Governor's figures for the following:

Department of Commerce & Economic Development
Veterans Services

Commerce &
Economic
Development

Department of Community & Regional Affairs
Senior Citizens Tax Relief
Homeowners' Property Tax Exemption
Renters' Equivalency, Rebate
Water & Sewer Asses. Deferment
Motor Vehicle Exemption

Community
& Regional
Affairs

Department of Community & Regional Affairs

Child Assistance, Day Care: Representative Rogers advised they increased the figure by \$978.8 to fully fund the day care assistance program. He explained this program is a statutory program that has been short-funded ever since it started. He said the purpose of the program is to assist people who are going back to work.

Child Assistance, Head Start Grants: Representative Rogers advised they increased the figures to fully fund the head start program for this year. He said this includes rural and urban programs, and he listed the groups that will receive the grants.

Winterization: Representative Rogers advised this was transferred to the Development category.

Representative Rogers advised the Subcommittee accepted the Governor's figures for the following:

CETA

Classroom Training
On the Job Training
Work Experience
Public Service Employment
Services to Economic Dis.

3/31/80

CETA, Services and Administration: Representative Rogers advised they accepted the Governor's figures, which includes five new positions--all federally funded. He said these positions will be used to administer all the other CETA programs.

Senior Citizen Housing Development: Representative Rogers said the purpose of this program is to work on a 1972 housing development project they are supposed to finish this year.

Volunteer Services: Representative Rogers advised they accepted the Governor's figure (zero).

Community Services: Representative Rogers advised they changed the source of funds and were able to reduce four positions. He said the net increase is \$28.0 in general funds.

Adventure Based Education: Representative Rogers advised this program has been transferred to the Department of Administration.

Representative Haugen requested further information on the Department of Health & Social Services, Public Assistance Eligibility, Eligibility Determination program. After brief discussion, Representative Rogers moved to increase this component by \$24.8 to include an Eligibility Worker I in Wrangell. There being no objection, it was so ordered.

Health &
Social
Services

The Subcommittee's recommendations were accepted.

The meeting adjourned at 4:10 p.m.

ADJOURN

Tape HFC 80-32, Side 2 #559 to end
HFC 80-33, Side 1 #001 to end
HFC 80-33, Side 2 #001 to end
HFC 80-34, Side 1 #001 to 378

3/31/80

ADULT SUPPORTIVE SERVICES

<u>GROUP</u>	<u>FY 80 OP</u>	<u>FY 80 CAP</u>	<u>GOV FY 81</u>	<u>REQUEST</u>
<u>DOMESTIC VIOLENCE</u>				
STAR (Anchorage)	0	0	0	121.8
AWAIC (Anchorage)	250.0	150.0	272.5	444.8
AWARE (Juneau)	111.4	0	121.4	313.4
BERING SEA (Nome)	52.0	0	56.7	213.0
TUNDRA (Bethel)	52.0	0	56.7	199.3
WIC-CA (Fairbanks)	74.9	0	81.6	436.4
SITKA	0	0	0	20.0
KENAI/SOLDOTNA	0	0	0	103.7
KOTZEBUE	0	0	0	68.1
WISH (Ketchikan)	0	0	75.0	171.6
ALEUTIAN - PRIBILOF	0	0	0	39.8
KODIAK	0	0	0	86.1
<u>DISPLACED HOMEMAKERS</u>				
AK. WOMENS RESOURCE (Anchorage)	0	0	0	62.2
ADULT LEARNING PROGRAMS (Fairbanks)	0	0	0	253.0
<u>RESOURCE CENTERS</u>				
AK. WOMENS RESOURCE (Anchorage) (includes displ. homemakers)	0	100.0	0	215.0
SE WOMENS RESOURCE	0	0	0	99.8
<u>MISCELLANEOUS</u>				
MENTAL HEALTH BOARDING HOMES	0	0	0	500.0
STUDIO CLUB (Anchorage)	202.0	0	220.2	202.0
HERITAGE HOUSE (Anchorage)	110.0	0	119.9	119.9
ADULT FOSTER HOMES	0	0	36.0	36.0
ADULT DAY CARE	0	0	100.0	100.0
	852.3		1140.0	3805.9

3/31/80

-540-

Attachment

HOUSE FINANCE COMMITTEE

April 1, 1980

9:03 a.m.

[Tape HFC 80-34, Side 1 #378.]

All Members of the Committee were present except Representative Moss. Chairman Meekins arrived later in the meeting.

PRESENT

Vice-Chairman Freeman called the meeting to order and said the purpose of the meeting was to receive the Subcommittee's recommendation on the TRANSPORTATION budget category. [Representative Freeman, Chairman, Transportation Subcommittee.]

TRANSPOR-
TATION

Representative Freeman advised the Subcommittee basically accepted the Governor's figures, with one or two exceptions. He said the Subcommittee questioned the need for adding personnel at the Anchorage International Airport if that function is going to be turned over to the Municipality of Anchorage.

