

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2741.

concluded by stating that he felt the Dept. of Law spent more pursuing the above cases than was prudent in terms of priorities. Vice-Chairman Hohman directed legislative staff to prepare formal letters of inquiry concerning the above cases and advised that CSHB 91 am would remain in committee pending receipt of additional information.

CSHB 91am
HELD OVER

The meeting adjourned at approximately 10:00 a.m.

ADJOURN

SF-79 #29 Side 1 (582-remainder of
cassette)
#30 Side 1 (start to 412)

-247-

3/23/79

SENATE FINANCE COMMITTEE

March 27, 1979

8:38 a.m.

Chairman Sackett called the meeting to order at 8:38 a.m. Senators Bennett, Hohman, Ray, Sackett, Hackney and Dankworth were present. Also present were fiscal analyst Bob Grogan, Senator Stimson, Garrey Peska, AA to Senator Sackett and members of the press.

PRESENT

SB 130 (Act establishing incentives for students to attend colleges and universities in Alaska) was brought before the committee to amend the Committee Report of the Senate Finance Committee dated 3/15/79 (that report shows that SB 130 was passed from committee with individual recommendations). It had been the desire of the committee on 3/15/79 to report CSSB 130 (HESS) amended with individual recommendations.

SB 130

Senator Hohman moved that CSSB 130 (HESS) amended be reported from the Senate Finance Committee with individual recommendations. There being no objection, it was so ordered. Senators Sackett, Hackney, Bennett and Dankworth voted do pass. Senators Hohman and Ray voted no recommendation.

MOTION

The committee began the operating budget for the category of Natural Resources. The following reflect the desires of the committee for funding the various components:

NATURAL
RESOURCES
BUDGET

LIMITED ENTRY - P. 3

Personal Services	841.4
Travel	42.8
Contractual	351.2
Commodities	14.6
Equipment	-0-
OTAL	1250.0

FISHERIES COMMISSION

International North Pacific - p. 7

Travel	25.0
TOTAL	25.0

International Fisheries - p. 9

Personal Services	100.5
Travel	11.3
Contractual	16.8
Commodities	1.1
TOTAL	129.7

3/27/79

Pacific Marine Fisheries - p. 11

Contractual	29.0
TOTAL	29.0

Law of the Sea - p. 13

Travel	4.0
Contractual	4.3
Commodities	-0-
TOTAL	8.3

COASTAL ZONE MANAGEMENT

CZM Administration - p. 17

Personal Services	229.8
Travel	79.0
Contractual	1149.0
Commodities	3.3
Equipment	-0-
Grants	2500.0
TOTAL	3961.1

NOAA - p. 19

Personal Services	152.4
TOTAL	152.4

STATE PIPELINE SURVEILLANCE

Gas Pipeline Review - p. 21

Entire BRU shows recommendation of -0-. The Director of this category was requested to provide a new BRU which he refused to do. Therefore, the entire BRU was zeroed.

Oil Pipeline Surveillance - p. 25

Personal Services	4.3
Travel	8.0
Contractual	3.2
Commodities	.3
TOTAL	15.9

Pipeline Surveillance - Special Projects - p. 27

This program has been deleted, therefore no funding.

FISH & GAME LICENSING - p. 29

Personal Services	178.8
Travel	1.7
Contractual	74.9
Commodities	3.6
Equipment	-0-
TOTAL	259.0

MANAGEMENT AND ADMINISTRATION

Office of the Commissioner - p. 33

Personal Services	505.6
Travel	25.0
Contractual	206.9
Commodities	7.4
Equipment	-0-
Lands/Buildings	51.0
TOTAL	795.9

3/27/79

Planning & Research - p. 41

With the committee's approval, Chairman Sackett showed this BRU as 0 for the time being.

Temporary D-2 Operations - p. 43

Personal Services	84.2
TOTAL	84.2

MINERAL AND ENERGY MANAGEMENT

Leasing Management - P. 51

Personal Services	209.0
Travel	3.5
Contractual	8.8
Commodities	.9
Equipment	-0-
TOTAL	222.2

Petroleum Management - p. 53

Personal Services	366.1
Travel	14.3
Contractual	334.7
Commodities	2.0
Equipment	-0-
TOTAL	717.1

Minerals Management - p. 55

Personal Services	43.6
Travel	4.8
Contractual	4.0
Commodities	.1
TOTAL	52.5

Administratio - p. 57

Personal Services	138.6
Travel	8.5
Contractual	145.3
Commodities	2.0
Equipment	-0-
TOTAL	294.4

GEOLOGICAL AND GEOPHYSICAL PROGRAM

Resource Investigations - p. 61

Personal Services	607.7
Travel	32.2
Contractual	354.0
Commodities	31.1
TOTAL	1025.0

Publications - p. 63

Personal Services	136.0
Travel	.4
Contractual	32.0
Commodities	1.2
TOTAL	169.6

Mineral Laboratory - p. 65

Personal Services	199.1
Travel	.7
Contractual	17.8
Commodities	9.0
Equipment	5.0
TOTAL	<u>231.6</u>

Regulations & Information - p. 67

Personal Services	155.2
Travel	4.1
Contractual	10.2
Commodities	2.8
TOTAL	<u>172.3</u>

Administration - p. 69

Personal Services	107.5
Travel	5.2
Contractual	104.9
Commodities	1.0
Lands/Buildings	8.3
TOTAL	<u>226.9</u>

OIL & GAS

Conservation - p. 73

Personal Services	847.5
Travel	49.7
Contractual	640.8
Commodities	6.0
Equipment	-0-
TOTAL	<u>1544.0</u>

ROYALTY OIL AND GAS BOARD - p. 77

Personal Services	75.0
Travel	14.3
Contractual	71.5
Commodities	1.5
TOTAL	<u>162.3</u>

LAND MANAGEMENT

Central Office - p. 81

Personal Services	845.0
Travel	30.5
Contractual	385.0
Commodities	3.5
Equipment	-0-
TOTAL	<u>1264.0</u>

Land & Water Director - p. 83

Personal Services	126.0
Travel	15.0
Contractual	8.0
Commodities	.5
Equipment	-0-
TOTAL	<u>149.5</u>

Water Management - p. 85

Personal Services	188.4
Travel	19.6
Contractual	100.0
Commodities	2.0
Equipment	-0-
TOTAL	<u>310.0</u>

LANDS ADMINISTRATION & SUPPORT

Lands Management - p. 89

Personal Services	596.8
Travel	16.3
Contractual	516.0
Commodities	59.6
Equipment	-0-
TOTAL	<u>1188.7</u>

Classification - p. 91

Personal Services	731.4
Travel	36.7
Contractual	153.8
Commodities	10.7
Equipment	-0-
TOTAL	<u>932.5</u>

ADMINISTRATION & SUPPORT

Cadastral Engineering - p. 95

Personal Services	922.6
Travel	29.2
Contractual	2209.6
Commodities	60.0
Equipment	-0-
TOTAL	<u>3221.4</u>

FOREST PROTECTION & MANAGEMENT

Fire Protection - State - p. 99

Personal Services	132.6
Travel	5.3
Contractual	20.0
Commodities	5.0
TOTAL	<u>162.9</u>

Fire Protection - BLM - p. 101

Contractual	371.9
TOTAL	<u>371.9</u>

Research & Technical - p. 103

Personal Services	82.4
Travel	3.2
Contractual	12.4
Commodities	10.0
Equipment	-0-
TOTAL	<u>108.0</u>

3/27/79

Management & Timber Sales - p. 105

Personal Services	162.7
Travel	11.3
Contractual	42.1
Commodities	1.5
Equipment	-0-
TOTAL	<u>217.6</u>

Administration - p. 107

Personal Services	156.0
Travel	14.5
Contractual	15.9
Commodities	.6
Equipment	-0-
TOTAL	<u>187.0</u>

DISTRICT OPERATIONS

Southeast District - p. 111

Personal Services	722.7
Travel	39.7
Contractual	92.6
Commodities	12.4
Equipment	5.0
Lands/Bldgs	8.6
TOTAL	<u>881.0</u>

Southcentral District - p. 113

Personal Services	1675.5
Travel	53.4
Contractual	600.0
Commodities	85.0
Equipment	48.0
TOTAL	<u>2461.9</u>

Northcentral District - p. 115

Personal Services	1387.6
Travel	35.4
Contractual	356.9
Commodities	40.0
Equipment	16.1
TOTAL	<u>1836.0</u>

CONSERVATION ACTION CORPS - p. 117

Personal Services	346.9
Travel	18.5
Contractual	48.0
Commodities	65.0
Equipment	5.0
TOTAL	<u>483.4</u>

PARKS & RECREATION-DISTRICTS

Mat-Su - p. 121

Personal Services	286.1
Travel	3.2
Contractual	132.3
Commodities	12.2
Equipment	4.0
TOTAL	437.8

Chugach - p. 123

Personal Services	265.9
Travel	3.6
Contractual	130.8
Commodities	28.1
Equipment	1.0
TOTAL	429.4

Kenai-Kodiak - p. 125

Personal Services	144.5
Travel	4.3
Contractual	94.2
Commodities	31.3
TOTAL	274.3

Southeast - p. 127

Personal Services	176.0
Travel	10.0
Contractual	37.6
Commodities	8.0
Equipment	.7
Lands/Bldgs	2.1
TOTAL	234.4

Copper Basin - p. 129

Personal Services	69.0
Travel	4.4
Contractual	56.3
Commodities	9.6
Equipment	-0-
TOTAL	139.3

Interior - p. 131

Personal Services	220.0
Travel	7.4
Contractual	110.5
Commodities	19.5
Equipment	-0-
TOTAL	357.4

DISTRICT OPERATIONS

Operations Administration - p. 133

Personal Services	36.1
Travel	4.0
Contractual	7.6
Commodities	1.3
TOTAL	49.0

PARK MANAGEMENT

Park Development - p. 137

Personal Services	163.3
Travel	3.8
Contractual	22.9
Commodities	1.8
Equipment	6.7
TOTAL	<u>198.5</u>

State-Federal Coordination - p. 139

Personal Services	74.3
Travel	2.3
Contractual	13.5
Commodities	.5
TOTAL	<u>90.6</u>

Administration & Support - p. 141

Personal Services	187.6
Travel	15.6
Contractual	83.6
Commodities	10.9
Equipment	-0-
TOTAL	<u>297.7</u>

HISTORIC RESOURCE MANAGEMENT - p. 143

Personal Services	219.7
Travel	14.7
Contractual	111.7
Commodities	5.2
TOTAL	<u>351.3</u>

This page is to be flagged for additional information
on the contractual increase.