Representative Freeman advised the Transportation Budget includes a large increase in personnel in the CIP Department. He explained that the Subcommittee went through all the department's that had CIP conversions, and questioned the necessity of the position, and whether or not it was proper for the position to be general fund. He commented there are probably still some CIP positions that should be converted to general fund that haven't been. In answer to a question from Representative Rogers, Jay Hogan, Director, Legislative Finance Division, advised there are approximately 1200 CIP positions in the Highways Division, 140 in Aviation, and 20 in Waters/Harbors. Representative Freeman gave background information on why the CIP's are being added to the budget at this time. He said he believes the Department is, at this time, making a "good faith" effort to comply with the Committee's request.

[Chairman Meekins arrived at this time.]

There was further discussion on CIP positions.

Anchorage International Airport, Security: Representative Freeman advised the Department requested 18 new positions. Mr. Hogan explained they are requesting these positions as a contingency -- FAA is probably going to strike down on airlines hiring private guards and say the State will have to provide the guards. He said the 18 positions were being requested as a back-up in the event this happens. He explained the airlines would then pay the state for the guards, and the state would hire the guards. Representative Freeman explained the Subcommittee felt that since this function might be transferred to the Municipality of Anchorage, they

4/1/80

shouldn't be "putting new bodies on board" until that question is settled, so they eliminated the positions. There was discussion. The Committee concurred with the Subcommittee's recommendation.

Representative Freeman advised they also eliminated the one position requested for the Fairbanks International Airport since FAA has not yet made their determination on guard hire.

Representative Freeman advised in Marine Transportation, Southeast Vessel Operations, under commodities the Department submitted an amendment increasing the amount because of scheduling changes that will increase personnel. He said they also submitted an amendment due to increased fuel costs, and the Subcommittee accepted both those amendments.

Concerning "Freemanizing" the DOT/PF budget, Representative Freeman commented the Department is "beginning to get their act together" and is responding to the Legislature, so he is not recommending the Department be short funded.

Mr. Hogan advised there are six new sub-units in the budget:

- Administration
 - Internal Review CIP
 - Financial Management CIP
- Maintenance & Operations
 - Airport Leasing CIP
- Marine Transportation
 - Administration CIP
- Highway Design & Construction
 - Highways D&C CIP
- Aviation Design & Construction
 - Aviation D&C CIP

He explained these are the areas where CIP budgets were converted by the Governor from CIP to general funds. He said these are administrative-type positions. There was discussion on the CIP positions. Mr. Hogan advised \$2.5 million is included in the budget for CIP positions being converted to general funds.

(Tape change, HFC 8034, side 2.)

Chairman Meekins requested that the legislative intent listed under Highway Design & Construction, Headquarters Capital Positions be included in the budget. There was no objection to including that intent.

Under Marine Transportation, Southeast Shore Facilities, Representative Duncan requested that funds be included for a small ticket office in the downtown Juneau area. He explained the need for this ticket office arose because DOT/PF moved the central office out of the downtown area and it is no longer

accessible. He commented on the need for such an office. He said \$46.0 would be required to fund that office: \$28.2 in personal services, \$12.0 in contractual and \$5.5 for rent, phone and equipment. Representative Duncan moved that one new position and \$46.0 be added to the budget with legislative intent that the additional monies are to be used only to establish a down town ticket office. There was discussion. The question was called for. Representative Montgomery objected to adding the new position because of the lack of information. The motion carried.

Interior Region O & M, Highways: Representative Rogers commented that over the years the State has been adding to and upgrading the roads in the Interior Region, but there has not been a corresponding increase in the maintenance budgets. He said as a result, the roads are deteriorating, and he thinks it is necessary to keep up with preventive maintenance. He commented further and moved to add legislative intent under Maintenance & Operations, Administration that the Department shall report to the Legislature by November 15, 1980 a formula for allocating highway maintenance funds. Representative Freeman said he agrees with what Representative Rogers said, but there is one problem: if the State expends \$500 million on capital projects, there aren't enough funds to do maintenance too. He said the Legislature has to make a choice. He commented the Department has been aware for some time that not enough money is being put into maintaining the highways. Representative Rogers said the reason he wanted the intent included is so they would have some statistical basis next year to determine if there are any inequities on where the money is being spent on maintaining highways. There was no objection to including the intent.

Representative Rogers moved to include legislative intent under Interior Region O & M, Highways stating the Department shall regularly maintain all bikeways in the interior region which were constructed with state funds. He advised he is not requesting any additional funding to do this. There was brief discussion. There was no objection to including the intent.

Chairman Meekins commented the total transportation budget is a reduction of 23 positions from the Governor's budget request.

Representative Freeman commented the Department has a request in the FY 81 capital budget to develop a project accounting system.

Chairman Meekins moved to accept the Subcommittee's recommendations on the Transportation budget. There being no objection, it was so ordered.

The meeting adjourned at 9:55 a.m.

Tape HFC 80-34, Side 1 #378 to end
Side 2 #001 to 466

ADJOURN

4/1/80

HOUSE FINANCE COMMITTEE

April 1, 1980

2:30 p.m.

All members of the Committee were in attendance, except Representative Moss. Also present: Helen Fisher, Director, Alaska Women's Resource Centers, Anchorage; Kit Evans, Director, Abused Women's Aid In Crisis (AWAIC), Anchorage; Pat Dunn, Director, Standing Together Against Rape (STAR), Anchorage; Lisa McLaren, Co-Director, Juneau Women's Resource Center; Caren Robinson, Director, Aiding Women from Abuse and Rape Emergencies (AWARE); John Crandall, Administrative Assistant to Chairman Meekins; Jerry Schilz, Fiscal Analyst, Legislative Finance Division.

PRESENT

Chairman Meekins called the meeting to order and advised there would be a presentation by representatives from the Women's Resource Centers, under the SOCIAL SERVICES budget, Program Services, Adult Supportive Services, p 59, that was left open. Representative Rogers distributed a handout (Attachment 1) providing background information.

[See Attachment 2 -- Budget Packet of 12]

Tape #

Description

HFC 80-24 Side 2

- | | |
|-----|--|
| 534 | Helen Fisher testimony. Advised Women's Resource Center is 5-year old agency dealing primarily with helping women put their lives back together in a variety of ways. Noted her budget is #3 in the budget packet and provided an overview. |
| 680 | Rep Smith questioned purpose of testimony before Committee of the Whole as opposed to subcommittee. Ch Meekins advised subcommittee was unable to reach decision--this is the exception--as there is no precedence in this matter. |
| 752 | Rep Rogers asked if the Displaced Homemakers program is being requested in HB 936, and Ms. Fisher indicated no. |
| 765 | Rep Duncan asked about salaries & benefits, p 6, in the budget. Ms. Fisher said they have been getting along without a bookkeeper & office manager, but feels the bookkeeper is a necessity as there are a variety of places where money is collected. |
| 820 | Discussion on CETA positions. |

HFC 80-35 Side 1

- | | |
|-----|--|
| 001 | Further discussion on CETA funded positions. |
|-----|--|

<u>Tape #</u>	<u>Description</u>
056	Ms. Fisher advised one of the major purposes of the WRC is the Displaced Homemakers program. She stated it is becoming more and more of a problem and should be addressed at an earlier age.
108	[The meeting recessed at 2:55 pm and reconvened at 3:20 pm. Members present: Meekins, Freeman, McKinnon, Guy, Rogers, Haugen, Montgomery, Smith, Duncan.] <u>RECESS</u>
117	Kit Evans testimony on AWAIC; budget #1. She advised they only take women in physical danger situations. Discussed their request for 3 positions to absorb CETA positions.
218	Discussed enabling legislation, AS 47.46 that would specifically lay out statutory regulations, and requested support for HB 130.
381	Answering question, Ms. Evans advised anyone not in immediate danger is put on a waiting list. AWAIC is in 4th year, and she considers them professional, not voluntary. Discussion on whether alcoholism contributes to violence.
486	Rep Rogers problems the subcommittee had in dealing with funding for these programs since there aren't any guidelines for responsibilities in these matters.
510	Pat Dunn testimony on STAR, budget #9. Advised program has been in existence 2 years in helping victims through education. Stated last year they were funded under contract through Municipality of Anchorage, which provided for director and 2 part-time people. Also received grant that needs matching money from the State to produce educational film against rape. Ch Meekins expressed interest in making more educational films dealing with violent abuse, sexual abuse, etc.
666	Lisa McLaren, Juneau Women's Resource Center, budget #8.
712	Ms. McLaren explained difference between Resource Center and Shelter, noting some areas in the State combine the two. They prefer separate facilities, but with some overlapping services. She described programs at the Juneau Center.

<u>Tape #</u>	<u>Description</u>
808	Ms. McLaren advised they were incorporated in 1974 when they had facilities but no paid staff; now have staff and no facilities. Discussion on places to rent.
<u>HFC 80-35 Side 2</u>	
001	Discussion on federal CETA funds.
096	Caren Robinson, AWARE; budget # 2. Discussion of staff training involved.
270	Ch Meekins asked if any of this funding is in HB 60, and Ms. McLaren stated she thinks Sitka & Aleutian Chain. John Crandall advised Kotzebue was FY 80 money.
350	Discussion on difficulty in locating shelters. Ms. Robinson advised there are 2 confidential shelters in the State.
410	Rep Duncan asked if Juneau Municipality provides any funds for operating expenses. Ms. Robinson advised funds have been solicited, without response. She advised they are counting on HUD money for a downpayment on the shelter.
438	Ms. Robinson noted the Ketchikan program has received money to buy a shelter.
460	Advised Kotzebue is not a Resource shelter.
474	WIC-CA (Fairbanks) was discussed. Rep Smith pointed out that, because of the high unemployment rate, the federal government said Fairbanks will provide this.
507	Dept Health & Social Services is requesting 2 new positions if this program is funded.
530	Ch Meekins explained to witnesses the problems facing the Committee in dealing with the budget. Advised he would not have answer for them today but that recommendations on their behalf would be made. He described to witnesses how the budget process works.
620	Ms. McLaren asked what they could do to help their budgets be accepted by the Legislature. She was advised the #1 item would be passage of enabling legislation for statutory authority; #2 is to get their budgets in earlier.