The meeting adjourned at 9:44 a.m.

ADJOURN

SENATE FINANCE COMMITTEE
March 28, 1979
8:40 a.m.

In Senator Sackett's absence, Senator Hohman chaired the meeting which he called to order at 8:40 a.m. Senators Ray, Hohman, Dankworth, Bennett, Hackney and Hohman were present. Also present were Senators Stimson and Kerttula, fiscal analyst Bob Grogan, Garrey Peska, AA to Senator Sackett and Joe LaRocca of the press.

PRESENT

SB 143 (supplemental appropriations to Dept. of Health and Social Services, Administration of Justice) was brought before the committee. Senator Hohman indicated there was a Finance Committee Substitute being prepared for the bill which would delete Section 1 of the original bill and change the dollar amounts in sec. 2 and 3 of the same bill. There was discussion regarding a Letter of Intent to pay unpaid bills that had been covered in Section 1 of SB 143 out of existing fiscal year funds.

SB 143

Senator Bennett made a motion to move CSSB 143 (Finance) with a Letter of Intent from committee with a do pass recommendation. There being no objection, it was so ordered. Senators Sackett and Hohman voted do pass. Senator Ray voted do not pass. Senators Bennett, Dankworth and Sumner voted no recommendation.

MOTION

SB 114 (competitive bidding under the Fiscal Procedures Act) was brought before the committee to correct an error in the Committee Report dated March 15, 1979. Although the Committee Report of 3/15/79 indicated that the committee wished to report out SB 114, the tape reflected that the motion was to pass out the committee substitute for SB 114. The Commerce Committee Substitute was the one the committee had been reviewing (and in fact, was the only CS offered). Instructions from Senator Hohman were to have the members sign an amended committee report. The amended committee report for SB 114 dated March 28, 1979, shows that it was replaced with Commerce CSSB 114. Senators Hohman, Sumner, Dankworth, Bennett, Hackney and Ray voted do pass.

SB 114

At this time the committee began work on the Natural Resources budget. Fiscal analyst Bob Grogan went over the budget with the members. The following reflects the recommendations accepted by the committee:

NATURAL
RESOURCES
BUDGET

COMMERCIAL FISH
Research - p. 147

The following figures reflect the addition of the
Bering Sea Herring Program:

Personal Services	1664.6
Travel	86.5
Contractual	504.6
Commodities	135.9
Equipment	<u>69.0</u>
TOTAL	2460.6

Management - p. 149

Personal Services	2986.4
Travel	153.2
Contractual	1087.9
Commodities	235.9
Equipment	<u>30.8</u>
TOTAL	4494.2

Senator Ray mentioned that a permanent biologist is
wanted in Haines for the Chilkat River/Lynn Canal
area. This component is flagged for further information.

Administration & Support - p. 151

Personal Services	658.9
Travel	43.5
Contractual	268.1
Commodities	5.9
Equipment	<u>-0-</u>
TOTAL	976.4

Federal Aid Programs - p. 153

Personal Services	895.8
Travel	35.8
Contractual	339.9
Commodities	106.0
Equipment	<u>-0-</u>
TOTAL	1377.5

F.R.E.D
PROGRAM

Special Projects - p. 155

Personal Services	205.4
Miscellaneous	<u>98.4</u>
TOTAL	303.8

CORRECTION

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

COMMERCIAL FISH
Research - p. 147

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Bering Sea Herring Program:

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Contractual	504.6
Commodities	135.9
Equipment	<u>69.0</u>
TOTAL	2460.6

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Contractual	268.1
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TOTAL	976.4

Federal Aid Programs - p. 153

Personal Services	895.8
Travel	35.8
Contractual	339.9
Commodities	106.0
Equipment	<u>-0-</u>
TOTAL	1377.5

Special Projects - p. 155

Personal Services	205.4
Miscellaneous	<u>98.4</u>
TOTAL	303.8

SPORT FISH

Investigations & Research - p. 159

Personal Services	1876.5
Travel	89.9
Contractual	378.7
Commodities	132.8
Equipment	15.8
Miscellaneous	<u>22.1</u>
TOTAL	2515.8

Management - p. 161

Personal Services	637.8
Travel	12.8
Contractual	72.5
Commodities	22.0
Equipment	<u>-0-</u>
TOTAL	745.1

Sport Fish Restoration - p. 163

Personal Services	15.0
Travel	.4
Contractual	10.1
Commodities	<u>27.0</u>
TOTAL	52.5

Administration

Personal Services	170.2
Travel	6.9
Contractual	38.0
Commodities	<u>2.3</u>
TOTAL	217.4

There was a motion by Senator Sumner to zero the entire F.R.E.D. program and flag those components pending further information as to why the program should be funded. - pages 169 - 175.

F.R.E.D
PROGRAM

ADMINISTRATION AND SUPPORT

Office of the Commissioner - p. 179

Personal Services	240.2
Travel	25.1
Contractual	17.9
Commodities	1.9
Equipment	<u>-0-</u>
TOTAL	285.1

3/28/79

Public Communication - p. 181

Personal Services	139.3
Travel	3.9
Contractual	42.5
Commodities	9.1
Equipment	<u>-0-</u>
TOTAL	194.8

Administrative Services - p. 183

Personal Services	965.0
Travel	12.4
Contractual	895.2
Commodities	93.3
Equipment	<u>-0-</u>
Lands/Bldgs	<u>229.2</u>
TOTAL	2195.1

Vessels - p. 187

Personal Services	864.2
Travel	6.4
Contractual	238.3
Commodities	209.9
Equipment	<u>22.3</u>
TOTAL	1341.1

GAME

Investigations & Research - p. 191

Personal Services	3368.9
Travel	229.4
Contractual	1068.7
Commodities	222.0
Equipment	<u>50.0</u>
TOTAL	4939.0

Management - p. 193

Personal Services	232.6
Travel	41.3
Contractual	123.9
Commodities	<u>15.7</u>
TOTAL	413.5

Hunter Safety - p. 195

Personal Services	53.2
Travel	8.7
Contractual	11.4
Commodities	<u>22.8</u>
TOTAL	96.1

Administration and Support - p. 197

Personal Services	<u>375.4</u>
TOTAL	375.4

BOARDS OF FISH & GAME
Boards of Fish & Game - p. 201

Personal Services	78.6
Travel	136.4
Contractual	25.4
Commodities	3.8
Equipment	-0-
Miscellaneous	<u>-0-</u>
TOTAL	244.2

FISH & GAME SUPPORT SERVICES
Subsistence Section

Personal Services	519.4
Travel	66.7
Contractual	63.6
Commodities	23.3
Equipment	<u>4.2</u>
TOTAL	677.2

Senator Sumner made a motion to zero all of the Habitat Programs. There was no objection. pgs 207 - 225.

HABITAT
PROGRAMS

PROTECTION
Enforcement - p. 229

Personal Services	3767.2
Travel	178.1
Contractual	821.5
Commodities	167.1
Grants/Claims	<u>20.5</u>
TOTAL	4954.4

Director's Office - p. 231

Personal Services	464.9
Travel	21.6
Contractual	45.4
Commodities	6.4
Lands/Bldgs	<u>26.2</u>
TOTAL	564.5

Aircraft Section - p. 233

Personal Services	333.0
Travel	5.3
Contractual	195.7
Commodities	212.0
Equipment	<u>-0-</u>
TOTAL	746.0

Marine Enforcement - p. 235

Personal Services	777.6
Travel	22.0
Contractual	174.9
Commodities	287.2
Equipment	<u>53.8</u>
TOTAL	1315.5

WATER PROGRAMS

Water Pollution Control - p. 239

Senator Bennett made a motion to zero this component. There was no objection. Committee agreed to leave this BRU at zero unless there is good rationale to reconsider.

Water Supply - p. 241

Personal Services	159.2
Travel	22.5
Contractual	39.3
Commodities	4.0
Miscellaneous	<u>488.7</u>
TOTAL	713.7

Facility Construction & Operation - p. 243

Personal Services	169.0
Travel	7.9
Contractual	36.6
Commodities	1.5
Equipment	<u>-0-</u>
TOTAL	215.0

Director's Office - p. 245

Personal Services	81.0
Travel	4.3
Contractual	11.3
Commodities	<u>1.3</u>
TOTAL	97.9

Environmental Analysis - p. 247

Personal Services	260.4
Travel	13.2
Contractual	68.5
Commodities	19.0
Equipment	<u>-0-</u>
TOTAL	361.1

The meeting recessed until 1:30 p.m.

RECESS

SF 79-30-2 (473-end)
SF 79-31-1 (1-end)
SF 79-31-2 (1-129)

SENATE FINANCE COMMITTEE

March 28, 1979

1:35 p.m.

In the absence of Chairman Sackett, Vice-Chairman Hohman convened the meeting at approximately 1:35 p.m. All committee members were present with the exception of Senator Bennett who arrived shortly after the meeting began, and the Chairman and Senator Sumner who were absent. Also in attendance were Senator Stimson; Vern Perry, Director of Pioneers' Benefits; Judy Crondahl and Kellus Sewell from the Dept. of Administration; Alex Johnson; Fiscal Analysts Bob Grogan and John Lucas; and Administrative Assistant to the Finance Committee Garrey Peska.