Tape #Description

651 Ch Meekins advised at tomorrow morning's meeting
PUBLIC PROTECTION & UNIVERSITY budgets would be
taken up, with JUSTICE on Thursday.

666 Meeting adjourned at 4:35 p.m.

ADJOURN

Tape HFC 80-34 Side 2 #466 -- End
80-35 Side 1 #001 -- End
Side 2 #001 -- #666

ADULT SUPPORTIVE SERVICES RECAP SHEET

4/1/80

EXISTING SHELTERS

	FY 80 op	FY 80 cap	FY 80 total	FY 81 request	FY 80 + infl	GOV
AWAIC (Anchorage)	250.0	36.3	286.3	444.8	315.2	272.5
AWARE (Juneau)	111.4	23.1	124.5	313.4	149.3	121.4
WIC-CA (Fairbanks)	74.9	63.5	138.4	436.4	152.5	81.6
TUNDRA (Bethel)	52.0	15.8	67.8	199.3	75.6	56.7
BERING SEA (Nome)	52.0	11.4	63.4	213.0	70.8	56.7

NEW SHELTERS

WISH (Ketchikan)	0	0	0	171.6	0	75.0
SITKA	0	0	0	20.0	0	0
KOTZEBUE (HB 60)	0	0	0	68.1	0	0
KODIAK	0	0	0	86.1	0	0

EXISTING WOMENS RESOURCE CENTERS

ALASKA W.R.C. (Anchorage)	0	100.0	100.0	215.0	114.0	0
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NEW WOMENS RESOURCE CENTERS

S.E. ALASKA W.R.C. (Juneau)	0	0	0	99.8	0	0
S.T.A.R. (Anchorage)	0	0	0	121.8	0	0
ALEUTIAN-PRIBILOF	0	0	0	39.8	0	0
KENAI-SOLDOTNA	0	0	0	103.7	0	0

REPLACEMENT FUNDING

CETA					250.0	
LEAA					100.0	

OTHER

ADULT RESIDENTIAL CARE (M.H.)				500.0		
STUDIO CLUB	202.0	0	202.0	220.0	220.2	220.2
HERITAGE HOUSE	110.0	0	110.0	119.9	119.9	119.9
ADULT FOSTER HOMES	0	0	0	36.0	0	36.0
ADULT DAY CARE	0	0	0	100.0	0	100.0
DISPLACED HOMEMAKERS (Fairbanks)	0	0	0	253.0	0	0

4-1-80

-548-

Attachment 1

	FY '80 BUDGET INFO:	STATE FUNDS	CETA	VISTA	FEDERAL	MUNICI- PALITY	IN KIND DONATIONS	OTHER FUNDS	FY 80 OP. BUDGET	FY 81 TOTALS
ANCHORAGE WOMEN'S RESOURCE CENTER	\$100,000	\$85,488.90	\$7,518.00					74,633.48	\$261,640.48	\$214,977
A.W.A.I.C. ANCHORAGE	286,300	55,300 (5)	34,800 (2)	31,900 MENS PROGRAM	14,400	33,000			\$455,700	\$444,795
S.T.A.R. ANCHORAGE		69,000 (5)	24,000 (2)	10,000 CJPA	50,000				\$153,000	\$121,825
ENAI - SOLDOTNA WOMEN'S RESOURCE CENTER		33,600 (2)	16,800 (1)	16,000					\$66,400	\$105,683.81
TUNEAU WOMEN'S RESOURCE CENTER							1,000 Seed money 700 donations		\$1,760 (MAR - June 1980)	\$99,810
A.W.A.R.E. TUNEAU	134,409	110,400 (3)	33,600 (2)	10,900 training conference			5,000 fundraise 1,600 off. of ag.		\$22,000	\$313,444
W.I.S.H. KETCHIKAN		14,000 (1)		22,000			7,000	17,000	\$62,000	\$114,600