PRESENT

Vice-Chairman Hohman moved that CSHB 296 (Rules) (Act making transfers between general fund appropriation items made to the Department of Administration, Pioneers' Homes for the fiscal year ending June 30, 1979) be brought up for discussion. Senator Hackney advised of a time urgency connected to the bill, stating that Mr. Perry and Judy Crondahl were present to testify before the committee.

CSHB 296
(Rules)

Mr. Perry requested passage of the legislation, advising that it involves no new money. The Division has "pulled itself up by the bootstraps" to meet obligations. This tight financial situation would be eased if funds could be transferred between line items as requested.

MR. PERRY

Judy Crondahl explained briefly the effect of the bill, advising that in some part the need to transfer funds is due to the Manning contract at the Anchorage Home (housekeeping and food service) and the resulting Union grievance. Employees at this facility remain state employees, thus the need to transfer funds from contractual into personal services to ensure salary payment. Mannings is supervising the employees and purchasing food while the employees are actually employees of the state. The net effect of the transfer is zero.

JUDY
CRONDAHL

Senator Ray requested that a new section be added to the bill providing \$300 thousand for the Sitka Pioneers' Home greenhouse. 30,000

SITKA
GREENHOUSE

Judy Crondahl advised of an addition to the bill by the Department, and distributed a handout to committee members. She stated that at the time the bill passed the House, it appeared the Department could operate adequately out of personal services. More current reports indicate that with Anchorage and Fairbanks trying to use other line items, budgeting will be close. The Department would like the committee to make one appropriation for the Anchorage Pioneers' Home instead of line item appropriations. Line item appropriations for the Homes was effected last year to keep the Homes from transferring out of personal services. It has also had the effect of not allowing the Department to transfer into personal services.

(Senator Bennett entered the meeting at this time, 1:50 p.m.)

Vice-Chairman Hohman advised that the legislature is not sympathetic to the Department's request for a single appropriation, preferring to leave appropriations as they currently are. Judy Crondahl advised that if such is the case, Fairbanks will fall short in personal services. Kellus Sewell attested to difficulties in trying to estimate the need for personal services in Pioneer Homes.

Senator Hackney moved to pass CSHB 296 (Rules) including the greenhouse request made by Senator Ray and the change in appropriation language requested by the Department.

MOTION
CSHB 296
(Rules)

Vice-Chairman Hohman advised that the requested appropriation language change runs counter to budget procedures established by Legislative Budget and Audit. Upon a show of hands from committee members in favor or against the motion, the motion failed--all members present opposed with the exception of Senator Hackney.

Senator Ray moved that CSHB 296 (Rules), including the \$300 thousand Sitka Greenhouse, pass from committee with a do pass recommendation. No objection have been noted, CSHB 296 (Rules), as amended, passed from committee--all members present signing do pass.

NEW MOTION
CSHB 296
(Rules)am

DO PASS

Vice-Chairman Hohman next directed committee attention to the NATURAL RESOURCES BUDGET, advising that committee review of this category would resume with page 251.

NATURAL
RESOURCES

TERRESTIAL PROGRAMS
Air Quality, p. 251

The committee recommended the following figures:

Personal Services	162.8
Travel	14.8
Contractual	38.6
Commodities	2.9
	<u>219.1</u>

Senator Ray advised that this BRU has the responsibility for noise control.

TERRESTIAL PROGRAMS
Land Use, p. 253

The committee recommended the following figures:

Personal Services	140.2
Travel	15.3
Contractual	22.1
Commodities	-0-
Equipment	-0-
	<u>168.2</u>

Bob Grogan advised that the zero figures for Commodities and Equipment represent deletion of funding for new positions which were not allowed.

TERRESTIAL PROGRAMS
Director's Office, p. 255

The committee recommended the following figures:

Personal Services	79.5
Travel	2.5
Contractual	9.2
Commodities	1.2
	<u>92.4</u>

ADMINISTRATION AND SUPPORT
Office of the Commissioner, p. 259

The committee recommended the following figures:

Personal Services	197.5
Travel	14.2
Contractual	90.7
Commodities	6.6
Equipment	-0-
	<u>309.0</u>

ADMINISTRATION & SUPPORT
Advisory Board, p. 261

Garrey Peska advised that the Legislative Budget & Audit Committee should select which boards and commissions will fall under the sunset law in any given year, thus eliminating the need for the above component.

DELETED
COMPONENT

The committee recommended deletion of the above BRU.

ADMINISTRATION AND SUPPORT
Management Services, p. 263

The committee recommended the following figures:

Personal Services	249.9
Travel	3.8
Contractual	58.7
Commodities	3.0
Equipment	-0-
	<u>315.4</u>

ADMINISTRATION AND SUPPORT
Technical Services, p. 265

The committee recommended the following figures:

Personal Services	232.5
Travel	8.7
Contractual	52.3
Commodities	31.4
	<u>324.9</u>

PROGRAM COORDINATION, p. 266

Senator Bennett moved to zero this budget component. No objection having been voiced, funding for the component was zeroed.

ZERO FUNDING

GAS PIPELINE IMPACT
Gas Pipeline Impact, p. 273

The committee recommended that this component be deleted due to project delay.

DELETED
COMPONENT

REGIONAL OFFICES
Southeast Region, p. 277

The committee initially recommended the following figures:

Personal Services	213.8
Travel	27.5
Contractual	23.8
Commodities	5.5
Equipment	-0-
Lands/Bldgs.	3.1
	<u>273.7</u>

Senator Ray moved to reduce travel below the recommended 25% reduction of 27.5 to 21.3. No objection having been voiced, travel was so reduced, effecting a new total of 267.5.

REGIONAL OFFICES
Southcentral Region, p. 279

Personal Services	472.2
Travel	18.4
Contractual	83.6
Commodities	8.9
Equipment	-0-
	<u>583.1</u>

REGIONAL OFFICES
Northern Region, p. 281

The committee initially recommended the following figures:

Personal Services	377.2
Travel	21.6
Contractual	58.3
Commodities	7.6
Equipment	-0-
Lands/Bldgs.	42.3
	<u>507.0</u>

Upon further discussion of the component, committee members elected to flag it pending investigation of RP's.

OPEN

REGIONAL OFFICES
Prince William Sound Region, p. 283

The committee recommended the following figures:

Personal Services	101.8
Travel	11.7
Contractual	25.6
Commodities	3.3
Equipment	-0-
Lands/Bldgs.	12.1
	<u>154.5</u>

TANK & OIL TERMINAL SAFETY, p. 287

The committee recommended that the component be zeroed and deleted unless HB 205 (Act relating to the prevention and control of oil pollution) passes during the current legislative session.

DELETED

Upon conclusion of the Natural Resources budget review, Mr. Alex Johnson appeared before committee attesting to problems concerning REAA schools and the amount of money allocated to each Village. Funding as allocated is not sufficient to finish high schools in most villages. The future of Alaska rests with its young people and their ability to get a good education, hold responsible jobs, and contribute to the tax base. These youngsters are a source of never-dying financial resource to the state.

MR. ALEX
JOHNSON

REAA
FUNDING

He requested that when the committee funds the Lower Yukon School District it take time to consider that the District is short \$900 thousand to finish up its current construction project in addition to the \$1.3 million the district is short on four other construction projects undertaken last summer. Also the water situation has created an additional problem. Mr. Johnson recited a listing of underfunded projects, and Vice-Chairman Hohman advised that it is his understanding that DOT is telling districts to stay within their budgets on such projects.

LOWER YUKON
SCHOOL
DISTRICT

Mr. Johnson advised that he is the Chairman of the Yukon REAA Board, advising that Emmonak has never had any state aid. The village has over 500 inhabitants but no roads. The village is trying to progress but it is difficult to do so without adequate funding. The residents pay taxes like other Alaskan citizens and it is time Emmonak be considered for financial assistance. Other villages with one-half the population enjoy both water and sewer facilities while Emmonak does not.

EMMONAK

Senator Dankworth asked if the Emmonak High School has water and Mr. Johnson advised that it does, stating that the high school needs another classroom, and further advising of a village which has \$400 thousand for a high school population consisting of two children.

Upon conclusion of Mr. Johnson's testimony, Vice-Chairman Hohman directed committee attention to the HEALTH budget for review of that budget category.

HEALTH

NURSING
Field Nursing, p. 5

Senator Ray recommended the following figures:

Personal Services	3220.0
Travel	200.0
Contractual	310.0
Commodities	76.1
Equipment	4.0
Lands/Bldgs.	12.2
	<u>3822.2</u>

NURSING
Home Health Service, p. 7

Senator Ray recommended the following figures:

Personal Services	42.4
Travel	2.2
Contractual	5.2
Commodities	7.3
	<u>57.1</u>

NURSING
Administration, p. 9

Senator Ray recommended the following figures:

Personal Services	600.0
Travel	40.0
Contractual	87.5
Commodities	7.0
Equipment	.6
	<u>735.1</u>

NURSING
Early Screening, p. 11

Senator Ray recommended the following figures:

Personal Services	72.4
Travel	21.3
Contractual	120.0
Commodities	3.6
	<u>217.3</u>

COMMUNICABLE DISEASE CONTROL
TB Control, p. 15

Senator Ray recommended the following figures:

Personal Services	289.7
Travel	55.0
Contractual	62.5
Commodities	90.0
Equipment	1.6
Grants/Claims	120.0
	<u>618.8</u>

COMMUNICABLE DISEASE CONTROL
Venereal Disease Control, p. 17

Senator Ray moved for acceptance of the Governor's total of 251.4.