PROGRAM	FY '80 BUDGET INFO:	STATE FUNDS	CETA	VISTA	FEDERAL	MUNICI- PALITY	IN KIND DONATIONS	OTHER FUNDS	FY 80 OP. BUDGET	FY 81 TOTALS	1-80
N.I.C.-C.A.											
FAIRBANKS	138,426	244,444 (10)	Ø	35,013	Ø	20,000	4,000	\$ 441,883	\$ 436,364		4-1
UNDRA WOMEN'S COALITION	67,000	85,000 (6)	16,800 (1)	30,459	Ø	—	4,000	\$ 208,009	\$ 199,204		
BETHEL											
ERING SEA WOMEN'S GROUP	63,999	82,000 (4)	Ø	8,000	Ø	—	10,000	\$ 163,979	\$ 214,917		
NOME											-550-
LEUTIAN PRIBILOF ISLANDS ASSOCIATION	—	—	—	—	—	—	—	NONE	\$ 36,718		
KODIAK WOMEN'S RESOURCE CENTER	Ø	Ø	Ø	12,372	Ø	Ø	Ø	\$ 12,372	\$ 86,094		
SITKA WOMEN'S GROUP	—	—	—	—	—	—	—	NONE	\$ 20,000		
OTZEBUE WOMEN'S CRISIS PROJECT	—	—	—	—	—	—	—	NONE	\$ 68,141		Attachment 1

ABUSED WOMEN'S AID IN CRISIS, INC.
(AWAIC)

A Shelter for Battered Women
and their Children

The Male Awareness Project
a Program for Batterers

FEB 23 1980

Kit Evans
Executive Director
February 22, 1980

I want to thank and commend the Alaska legislature for leading the nation in addressing the problem of wife abuse. Alaska was one of the first state's in the union to appropriate money for services to families in violent crisis (1977) and one of the very few to support those services at a meaningful level each year.

Enclosed is the proposed budget for AWAIC, Inc., FY 1981, a budget narrative and a brief outline of who we serve, the programs, and services provided.

BUDGET REQUEST

The total request from AWAIC, Inc. for FY '81 is \$444,795

Thank you for consideration and efforts on behalf of Alaskan families.

The following are excerpts from the January Male Awareness Report, 1980.

Current Client Population

Active clients:	18
Intakes during month:	9
Terminations during month:	9
Total men contacted during month:	32

- ITEM: The number of current clients referred from Pre-Trial has reduced dramatically since my beginning with the project. Initially, nigh unto 100% of the clients were referrals from Pre-trial. At present, 45% of the clients are Pre-trial. Pre-trial indicates that few batterers are being referred the prosecutor's office. An encouraging note is the number of self referred men.
- ITEM: Two referrals are from the courts as a condition of sentencing. The prosecutor's office has advised the judge of this project, and has counseled this project as a condition of their suspended sentence. To date, this has been a workable means of establishing contact with the men.
- ITEM: For two days during the early part of February, I was a consultant to the Women's Resource Center in Kenai-Soldotna. I spent time speaking to the police, mental health center, district attorney's office, and women's center staff about a potential program for diversion and treatment of batterers. I found them to be most receptive to the idea, and willing to perhaps implement something in the near future.

AWAIC, INC.

BUDGET

Fiscal Year 1981

100 Personnel

A. Salaries

Executive Director	\$25,440
Secretary/Assistant	17,257
Men's Program Director	2,896
Shelter Program Director	22,896
Counseling Director	19,080
Child Care Specialist	18,651
Direct Service/Child Care	15,264
Direct Service/Volunteer Coord.	15,264
Direct Service/(Night Shift)	17,528
Direct Service/Office Manager	16,536
Direct Service/Kitchen Manager	15,264
Direct Service A	16,536
Direct Service B	16,536
Direct Service C	15,264
Direct Service D	15,264

B. Potential Merit Increases @ 6% \$ 9,277

C. Fringe Benefits @ 22%

FICA @ .0613

Workers Comp. @ .0297

ESC @ .026

Health Insurance, sick leave and
annual leave

\$58,619

(of the fifteen personnel represented in this line, thirteen are involved
directly with clients.)

PERSONNEL TOTAL

\$317,611

200 Travel

4 trips to Network Meetings @ 200 X 4	\$ 800
1 trip to Wash., D.C. @ \$800	800
3 trips to Juneau @ \$225	675
2 trips to West Coast @ \$300	600
Fare increase adjustment @ 10.8%	315
	<u>\$ 3,190</u>

Per Diem 20 days @ \$60

\$ 1,200

TRAVEL TOTAL

\$ 4,390

Budget Narrative

100 Personnel \$317,611

A. Salaries

Each salary line reflects the base pay on hire plus all increases up to June 31, 1980. It is our good fortune to have a number of employees entering their second and third year as well as two who will enter their fourth year with AWAIC in 1980.

B. Potential Merit Increases are based upon a rate of 6% times the number of months each staff would be eligible for such an increase within FY 1981. New positions have no potential increase, others range from two months to twelve.

C. Fringe Benefits \$58,619

Health insurance rates are approximately \$70/staff/month.

200 Travel \$4,390

A. The Alaska Network on Domestic Violence and Sexual Assault is an umbrella network of all local, state and federally funded domestic violence programs in Alaska. It meets four times each year in different communities. The travel figure is approximate.

B. Will provide for one staff member's attendance at the national meeting of the National Coalition Against Domestic Violence.