COMMUNICABLE DISEASE CONTROL
Immunization, p. 19

Senator Ray moved for acceptance of the following figures:

Personal Services	60.4
Travel	8.5
Contractual	26.7
Commodities	5.0
	<u>100.6</u>

COMMUNICABLE DISEASE CONTROL
Epidemiology, p. 21

Senator Ray initially recommended the following figures:

Personal Services	23.4
Travel	-0-
Contractual	30.0
Commodities	181.6
	<u>235.0</u>

Senator Hohman raised questions concerning the above component, and Senator Ray responded that the Department did not have a Chief Epidemiologist until October, 1978. He further recommended that the BRU be incorporated within a Public Nursing component. John Lucas advised that while the Epidemiologist is located in Juneau, the clerk who supports him is located in Anchorage. Senator Hohman directed that Mr. Lucas further investigate the above situation where the Chief is located in one place and his staff is 600 miles away.

OPEN

ENVIRONMENTAL HEALTH
General Sanitation, p. 25

Senator Ray recommended the following figures:

Personal Services	1101.6
Travel	53.4
Contractual	121.9
Commodities	9.3
Lands/Bldgs.	28.9
	<u>1315.1</u>

CHILD & FAMILY HEALTH
Family Planning, p. 31

Senator Ray recommended the following figures:

Personal Services	116.0
Travel	14.9
Contractual	19.3
Commodities	41.5
Equipment	-0-
Grants, Claims	275.6
	<u>448.6</u>

Senator Ray advised that he has concerns about the above BRU because of reductions in federal funds. Federal funding fell from 272.2 to 46.3 and he questioned whether the program should be continued. John Lucas suggested that the function be performed at the local level and recommended combining the Family Planning BRU with Maternal and Child Health (p. 33). No objection to Mr. Lucas' recommendation having been noted, the Family Planning component was combined with Maternal and Child Health.

COMPONENTS
COMBINED

CHILD & FAMILY HEALTH
Handicapped Children, p. 35

Senator Ray recommended the following figures:

Personal Services	200.0
Travel	3.1
Contractual	22.8
Commodities	1.1
Equipment	-0-
Grants, Claims	1352.5
	<u>1579.5</u>

Senator Ray advised that the 1352.5 appropriated as grants and claims contains 57.5 for Otitus Media, and directed John Lucas to draft legislative intent so indicating.

LEGIS. INTENT
OTITIS MEDIA

CHILD & FAMILY HEALTH
Communicative Disorders, p. 37

Senator Ray recommended the following figures:

Personal Services	391.4
Travel	33.7
Contractual	68.1
Commodities	6.7
Equipment	8.0
	<u>507.9</u>

CHILD & FAMILY HEALTH
Child Development Service, p. 39

Senator Ray recommended the following figures:

Personal Services	170.0
Travel	7.3
Contractual	27.4
Commodities	1.3
Grants, Claims	57.4
	<u>263.4</u>

Senator Ray advised that this BRU could possibly be combined with Child and Maternal Health and directed that the component be held open while John Lucas investigates such a possibility. OPEN

CHILD & FAMILY HEALTH
Administration, p. 41

Senator Ray recommended the following figures

Personal Services	114.1
Travel	2.5
Contractual	7.5
Commodities	1.1
	<u>125.2</u>

CHILD & FAMILY HEALTH
Nutrition, p. 43

Senator Ray recommended the following figures:

Personal Services	103.2
Travel	5.0
Contractual	8.0
Commodities	183.1
Equipment	-0-
Grants, Claims	200.0
	<u>499.3</u>

John Lucas advised that the above component represents

a program he tried to review to determine what service it provides. He tried to determine if the project could be funded entirely from federal funds but received a message from Washington D.C. saying that the program must be administered by the State. State administration represents approximately 1/3 of the cost of the program. He further advised that the program represents a prime candidate for federal funding which could be eliminated. Approximately 215.0 of the request (Governor's) is budgeted for Anchorage, 181.0 of the contractual is for purchase of food, and the remainder of the appropriation represents administrative cost. Mr. Lucas further advised that he had hoped the City of Anchorage would apply for the funds and use them directly, but federal regulations state that the state must operate the program. With 1/3 of the cost going to administrative expenses, very few people are benefiting from the program. Senator Bennett moved to delete the program, but upon a show of hands the motion failed (Senator Bennett for the motion, Senators Hohman, Ray, and Hackney against).

NUTRITION
COSTS

Vice-Chairman Hohman moved that the component be held open until a later time. No objection having been voiced, the component remained open.

OPEN

CHILD & FAMILY HEALTH
Special Education Grants, p. 45

Senator Ray recommended the Governor's figures for a total of 344.8.

LABORATORIES
Regional Labs, p. 49

Senator Ray recommended the following figures:

Personal Services	585.1
Travel	9.8
Contractual	237.0
Commodities	175.0
Equipment	10.0
	<u>1416.8</u>

Vice-Chairman Hohman requested that 292.0 be added to contractual as a pass through to YKC for streptococcus surveillance. No objection having been noted, the new total became 1471.8.

YKC
STREPTOCOCCUS
SURVEILLANCE

LABORATORIES

Administration, p. 51

Senator Ray recommended the following figures:

Personal Services	103.2
Travel	7.2
Contractual	11.5
Commodities	4.0
	<u>125.9</u>

PUBLIC HEALTH ADMINISTRATION

Administration, p. 59

Senator Ray recommended the following figures:

Personal Services	432.9
Travel	11.6
Contractual	192.6
Commodities	6.3
Equipment	-0-
	<u>643.4</u>

Senator Bennett inquired concerning questions surrounding the use of physician's assistants under the above component. John Lucas was directed to look into the matter.

PUBLIC HEALTH ADMINISTRATION

Health Education, p. 61

Senator Ray recommended the following figures:

Personal Services	134.3
Travel	10.7
Contractual	15.2
Commodities	3.3
	<u>163.5</u>

PUBLIC HEALTH ADMINISTRATION

Grants to GAAB, p. 63

Senator Ray recommended the Governor's figure for a total of 600.0.

EMERGENCY MEDICAL SERVICES

Administration, p. 67

Senator Ray recommended the following figures:

Personal Services	134.5
Travel	10.0
Contractual	90.0
Commodities	2.7
	<u>237.2</u>

EMS COUNCIL
EMS Advisory Council, p. 69

Senator Ray recommended the following figures:

Personal Services	21.7
Travel	-0-
	<u>21.7</u>

EMS GRANTS, p. 71

Senator Ray recommended a total for grants and claims of 526.0. John Lucas advised that general funds appropriated last year were vetoed. Senator Hackney attested to the benefits of CPR training, and Senator Dankworth raised questions concerning the effect of reduced funding on the program. Mr. Lucas advised that the Dept. would have to reschedule the program and rebudget. Senator Ray advised that the federal funds remain within the component, and that he felt it was being enlarged through the use of general funds. With federal funding, the program will continue to function. The committee accepted Senator Ray's suggested figure of 526.0.

MEDICAID
Hospitals, p. 73

Senator Ray recommended acceptance of the Governor's figures plus a Budget Amentment in the amount of 1066.7, advising that some of the funding within the amendment represents federal revenue sharing money. He advised that the new total, including the amendment, is 6684.3.

BUDGET
 AMENDMENT

Senator Hackney moved for adoption of legislative intent language to the effect that none of the above funding is to be used to pay the cost of abortions unless the life of the mother is at stake. Upon a show of hands the suggested language was adopted--Senators Hohman, Hackney, Dankworth, and Bennett voting in favor of the motion, Senator Ray voting against.

MEDICAID
Physician Services, p. 75

Senator Ray recommended the Governor's figures plus addition of a Budget Amendment in the amount of 1217.4 for a total of 4036.8.

BUDGET
 AMENDMENT

MEDICAID

Other Services, p. 77

Senator Ray recommended the Governor's figures plus a Budget Amendment in the amount of 435.8 for a new total of 1170.9.

BUDGET
AMENDMENT

MEDICAID

Early Screening, p. 79

Senator Ray suggested using the Governor's figure as a base, adding a Budget Amendment in the amount of 480.0 which would create a new total of 2191.5, but recommended that the committee adopt a total of 1947.1. No objection to the recommended figure having been noted, it was adopted.

BUDGET
AMENDMENT

MEDICAID

Nursing Homes, p. 81

Senator Ray recommended the Governor's figure plus a Budget Amendment for 1342.6 for a new total of 17541.6.

MEDICAID

Indian Health Service, p. 85

Senator Ray recommended a total of 6557.6. John Lucas advised that 250.0 was budgeted last year and this year due to the fact the Department is trying to buy into the Medicaid Program. Alaska is one of three or four states that was not able to buy in. It will take an act of Congress to allow Alaska to do so. Funding is being compiled until such time as it is possible to buy in.

MEDICAID
BUY-IN

GENERAL RELIEF MEDICAL

Hospitals, p. 87

Senator Ray recommended a total of 3966.1. John Lucas advised that the Governor will be sending over a \$3 million amendment.

GENERAL RELIEF MEDICAL

Physicians Services, p. 89

Senator Ray recommended a total of 1138.5.

CORRECTION

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

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GENERAL RELIEF MEDICAL
Physicians Services, p. 89

Senator Ray recommended a total of 1138.5.

GENERAL RELIEF MEDICAL
Other Services, p. 91

Senator Ray recommended the Governor's figure of 1224.1.

GENERAL RELIEF MEDICAL
Nursing Homes, p. 93

Senator Ray recommended the Governor's figure of 683.9.

GENERAL RELIEF MEDICAL
Catastrophic, p. 95

Senator Ray recommended the Governor's figure of 754.2.

The meeting adjourned at approximately 3:30 p.m.

ADJOURN

SF-79 #31 (Side 2, 129-end)
#32 (All of Side 1 and
Side 2 to 504)

SENATE FINANCE COMMITTEE

March 29, 1979

8:38 a.m.

Vice chairman Hohman called the meeting to order at 8:38 a.m. Senators Dankworth, Ray, Hackney, Bennett, Hohman, and Sumner were present. Also present were: Senator Stimson, Garrey Peska, AA to Senator Sackett, fiscal analyst, John Lucas and Joe LaRocca of the press.