C. Will provide for three trips for testifying at the FY 1981 legislative session.

D. Will provide for two staff persons attendance at regional network meetings.

E. Per diem - based upon two days per diem at state rates for each trip.

300 Contractual \$94,794

A. Space \$43,000

1. Rent @ \$34,000 covers the Shelter which houses 30 women and children, administrative and staff office space and space for the Male Awareness Project which is separate from the Shelter.

300

Contractual

A. Space

Rent @ 2,833/mo.	\$34,000
Utilities @ 542/mo.	6,500
Maintenance	2,500

B. Phone 550/mo.	6,600
390/mo. rental	
160/mo. long distance + tax	

C. Postage @ 90/mo. X 12	1,080
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D. Printing -- Brochures, letterhead, handbook and training manual	1,500
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E. Miscellaneous	300
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F. Insurance	5,000
Liability @ 1539, auto @ 2251., Fire @ 339, Bonding @ 219, expected increase of 15% @ 652	

G. Training	1,500
-------------	-------

H. Accountant	10,000
CPA @ \$60/hr.	
Bookkeeper @ \$25/hr.	

I. Co-Facilitator, Men's Program	12,000
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J. Consultants, Men's Program	5,000
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K. Advertising (recruitment)	500
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L. Vehicle Gas	2,400
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M. Vehicle Maintenance	1,800
------------------------	-------

N. Service Agreements	1,114
2 typewriters	
1 Xerox	

O. Client Travel	2,500
------------------	-------

P. Children's Activities	500
--------------------------	-----

CONTRACTUAL TOTAL

\$94,794

2. Utilities @ \$6,500 cover heat and light for the above space.
3. Maintenance @ \$2,500 covers the building, exterior and interior as well as all appliances, plumbing, etc.

B. Phone \$6,600

Monthly base phone charges (rental) are \$390, with \$160 per month allowed for long distance calls.

C. Postage \$1,080

The average is \$90/per month which includes annual bulk mailing fee and charges for large mailings.

D. Client travel \$2,500

The service area for the AWAIC, Inc. Shelter covers all of the Seward Peninsula, the Aleutian Chain, Mat-Sue Valley and greater Anchorage -- in short, all of South Central, with a population of approximately 300,000. We have had four residents from the Aleutian Chain alone in the past six months; travel for a woman and two children can be as high as \$1200. The majority of client travel money is donated by ex-residents. The above amount is necessary as a supplement.

E. Children's Activities \$500

This allows for outings, birthday parties, bus trips, movies, etc.

400 Commodities and Supplies \$26,000

A. Food, cleaning and paper supplies \$22,000

The AWAIC Shelter serves an average of 2,700 meals each month at a monthly cost of \$1666 or \$.61 per meal. Having a kitchen manager with a degree in home economics makes this possible as well as benefitting community donations and road moose kills.

B. Office Supplies \$3,000

The amount of paperwork, record keeping, reporting and research make this line high, as well as the ever increasing cost of office supplies. A year's supply of typewriter ribbon alone (for one typewriter) is \$60.00.

C. Bedding \$500

Replacement sheets, blankets, pillows and towels are needed and are very seldom donated in the size, quantity or quality appropriate.

400 Commodities and Supplies

A. Food, cleaning and paper supplies (2,700 meals/mo.)	\$22,000
B. Office Supplies	3,000
C. Bedding	500
D. Children's Materials	500

COMMODITIES TOTAL \$26,000

500 Equipment

A. Shelter Furniture	\$ 1,000
B. Office Equipment	1,000

EQUIPMENT TOTAL \$ 2,000

TOTAL \$444,795

(86% of this budget applies directly to services to individuals involved in violent family crisis. Program development, community education, funding and administration reflects 14%)

D. Children's Materials \$500

This covers paper, crayons, books, games, paints, etc. above and beyond what may be donated and is necessary to insure adequate supplies at all times.

500 Equipment \$2,000

A. Shelter Equipment \$1,000

This includes replacement mattresses, drapes, high chairs, cribs and other items subject to irreversible wear and tear.

B. Office Equipment \$1,000

Two locked file cabinets, three chairs, two desks, four lamps and adding machine.

BACKGROUND ON

AWAIC, INC.

The AWAIC Shelter opened in August, 1977. Within the first 18 months we had served over seven hundred (700) women and one thousand (1,000) children.

Geographically our service area encompasses the Aleutian Chain, the Seward Peninsula, Mat-Sue Valley, Valdez and Cordova as well as the greater Anchorage area: these areas have a combined total population of approximately 300,000. In Anchorage alone, police receive 4.2 domestic violence calls per day.

The programs of AWAIC focus upon two areas -- a safe shelter for battered women and their children (with attendant services) and a counseling program for male batterers.

THE SHELTER provides safe living, food and clothing for thirty women and children. Lengths of stay range from a few days to two months depending on the woman's goals and her resources.

It has been necessary to employ a waiting list procedure; there are usually 6-8 families waiting to come in. However, no woman in immediate danger is turned away; there has been as many as 42 residents with a waiting list of ten.