Senator Hohman indicated that the committee would go over the Health Budget. Subcommittee chairman Ray was in charge. Following are the recommendations agreed upon by the committee:

PUBLIC ASSISTANCE ADMINISTRATION - p. 99

Personal Services	742.1
Travel	18.3
Contractual	169.2
Commodities	8.0
Equipment	<u>2.0</u>
TOTAL	939.6

DATA SERVICES - P. 103

Personal Services	501.8
Travel	13.4
Contractual	875.0
Commodities	8.5
Equipment	<u>18.0</u>
TOTAL	1416.7

Vital Statistics - p. 105

Personal Services	426.3
Travel	43.2
Contractual	53.5
Commodities	16.9
Equipment	<u>-0-</u>
TOTAL	539.9

PLANNING AND RESEARCH

Health Planning - p. 109

Senator Ray suggested the figure of 247.3 which is a total of federal receipts (169.2) and g.f. match (78.1) and allow the Department to allocate that total where they need it. The committee accepted that proposal.

Resource Development - p. 113

Senator Ray suggested the figure of 442.8 which is a total of federal receipts 297.3, g.f. match 52.0, and other funds 93.5 and allow the Department to make it fit where they need it. The committee accepted the suggestion.

Administration - p. 115

The committee accepted the Governor's figures all the way for a total of 131.5

State Health Planning Committee - p. 117

Personal Services	9.3
Travel	67.5
Contractual	<u>12.1</u>
TOTAL	88.9

ALCOHOL AND DRUG ABUSE
Administration - p. 121

Personal Services	393.6
Travel	48.6
Contractual	220.0
Commodities	<u>10.2</u>
TOTAL	672.4

Alcohol and Grants - p. 123

The committee accepted the Governor's figure of 2619.3.

Drug Abuse Grants - p. 125

The committee accepted the Governor's figure of 994.0.

ALASKA PSYCHIATRIC INSTITUTE - p. 129

After discussion on this portion of the budget, Chairman Hohman asked for the pleasure of the committee. Senator Sumner made a motion to fund a lump sum of 6452.0 for API to do with as they see fit. Unanimous consent was asked. There was no objection.

CONTRACT FORENSIC SERVICES - p. 133

The committee accepted the Governor's figure of 271.7.

COMM MH SERVICES

Regional Administration - p. 137

Personal Services	69.2
Travel	10.0
Contractual	9.5
Commodities	<u>.5</u>
TOTAL	89.2

Fairbanks Regional MH Clinic - p. 139

Personal Services	83.4
Travel	20.0
Contractual	33.8
Commodities	<u>4.0</u>
TOTAL	141.2

Juneau Regional MH Clinic - p. 141

Personal Services	235.7
Travel	16.0
Contractual	45.0
Commodities	<u>11.4</u>
TOTAL	308.1

Community MH Grants - p. 143

Contractual	11.0
Grants, Claims	<u>2449.0</u>
TOTAL	2460.0

Emergency Hospital Care - p. 145

It was the desire of the committee to zero this portion of the budget.

HARBORVIEW - p. 149

Personal Services	4246.3
Travel	20.3
Contractual	785.0
Commodities	440.2
Equipment	25.0
Grants, Claims	<u>130.6</u>
TOTAL	5647.4

COUNCIL/HANDICAPPED & GIFTED - p. 153

The committee accepted the Governor's figures all the way for a total of 150.0.

COMMUNITY DD SERVICES - p. 157
Regional Administration

There was a motion by Senator Sumner to zero this component and put the one position in Central Office and Administration of M H Administration and Support. There being no objection, it was so ordered. (New component shown on page 165).

Residential Care - p. 159

This component was funded at the Governor's figure of 1740.2 plus 202.0 for the Studio Club, 110.0 for Heritage House, 150.0 for autistic children in Anchorage and 25.0 for autistic children in Juneau with the following intent: INTENT
The allocation for residential care includes grants of 150.0 to provide child care for autistic children in the Anchorage area, 25.0 to the St. Jude Center in Juneau for care of autistic children, 202.0 to the Studio Club, and 110.0 to the Heritage House. The total for this component is 2227.2.

Family Support - p. 161

This component was funded at 1098.8 which included 110.0 for REACH, Inc. Intent for this component is as follows: INTENT
The allocation for family support includes a grant of 110.0 to REACH, Inc.

M H ADMINISTRATION AND SUPPORT
Central Office Administration - p. 165

Personal Services	501.2
Travel	24.2
Contractual	46.6
Commodities	5.1
Equipment	-0-
TOTAL	577.1

This figure includes the position from Regional Administration, Community DD Services, page 157.

MH Adv Council and Land Board - p. 167
Personal Services 15.9
TOTAL 15.9

Demonstration Grants - p. 169

After discussion by the committee on this component, Senator Bennett made a motion to zero this area. The majority of the committee agreed with the motion. Senators Ray and Hohman objected. However, they were over ruled and the component was zeroed.

This completed the operating budget for the Health category. The meeting adjourned at 9:45 a.m.

SF 79-32-2 (504-end)
SF 79-33-1 (1-end)
SF 79-33-2 (1-181)

SENATE FINANCE COMMITTEE

March 29, 1979

1:40 p.m.

In the absence of Chairman Sackett, Vice-Chairman Hohman convened the meeting at approximately 1:40 p.m. All committee members were present with the exception of Senators Bennett and Sumner who arrived shortly after the meeting commenced, and the Chairman who was absent. Also in attendance for various portions of the meeting were Senators Rodey and Kerttula; Bert Wagon, Deputy Commissioner, Dept. of Commerce; Dale Cheek, Director, Wage & Hour Division, Dept. of Labor; Judy Dubois from the Dept. of Labor; Ivan Wolfe from the Dept. of Natural Resources, Division of Parks and Recreation; Mr. P. W. Benediktsson, lobbyist representing the Alaska Truckers Association; Fiscal Analysts Bob Schroeder and Bob Grogan; and Garrey Peska, Administrative Assistant to the Finance Committee.

PRESENT

Vice-Chairman Hohman moved that SCR 14 (Relating to the development of Denali State Park) be brought up for discussion, advising that Senator Rodey was present to testify concerning the resolution. Senator Rodey advised that the resolution merely continues preliminary work on the park development. He stated that there have been some delays surrounding signing of pertinent contracts.

SCR 14

SENATOR
RODEY

Senator Hackney inquired concerning whether funds attendant park development are reimbursable, and Senator Rodey replied that they are, adding that he had spoken with Senator Gravel's office.

(Senator Bennett entered the meeting at this time, 1:45 p.m.)

Senator Ray moved that the Resource Committee Substitute for SCR 14 pass from committee with a do pass recommendation. No objection having been noted, CS for SCR 14 passed from committee--all members present signing do pass.

MOTION
RESOURCE
CS for
SCR 14

Vice-Chairman Hohman moved that HB 92 (Act making supplemental appropriations to the Department of Labor) be brought up for discussion. Since no one appeared to testify on behalf of the bill, it was moved to the bottom of the agenda.

HB 92

Vice-Chairman Hohman next moved that HB 196 (Act making a special appropriation to the Judicial Council) be brought

HB 196

up for discussion, advising of a proposed Finance Committee Substitute. He stated that the original House Bill called for an \$85 thousand appropriation to the Judicial Council for temporary employees involved in research related to judicial sentencing. The Senate CS reduces this funding to \$30 due to the fact that Criminal Justice notified the Judicial Council of the availability of funding, inviting the Council to apply for them. The Council decided to come to the legislature rather than apply. The legislature is in effect suggesting that the Council apply through Criminal Justice.

(Senator Sumner entered the meeting at this time, 1:50 p.m.)

Bob Schroeder advised that Section two of the proposed committee substitute is useless unless a companion bill (HB 195 - Act making a special appropriation to the Judicial Council) passes since, without HB 195, there will be no place to appropriate the funding. Vice-Chairman Hohman recommended that Section two in the original draft be deleted and a new Section two inserted which would fund a \$20 thousand grant to the Upper Tanana aging program (such funding was vetoed last year). No objection having been noted, the deletion and substituted grant were accepted.

Vice-Chairman Hohman moved that additional language be included within the CS (Sec. 3) to clean up language in FCCS for HB 94 (Act making supplemental appropriations to the Departments of Education, Labor and Health and Social Services, to the University of Alaska, and to legislative agencies) which has already been signed into law. He advised that the committee intended insurance proceeds to lapse into the general fund only up to the amount appropriated for construction of the Allakaket school (\$120 thousand). Insurance proceeds will amount to approximately \$600 thousand, so FCCS for HB 94 language must be amended to permit insurance funds to lapse only up to the amount appropriated. No objection to the above amendment having been voiced, it was included within the SCS.

Senator Sumner moved that SCS for HB 196 pass from committee with a do pass recommendation. Senator Ray objected, but upon a show of hands, the motion carried. SCS for HB 196 thus passed from committee with a do pass recommendation--all members present signing do pass.

MOTION
SCS for
HB 196

Senator Sumner moved that SB 139 (Act relating to the Alaska Industrial Development Authority) be brought up for discussion. Senator Ray advised that the bill allows Alaska Industrial Development to get funds for tourism, industrial parks, and parking facilities. He also attested to the availability of tax exempt bonds.

SB 139

Senator Sumner stated that he believed one of the problems with the Authority to be the fact that only large businesses such as Alaska Airlines can participate in its funding since the business has to be triple A rated. He advised that he would like to restructure the Authority so that more Alaskan businesses would qualify.

Mr. Bert Wagon appeared before the committee suggesting additional language on page 1, line 18, after the word "facilities" and before "for" insert for tourism or the tourist industry, for industrial parks, for parking facilities. He stated that there is no state subsidy for the Authority; it operates on its own good credit and sells its own bonds. Senator Sumner asked if there isn't something the Authority could do to help smaller Alaskan businessmen, suggesting that a fee be charged for services and a reserve account set up to assist small businesses. Mr. Wagon advised that the action suggested by Senator Sumner could be accomplished within the Authority, but alluded to possible problems in the bond market. Senator Sumner responded that the type of action suggested above represents the type of thinking he would like to see issue from the Dept. of Commerce.