The services offered include:

- o staff on duty 24 hours, every day
- o crisis intervention counseling
- o assistance in increasing parenting skills
- o information and screened referrals to counseling, family and individual;
- o assistance in securing housing, legal and medical services, public assistance and food stamps, job training and employment, day care and transportation.
- o emergency transportation
- o advocates to assist, in person, any woman dealing with systems such as police, courts, counseling welfare, housing or others.

Children are welcome at the shelter. There is an indoor and outdoor play area. Children have emerged as a major focus of the Shelter program; a Child Care Specialist was hired in 1978, and in June of 1979 a male child care worker was hired. No day care is provided, the services are designed to provide intervention where mother/child relationship are identified by the mother as dysfunctional or where the potential or actual child abuse is perceived by staff, to provide access to more effective parenting skills and to provide creative and recreational outlets for the children.

In addition to programs and services at the Shelter for residents, AWAIC offers two other related opportunities for support and information to battered women.

The Off-Site Rap Group meets weekly and exists for women who do not need Shelter or who are past residents. The group provides support, information sharing, and a chance for battered women to talk about their feelings and experiences.

Women Helping Women (WHW) is an "alumni" group of ex-residents in the Anchorage area. They have begun an informal outreach program with a telephone tree, newsletter and monthly potlucks and social events.

THE MALE AWARENESS PROJECT (MAP) is currently the only program in Alaska dealing specifically with batterers. Since start-up in February, 1979 one male therapist was the only staff person for the project. Referral relationships have been developed with the Pre-Trial Diversion Project, Probation and Parole and the Court System, Shelters and local counseling services. In the past eight months the program has brought together two weekly counseling groups, provide individual and group counseling for over 40 men and furthered community awareness of the magnitude of family violence in our community.

The intent of the project is to work with batterers, to through regular counseling over an extended period of time to assist the batterer in finding non-violent ways to cope with his feelings, whether they be anger, inadequacy or disappoint. It seems clear that while Shelters are absolutely necessary that violence toward women in their home cannot begin to be adequately addressed until programs exist to aid the batterer himself.

2.
A.W.A.R.E., INC.

AIDING WOMEN FROM ABUSE AND RAPE EMERGENCIES, INC.

P.O. BOX 809
JUNEAU, ALASKA 99802

DIRECTOR: CAREN ROBINSON
586 6623/24 bus.
586 1090 Crisis

PROGRAM INCLUDES:

24 Hour Crisis Line

Shelter for victims of domestic violence and their children

Rape Program

AWARE, INC.

Aiding Women from Abuse and Rape Emergencies

P.O. Box 809

Juneau, Alaska 99802

March 1980

Crisis Line (907) 586-1090

Business (907) 586-6624

BACKGROUND ON A.W.A.R.E., INC.

A.W.A.R.E., INC. (Aiding Women From Abuse and Rape Emergencies) is a non-profit organization in Juneau, Alaska. We opened our doors in August of 1978. In July 1979, we moved the shelter to a downtown location which made it possible for us to give shelter to twenty women and their children.

Since August of 1978 we have given shelter to 211 women and 188 children.*

AWARE currently has a staff of eight, two of whom are employed through the CETA Manpower Division and one who is employed through the Tlingit-Haida Corporation and two VISTA Action Employees. The other three are employed through the legislative monies.

In July of 1980, we will be losing our CETA employees, and by October 1st, our VISTAS. It is very important that we are able to hire those already trained employees permanently.

AWARE, INC. is a program whose primary purpose is to provide supportive services to victims of domestic violence or sexual assault.

We believe that the philosophy toward and method of providing assistance is as important as the assistance we can offer, and therefore, part of our purpose is to ensure that all activities of AWARE are toward the ultimate goal of assisting women to regain control of their lives.

AWARE has four primary programatic concerns. The purpose of our shelter is

1. To break the family cycle of violence by providing a supportive environment in which women can have a safe place to consider their situation, sort out priorities, and learn about community systems and referral networks, which will help them achieve their goals.
2. Encourage people to seek alternative non violent methods of coping with frustration and stress.
3. Encourage improvement and self-help in a living arrangement based on democratic decision making.
4. Advocacy for battered women and rape victims including crisis counseling, problem solving, referral information and accompaniment.

* A.W.A.R.E., INC. also has a sexual assault program that has assisted seventeen women with peer counseling, referral, advocates and trail monitors for legal proceedings.

March 1980

BACKGROUND ON A.W.A.R.E., INC.

PAGE TWO

A.W.A.R.E.'S Crisis Line:

1. Provides 24 hour immediate support and crisis intervention counselling to caller's, most of whom are battered women or rape victims.
2. Provide advocacy and referral from the district attorney's office, law enforcement, or victim. AWARE staff provides legal advocacy to women with law enforcement, medical and referral agencies.
3. Provide safe shelter and/or peer counselling.
4. Provide long term follow-up and referral to professional counselors.