MR. WAGON

Senator Ray moved to effect a Committee Substitute including the language suggested by Mr. Wagon and pass the Committee Substitute with a do pass recommendation. Senator Sumner amended the motion to individual recommendation, but Vice-Chairman Hohman suggested the committee hold the bill pending reaction from the Commissioner of Commerce concerning establishment of a reserve account to aid small businesses.

BILL HELD
PENDING
FURTHER INFO

Senator Ray moved that SCR 24 (Relating to the application of Schnabel Lumber Co., Inc. for financial assistance from the Alaska Renewable Resources Corporation) be brought up for discussion. He advised that the resolution requests that the Board of Trustees consider the application and furnish its recommendations to the legislature. He moved that SCR 24 pass from committee with a do pass recommendation. No objection having been noted, SCR 24 passed from committee--all members present signing do pass with the exception of Senator Sumner who signed no recommendation.

SCR 24

MOTION SCR 24

Vice-Chairman Hohman moved that SB 236 (Act continuing the existence of the Alaska Transportation Commission) be brought up for discussion. He advised that the bill would continue the Commission for one year, advising that there are some problems with the Commission and the legislature wishes it to operate on a different basis in the future. Senator Sumner attested to the inadvisability of Commission action in areas where one carrier is operating and another permit is issued when there is not sufficient economic base to support two carriers. He advised that he supported continuance for a period of one year only. Senator Ray suggested the Commission be continued for three years and offered to compromise with Senator Sumner on a two year extension. SB 236

Mr. P. W. Benediktsson appeared before committee, advising that he took exception to Senator Sumner's suggested continuation for a one-year period. He advised that the Commission is currently undergoing reorganization intending to correct past problems and weak areas pointed out by the Legislative Budget & Audit Committee. He attested to the fact that the Commission has not had the tariff expert it needed, and has had to revert to an advisory position and let the local marketplace demonstrate need. He proposed a four-year extension based on:

MR.
BENEDIKTSSON

- (1) The Sunset law which calls for four-year review.
- (2) The fact that a one-year extension may put the Commission in a position where it has to play "catch-up," and it will not be able to hire qualified personnel because of the single-year employment prospect.
- (3) That in conjunction with the annual report, the legislature require that the Commission comment on discrepancies in prior audit reviews.

Senator Sumner stated that he felt a year would allow sufficient time in which to correct Commission problems.

Senator Ray suggested amending page 1, line 12, to effect an extension date to June 30, 1981, advising that he did not wish to place the Commission in a "martyr" position. Senator Hohman advised that he felt the Commission sometimes operates to the detriment rather than the betterment of air taxi operators, stating that he believed reorganization

within the Commission would occur more rapidly under the effect of a single year extension. Upon a show of hands, Senator Ray's suggested amendment failed.

Senator Sumner then moved that SB 236 pass from committee with individual recommendations. No objection having been noted, it so passed--all members present signing do pass with the exception of Senators Bennett and Ray who signed no recommendation. MOTION SB 236

Vice-Chairman Hohman moved that SCR 20 (Relating to the construction of a road from Goose Bay to Point MacKenzie) be brought up for discussion, advising that Senator Kerttula was present to testify concerning the resolution. SCR 20

Senator Kerttula advised that the City of Anchorage and the Mat-Su Borough have great interest in the legislation because the road is badly needed. The Borough is hoping the state will participate since the Borough is putting in a lot of its own money. The estimated cost is \$8 million. The Resolution calls for the Borough to use \$200 thousand of its own money, the state to pick up a nominal amount and allocate it for the future. Senator Kerttula advised that the project represents the priority for the Borough. It includes 22 miles of road and has the support of the Dept. of Highways.

Vice-Chairman Hohman advised of a proposed Finance Committee Substitute for SCR 20, and suggested that the words "design and" be inserted in the draft Committee Substitute between the words "begin" and "construction" on page 2. No objection having been voiced, the above language was included within the Committee Substitute.

Senator Sumner then moved that the Finance Committee Substitute for SCR 20 pass from committee with individual recommendations. No objection having been raised, the Committee Substitute so passed--Senators Hohman and Hackney signing do pass, Senators Sumner and Bennett signing no recommendation. MOTION CS for SCR 20

Vice-Chairman Hohman next moved that CSHB 307 (Act making transfers between appropriations made for the fiscal year ending June 30, 1979 to the Department of Natural Resources) be brought up for discussion, advising that Mr. Ivan Wolfe was present to testify concerning the bill. CSHB 307

Mr. Wolfe referred to a proposed Senate Finance Committee Substitute for CSHB 307, advising that it addresses needs in the Chugach area. He further advised that the total FY 80 budget for Parks and Recreation is less than what was approved by the Senate last year. The Division is still \$24 thousand under what would be a "bare bones" budget. The additional funding requested in the bill will provide telephone services, postage, etc.

In the Chugach area, the Department incorrectly identified some costs. The sum of 10.6 was identified as consultant services when it was actually contractual services for snow removal. The Division did receive an unexpected "windfall" of \$18 thousand due to reduction of Dept. of Highway charges.

Senator Hackney advised that he would like to continue operation of Gardiner Creek and Dead Man Lake. Bob Grogan suggested that funding be taken from vacancy factors within other Department of Natural Resource BRU's and included in a letter of intent attaching to the bill.

Vice-Chairman Hohman advised that the bill would be held in committee pending research into additional available funds.

CSHB 307
HELD IN
COMMITTEE

Committee attention reverted to HB 92 (Supplemental to Dept. of Labor) and Vice-Chairman Hohman advised that Judy Dubois and Mr. Dale Cheek were present to testify before committee.

HB 92

Mrs. Dubois advised that funding under the above bill proposes to take care of over-expenditures in the Workman's Compensation Second Injury Fund for 1978, and well as additional claims under Workman's Compensation. She advised that claims filed under both programs exceeded budget projections. She also alluded to the number of people in vocational training programs attempting to again become productive workers. Payments for April cannot be made without the requested additional funding.

Responding to questions from Senator Sumner, Mrs. Dubois attested to the difficulty involved in estimating needed funding when the Department cannot anticipate the extent of the injury and resultant disability. Cases are referred to the Workman's Compensation Board, and most of the cases coming to the Department at this time evidence the high rate of employment during pipeline construction.

Referring to the high percentage of claim under second injury, Mrs. Dubois explained that Alyeska Pipeline Company required physical examinations of its employees prior to employment, so prior physical injuries were well documented before construction commenced. Senator Hackney advised of rumors surrounding a significant increase in back injuries as the project began to wind down, and Mrs. Dubois advised that the Department hopes to prepare regulations limiting time requirements for filing and the amount of money available to an individual through the second injury fund. She concluded by stating that the Department hoped to have a bill ready for introduction during the next session of the legislature.

Senator Sumner moved that HB 92 pass from committee with a do pass recommendation. No objection having been noted, it so passed--all committee members present signing do pass. MOTION
HB 92

Vice-Chairman Hohman moved that HB 377 (Act making FY 79 transfers of appropriation items for Department of Labor) be brought up for discussion. Mr. Dubois advised that the bill effects FY 79 budget transfers and a \$158 thousand reduction in the total appropriation, of which \$69 thousand plus would be general fund. Sections 2 and 3 re-appropriate Department funding to mechanical inspection and the Wage and Hour Division. HB 377
MRS. DUBOIS

Garrey Peska noted that last year HB 120 became Chapter Law. In that bill the legislature appropriated \$83,100 to inspection. The Governor vetoed \$30 thousand, and is now asking to transfer \$51 thousand back to inspection. He directed committee attention to a proposed Committee Substitute that would allow the Department to transfer \$20 thousand but remove \$30 thousand from the appropriation.

Senator Bennett moved that the Senate Finance Committee substitute for HB 377 pass from committee with individual recommendations. No objection having been raised, SCS for HB 377 passed from committee--Senators Hohman, Bennett, and Hackney signing do pass, Senator Sumner signing no recommendation. MOTION
SCS for
HB 377

The meeting adjourned at approximately 3:05 p.m. ADJOURN

SENATE FINANCE COMMITTEE

March 30, 1979

8:37 a.m.

Vice Chairman Hohman called the meeting to order at 8:37 a.m. Senators Bennett, Hohman, Ray, Hackney and Dankworth were present. Also present were: Senator Stimson, fiscal analysts John Lucas and Bob Schroeder, Garrey Peska, AA to Senator Sackett, and Joe LaRocca of the press.

PRESENT

Chairman Hohman indicated that the first part of the meeting would be used to complete the loose ends of the Health Budget. Mr. John Lucas went over legislative intent for categories that had been left open for that purpose. The following intents were accepted by the committee:

HEALTH
BUDGET

Handicapped Children p. 35.

The appropriation for Child & Family Health and its expenditure are contingent upon the following: \$57,500 is to be granted to YKHC for treatment of otitis media.

INTENT

LABORATORIES - Regional Labs - p. 49

The allocation for Regional Labs includes a contract of \$55,000 to YKHC for strep control.

INTENT

GENERAL RELIEF MEDICAL - pgs. 89 - 99.

The sub-program of Hospitals, Physicians Services & Other Services are to have the following intent:

No money may be spent from this appropriation for abortions except when conception occurred through incest; or rape which has been promptly reported to a law enforcement agency or public health service, or two physicians have determined that the life of the mother would be endangered if the fetus were carried to term; or where severe and long lasting physical health damage to the woman would result if the pregnancy were carried to term.

INTENT

All sub-programs within General Relief Medical are to have the following intent:

The Department shall revise its present reimbursement policies to the extent necessary to stay within the limitations of the FY 80 appropriation. The Senate Finance Committee will not consider any supplementals for FY 80.

INTENT

COMMUNITY DD SERVICES - Residential Care - p. 159

The allocation for residential care includes grants of \$150,000 to provide child care for autistic children in the Anchorage area, \$25,000 to the St. Jude Center in Juneau for care of autistic children, \$202,000 to the Studio Club, and \$110,000 to the Heritage House.

Family Support - p. 161.

The allocation for family support includes a grant of \$110,000 to REACH, Inc.

CHILD & FAMILY HEALTH - Nutrition - p. 43.

The committee agreed to accept the figures that had been recommended by Senator Ray at the meeting of the previous day. Those figures are:

Personal Services	103.2
Travel	5.0
Contractual	8.0
Commodities	183.1
Equipment	-0-
Grants, claims	<u>200.0</u>
TOTAL	409.3

PLANNING & RESEARCH - Health Planning - p. 109.

The figure of 247.3 had been accepted at the previous meeting. Following is the way it has been broken out by fiscal analyst, John Lucas:

Personal Services	141.1
Travel	16.0
Contractual	18.0
Commodities	1.4
Equipment	-0-
Grants, Claims	<u>108.0</u>
TOTAL	247.3

Resource Development - p. 113.

The figure of 442.8 had been accepted at the previous meeting. It has been broken out as follows:

Personal Services	337.8
Travel	55.0
Contractual	48.0
Commodities	<u>2.0</u>
TOTAL	442.8

ALASKA PSYCHIATRIC INSTITUTE - p. 129

The figure of 6452.0 had been accepted by the committee at the previous meeting. It has been broken out as follows:

Personal Services	5538.0
Travel	32.5
Contractual	400.0
Commodities	342.6
Equipment	13.9
Grants, Claims	<u>125.0</u>
TOTAL	6452.0

Senator Hackney mentioned a number of cases where there had been double inspections by the Department of Environmental Conservation and the Health Department. He requested that staff look into this practice to see whether or not there could be something done about.

At this time the committee began working on the Public Protection budget. Following are recommendations offered by subcommittee chairman Bennett and agreed upon by the committee:

PUBLIC
PROTECTION

STATE RECORDER - p. 3.

Personal Services	756.9
Travel	5.8
Contractual	185.3
Commodities	22.9
Equipment	10.0
Lands/Bldgs	<u>72.2</u>
TOTAL	1047.3

OFFICE OF CONSUMER PROTECTION - p. 5.

Personal Services	363.4
Travel	12.4
Contractual	75.5
Commodities	6.0
Equipment	<u>-0-</u>
TOTAL	457.3

ALCOHOLIC BEVERAGE CONTROL BOARD - p. 7.

Personal Services	299.6
Travel	52.7
Contractual	74.3
Commodities	1.7
Lands/Bldgs	<u>3.9</u>
TOTAL	432.2

OCCUPATIONAL SAFETY - pages 11 - 21.

This section of the budget has been flagged to obtain information from Mr. Orbeck regarding OSHA. Until the receiving of that information and action on it, the BRU has been zeroed. There was no objection by the committee.

WORKER PROTECTION - Fisherman's Fund - p. 25.

Personal Services	52.9
Travel	3.1
Contractual	21.1
Commodities	1.4
Equipment	-0-
Grants, Claims	<u>366.9</u>

TOTAL 445.4

Second Injury Fund - p. 27.

Personal Services	107.0
Travel	3.6
Contractual	33.5
Commodities	2.0
Grants, Claims	<u>905.9</u>

TOTAL 1052.0

Administration of Workmens Compensation - p. 31.

Personal Services	353.4
Travel	34.8
Contractual	87.5
Commodities	13.7
Equipment	-0-
Lands/Bldgs	3.2
Grants, Claims	<u>613.2</u>

TOTAL 1105.8

Wage & Hour Administration - p. 33

Personal Services	519.0
Travel	19.1
Contractual	67.6
Commodities	5.9
Lands/Bldgs	<u>12.7</u>

TOTAL 624.3

LIFE & PROPERTY PROTECTION - Mechanical Inspection - p. 37

Personal Services	431.2
Travel	38.2
Contractual	77.1
Commodities	8.1
Equipment	-0-
Lands/Bldgs	<u>3.3</u>

TOTAL	557.9
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CONSUMER PROTECTION - Weights & Measures - p. 39

Personal Services	475.4
Travel	39.8
Contractual	119.9
Commodities	9.0
Lands/Bldgs	<u>6.0</u>

TOTAL	650.1
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BANKING SECURITIES & CORP. - Corporations - p. 43

Personal Services	155.3
Contractual	61.2
Commodities	2.0
Equipment	-0-
Lands/Bldgs	<u>13.2</u>

TOTAL	231.7
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Financial Institutions - p. 45

Personal Services	450.5
Travel	58.1
Contractual	43.1
Commodities	5.4
Equipment	-0-
Lands/Bldgs	<u>22.5</u>

TOTAL	579.6
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INSURANCE - Market Surveillance - p. 57

Personal Services	276.9
Travel	17.9
Contractual	47.5
Commodities	4.3
Lands/Bldgs	<u>14.9</u>

TOTAL	361.5
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License Surveillance - p. 59

Personal Services	107.4
Contractual	7.4
Commodities	2.4
Equipment	-0-
Lands/Bldgs	<u>14.9</u>
Total	132.1

Financial Surveillance - p. 61

Personal Services	166.6
Travel	10.8
Contractual	54.4
Commodities	2.3
Equipment	-0-
Lands/Bldgs	<u>14.9</u>
TOTAL	249.0

REG OF BUSINESS & PROFESSIONS
Occupational Licensing - p. 65

Tentatively the committee accepted the following figures. People from this Department have been invited to appear before the committee to explain the situation in their Department.

Personal Services	520.0
Travel	124.5
Contractual	249.9
Commodities	14.2
Equipment	-0-
Lands/Bldgs	<u>32.8</u>
TOTAL	941.4

Administration and Support - p. 67

Personal Services	452.8
Travel	23.4
Contractual	103.3
Commodities	16.9
Equipment	-0-
Lands/Bldgs	<u>43.9</u>
TOTAL	640.3

Alaska Public Utilities Commission - p. 69

Personal Services	1185.5
Travel	47.7
Contractual	148.1
Commodities	11.9
Equipment	<u>-0-</u>
TOTAL	1393.2

Alaska Transportation Commission - p. 71

Personal Services	1057.7
Travel	50.5
Contractual	214.5
Commodities	11.1
Equipment	<u>-0-</u>
Lands/Bldgs	<u>4.0</u>
TOTAL	1337.8

Alaska Pipeline Commission

Personal Services	334.9
Travel	23.0
Contractual	155.6
Commodities	2.8
Equipment	<u>-0-</u>
TOTAL	516.3

SEARCH & RESCUE - Civil Air Patrol - p. 75

Personal Services	29.5
Travel	5.2
Contractual	187.9
Commodities	95.3
Equipment	5.0
Cadet training & Prof flying	<u>10.0</u>
TOTAL	332.9

The meeting adjourned at 9:48 a.m.

ADJOURN

SENATE FINANCE COMMITTEE

March 31, 1979

9:35 a.m.

In the absence of Chairman Sackett, Vice-Chairman Hohman convened the meeting at approximately 9:35 a.m. All committee members were present with the exception of the Chairman and Senators Sumner and Ray. Also in attendance were Don Hostak, Director of Occupational Licensing; Commissioner Orbeck and Judy Dubois from the Department of Labor; Jeff Morrison; John Sund, Administrative Assistant to Speaker Gardiner; Dwayne Carlson, Lobbyist for Alaska State AFL/CIO; Senator Stimson; Barry Stern from the Dept. of Law; Jay Hogan, Director of Legislative Finance; Fiscal Analyst, Bob Schroeder; Joe LaRocca; and Garrey Peska, Administrative Assistant to the Senate Finance Committee.

PRESENT

Vice-Chairman Hohman moved that HB 261 (Act making a supplemental appropriation to the Department of Law for a training program on the revised criminal code) and its companion bill HB 262 (Act making a special appropriation to the Department of Law for a training program on the revised criminal code) be brought up for discussion, advising that Mr. Stern was present to testify before committee.

HB 261
HB 262

Mr. Stern attested to the need for a training program for judges and police officers who will be functioning under the new Criminal Code.

MR. STERN

Senator Hackney inquired concerning why such funding was not included in the budget for Dept. of Law, and Senator Hohman advised that it had been but because adequate backup was not presented, funding was cut from the budget. Vice-Chairman Hohman suggested that the committee accommodate HB 261 and if it receives favorable consideration, that HB 262 be taken care of in the budget since it deals with FY 80 funding. Senator Hackney advised that he believed the committee should accommodate the \$46 thousand requested in HB 261 and the \$126 thousand sought in HB 262.

Senator Dankworth attested to the need for such training in implementing and interpreting the complicated new criminal code.

Mr. Stern outlined the proposed training plan and proposed manual.

Vice-Chairman Hohman asked if members of the private bar are prepared to practice under the new code, and Mr. Stern responded that he thought they would wait until just before the effective deadline, advising that he didn't think the private bar knows very well what is in the code. He stated, however, that it is a different matter when one is dealing with police officers. The training program is necessary.

Senator Dankworth moved that HB 261 pass from committee with individual recommendations. No objection having been noted, HB 261 passed from committee with Senators Hohman, Dankworth, and Bennett signing do pass, Senator Hackney signing no recommendation.

MOTION
HB 261

Vice-Chairman Hohman directed that HB 262am be held in committee, and its funding placed in the operating budget.

HB 262
BUDGETED

Vice-Chairman Hohman next directed committee attention to p. 9 of the PUBLIC PROTECTION shortform (occupational Safety), advising that Commissioner Orbeck was present to testify before committee.

PUBLIC
PROTECTION
OSHA

Mr. Orbeck stated that he was before committee in response to questions generated by committee correspondence of March 9, 1979, addressed to the need for continuation of the OSHA program.