The purpose of AWARE's education program is to:

1. Inform residents of Juneau and Southeast region about the AWARE program and particularly the regional shelter.
2. Provide community awareness about domestic violence and sexual assault through media, brochures, workshops, and speakers bureau.
3. Provide training and technical assistance to agencies and interested groups in Juneau and Southeast regarding domestic violence and sexual assault.

In addition to programs just stated, AWARE assisted both the Juneau Women's Resource Center and the Juneau Male Awareness Group in getting their foundation started and seeking funding.

The Staff and Board at AWARE would like to thank the Alaska Legislature in assisting the needs of women in Alaska.

Caren Robinson, Director

CR/BH
3-80

A.W.A.R.E. BUDGET PROPOSAL
PAGE ONE...

100 PERSONNEL

A	EXECUTIVE DIRECTOR	\$ 27,000.00	
B	SECRETARY/ASSISTANT OFFICE MANAGER	17,400.00	
C	CLERICAL AIDE HALF TIME @ \$600 Mo.	7,200.00	
D	COMMUNITY EDUCATIONAL SPECIALIST	19,800.00	
E	CHILD CARE SPECIALIST/ADVOCATE	19,800.00	
F	RESOURCE/ADVOCATE COORDINATOR	19,800.00	
G	RURAL ADVOCATE COORDINATOR	19,800.00	
H	DIRECT SERVICE ADVOCATE	19,800.00	
I	DIRECT SERVICE ADVOCATE	19,800.00	
J	DIRECT SERVICE ADVOCATE	19,800.00	
	SUB TOTAL	\$ 190,200.00	
	6% MERIT INCREASE	4,000.00	
	SUB TOTAL	\$ 194,200.00	
FRINGE BENEFITS @ 22% INCLUDES:			
	FICA @ .0613		
	WORKERS COMP. @ .03		
	ESC @ 4.5		
	HEALTH INSURANCE		
	SICK & ANNUAL LEAVE	42,724.00	
	<u>TOTAL PERSONNEL</u>		<u>\$ 236,924.00</u>

200 TRAVEL

A	CLIENT TRAVEL	\$ 3,500.00	
B	STAFF: FOUR NETWORK MEETINGS		
	@ \$200.00 EACH	800.00	
C	STAFF: ONE TRIP TO WASHINGTON, D.C.	800.00	
D	STAFF: TWO NATIONAL CONFERENCES		
	@ \$400.00 EACH	800.00	
E	EIGHT TRAINING TRIPS IN VILLAGES	1,600.00	
	SUB TOTAL B-E	\$ 4,000.00	
F	PER DIEM: 25 days @ \$60/day	1,500.00	
	<u>TOTAL TRAVEL</u>		<u>\$ 9,000.00</u>

300 CONTRACTUAL

A	SPACE: RENT @ \$900/Mo.	10,800.00	
	UTILITIES @ \$600/Mo.	7,200.00	
	MAINTENANCE	500.00	
	TOTAL A	\$ 18,500.00	
B	PHONE @ \$450/Mo.		
	\$350/Mo. RENTAL		
	\$100/Mo. LONG DISTANCE & TAX		
	TOTAL B	5,400.00	
C	POSTAGE @ \$60/Mo.	720.00	
D	PRINTING: BROCHURES, LETTERHEAD, HANDBOOK, MANUALS, ETC.	3,000.00	
E	MISCELLANEOUS	300.00	
F	INSURANCE: LIABILITY, AUTO, FIRE, BONDING	2,000.00	
G	TRAINING CONSULTANTS	7,000.00	
H	ACCOUNTANT	10,000.00	
I	ADVERTISING (RECRUITMENT)	200.00	
J	VEHICLE: GAS AND MAINTENANCE	3,000.00	
K	SERVICE & RENTAL AGREEMENTS	2,500.00	

A.W.A.R.E. BUDGET PROPOSAL
PAGE TWO...

300 CONTRACTUAL, CONTINUED...

L CHILDREN'S ACTIVITIES

\$ 300.00

TOTAL CONTRACTUAL A-L

\$ 52,920.00

400 COMMODITIES AND SUPPLIES

A FOOD, CLEANING AND PAPER SUPPLIES

7,200.00

B OFFICE SUPPLIES

1,800.00

C HOUSING SUPPLIES: TOWELS, BEDDING, ETC.

1,800.00

D CHILDREN MATERIALS

300.00

TOTAL COMMODITIES A-D

\$ 11,100.00

500 EQUIPMENT

A SHELTER FURNITURE (BEDS)

2,000.00

B FILMS, BOOKS, VIDEO TAPES, ETC.

1,500.00

TOTAL EQUIPMENT

\$ 3,500.00

RECAP OF BUDGET

100 PERSONNEL

\$236,924.00

200 TRAVEL

9,000.00

300 CONTRACTUAL

52,920.00

400 COMMODITIES

11,100.00

500 EQUIPMENT

3,500.00

TOTAL PROPOSED BUDGET

\$ 313,444.00