COMMISSIONER
ORBECK

He advised that OSHA was organized in 1974 because of the increasing rate of work-related accidents. The current rate in Alaska is 9 accidents per 2,000 man hours. This ratio is down from 16 at the start of the program, evidencing that 2,035 fewer accidents occurred last year than occurred in 1975. Recent problems with the Workman's Compensation Law are due to hours worked on the pipeline. Mr. Orbeck attested to problem situations which arise when a highly paid pipeline worker later goes to work at a lesser salary (service station attendant given as an example) and injures himself on the subsequent job. The amount of Workman's Compensation such an individual is capable of drawing is high in light of his current employment. This situation puts the employer (gas station owner) in an unfavorable financial position.

Commissioner Orbeck advised that he wrote to states which have dropped OSHA programs when he heard that the Legislature was considering dropping the program in Alaska, referring briefly to correspondence from Connecticut and the fact that the AFL/CIO supports retention of local programs over federal implementation. He advised that basic problems with OSHA result from the fact that it got off to a bad start, adding that OSHA has now dropped a lot of its regulations (unreasonable regulations dealing with the height and shape of toilet bowls, etc.). Further he referred to correspondence from Wyoming relating to staffing problems under federal implementation, advising of the increased need for inspectors in Alaska due to the great amount of construction underway.

Mr. Orbeck advised the committee of his 26-year association with Unions and the need for safety programs citing examples of trench cave-ins and fatal accidents involving concrete nails in support of the need for safety laws which apply specifically to Alaska. He advised that federal OSHA regulations would not necessarily be conducive to Alaska, especially if implemented under federal authority, and urged retention of Alaska's present OSHA program. Alaska's program has placed the state within two points of the lowest accident rate nationally.

The federal government has determined that safety is its highest priority. The state can operate its own safety program locally or the federal government will come in and operate such a program within the state.

Mr. Orbeck advised that the Division currently employs 18 safety inspectors (48 positions, total division staff). At present inspectors go out and "look over an operation" and make safety recommendations. An employer is then given a certain amount of time to correct defective conditions. Under operation of a federal program, an individual would not have such an opportunity (time in which to correct a situation). Also, federal regulations specify inspection on the basis of 50% health and 50% safety--such a percentage of inspectors involved in health is too high for Alaska.

Mr. Orbeck further attested to the fact that under a federal program a great number of inspectors were likely to be hired from out-of-state.

Mr. Orbeck further attested to the relative safety of pipeline construction when considering the magnitude of the project, the fact that many of the employees

had never worked on such a project before, and the longer than normal hours worked.

Commissioner Orbeck alluded to the fact that the state has a commitment to provide a certain level of service. If the program is cut 15%, it will definitely affect the level of service. The program has not had an increase in the past five years although it has picked up two positions.

Vice-Chairman Hohman questioned the fact that Commissioner Orbeck indicated the Division has 48 positions while the shortform shows 52, and Mr. Orbeck explained that the shortform total includes some research positions.

At this point in the meeting, Vice-Chairman Hohman directed committee attention to SB 139 (Act relating to the Alaska Industrial Development Authority), asking that the bill be brought up for discussion and advising that Mr. Wagon was present to testify on behalf of the bill.

SB 139

Mr. Wagon advised that he was appearing in order to respond to Senator Sumner's questions concerning establishment of a reserve fund within AIDA to assist small Alaskan businessmen. He stated that the 1% fee charged for AIDA financing is to be used as Senator Sumner requested. At present the reserve fund contains \$90 thousand, which is not a great amount in terms of some of the projects to be funded. Mr. Wagon urged passage of SB 139, advising of contemplated projects under the bill such as the parking project in Fairbanks. He attested to the fact that each project represents an individual financial package, and as such takes time to prepare. The only entity which loses under the program is the federal government since the bonds are tax exempt--there is no state subsidy involved. He further attested to the fact that \$90,000 is not sufficient security for a \$5 million project, but the reserve account is building--it will just take time. The \$90 thousand is not earmarked by the Board of Directors for expenditure.

MR. WAGON

Vice-Chairman Hohman asked if the Legislature could perhaps allocate money from the general fund to help build up the reserve account, designating such additional funding for use by small businesses. Mr. Wagon responded that the legislature could, but in the past it has been explicitly stated that AIDA contains no state funding--a change in this statement would have to be made.

Vice-Chairman Hohman inquired concerning the percentage AIDA receives on the sale of its bonds, and Mr. Wagon responded that AIDA had just sold some special bonds on behalf of Alaska Airlines at 7%. Usually the rate is 3 to 4 points below current rates, depending upon the credit of the business and amount of reserve funding. Some firms such as Louisiana Pacific do not require reserve accounts.

Mr. Wagon advised of current funding proposals before AIDA such as the gas pipeline, a Kodiak fish processing and storage facility, and the Alaska Airlines cargo facility at Fairbanks.

Vice-Chairman Hohman suggested that further action on SB 139 be deferred to a later time, advising that Mr. Dwayne Carlson was present to render further testimony concerning the OSHA program.

ACTION ON
SB 139
DEFERRED

Mr. Carlson advised that he represents the AFL/CIO whose primary concern is the best possible protection of workers with the least possible harassment to the employer, and the lowest possible cost to the state. He attested to the fact that in the beginning the state program appeared to have become a paper mill little related to accident prevention. That situation has now changed, and Mr. Carlson suggested that before the decision is made not to fund the program, the legislature should have some firm answers from the federal government concerning implementation of its program. Voluntary inspection has added to safety on the job. If the state is going to lose that when the federal program comes in, it would represent a serious loss. At present the Commissioner of Labor has authority to "red tag" an area of construction and shut down work in that area. Under the federal program, a court order would have to be obtained prior to shutting down a project, resulting in interim danger to workers continuing to work on the job. The OSHA program implemented at the federal level would also substantially increase the burden of paperwork.

OSHA

MR. CARLSON

Also, Alaska has the only existing law which allows for continued pay when a worker is called from the job to testify at a labor hearing. Under the federal program this would not be the case.

Further, many problems are likely to result from the appeal process. Rather than handling appeals within the state, under the federal program such appeals would most likely go to San Francisco.

Mr. Carlson concluded his remarks stating that many of the above mentioned areas are critical and require response from the federal government as to the kind of safety program Alaskan workers will have should the OSHA program at the state level be defunded. He attested to his belief that to allow implementation of the federal program at the present time would be a mistake.

Mr. Carlson further attested to the need for computerized safety statistics in order to more easily pinpoint problem areas, and Commissioner Orbeck advised that such a computer program is currently being established.

RECESS 10:45 a.m.

RECONVENE 11:00 a.m.

Upon reconvening, Vice-Chairman Hohman directed committee attention to page 65 of the PUBLIC PROTECTION shortform, advising that Mr. Hostak was present to testify concerning Occupational Licensing.

PUBLIC
PROTECTION

OCCUPATIONAL
LICENSING

Senator Hackney asked if Mr. Hostak believed he could improve the Division's "track record" within the existing budget, suggesting that if he could not do so, the BRU should perhaps be zeroed. Mr. Hostak advised that he hoped to evidence improvement, attesting to the need for additional requested positions and advising that the Juneau office is currently attempting to provide clerical support to Anchorage investigators.

Mr. HOSTAK

Jeff Morrison attested to the fact that there is currently a bill before the legislature which would allow boards under occupational licensing to set their own fees. If the boards increase their fees, it is expected that the increased income will be used for backup support in the investigative area. (SB 94 - An act relating to occupational licensing fees)

Senator Stimson asked Mr. Hostak if the Division currently has a backlog and if additional positions would be helpful in "catching up." Mr. Hostak advised that the Division currently has 315 cases open before it, 50 of which are high priority. Senator Stimson asked if the 50 cases would consume most of the investigative staff's time during the coming year, and Mr. Hostak responded "yes," allowing that at the end of the year the Division would still be carrying 200 open cases.

Senator Hackney suggested allowing positions 1 and 4 (Administrative Support Tech. II, Juneau, and Special Investigator, Juneau), with a letter of intent stating that the legislature expects results before next session or the positions will be pulled.

Bob Schroeder advised that Mr. Hostak's testimony seemed to speak to the need for support in Anchorage. Mr. Hostak responded that should position number 4 (special investigator, Anchorage) be funded, he would request that a clerk typist position be funded also.

Following further discussion, the committee adopted positions 1, 2, and 4 for inclusion within the budget.

Bob Schroeder then advised of a request by the Guide Licensing Control Board (Mark Jensen) for \$10 thousand to conduct licensing examinations and meetings in outlying areas, advising that the funding would be basically for travel expenses. Vice-Chairman Hohman moved for inclusion of the above-requested \$10 thousand within the Occupational Licensing BRU. No objection having been noted, the funding was included.

NEW POSITIONS

\$10 THOUSAND
GUIDE
LICENSING
CONTROL
BOARD

In addition, the committee approved Budget Amendment No. 15 relating to appropriation language concerning the Real Estate Surety Fund.

BA NO. 15

When Budget Amendment No. 31 (requesting \$30,500 in general funds for upward reclassification of eleven positions within occupational licensing) was brought up for discussion, Senator Dankworth moved that action on the amendment be deferred pending review by the committee as a whole. Vice-Chairman Hohman advised that B.A. No. 31 would be discussed at the Monday, April 2, 1979, Finance Committee meeting.

BA NO. 31

Vice-Chairman Hohman next directed committee attention to p. 79 of the PUBLIC PROTECTION shortform for continued budget review.

ALASKA DISASTER OFFICE
Civil Defense Planning, p. 79

PUBLIC
PROTECTION

Bob Schroeder set forth the following subcommittee recommendations, advising that contractual funding represents the fact that the state will owe rent to the City of Anchorage.

Personal Services	337.3
Travel	13.0
Contractual	131.0
Commodities	5.6
	<u>486.9</u>

ALASKA DISASTER OFFICE
Radiological Program, p. 81

Subcommittee recommended the Governor's figure of 46.0.

ALASKA DISASTER OFFICE
City Participation, p. 83

Subcommittee recommended the Governor's figure of 167.5.

ALASKA DISASTER OFFICE
Flood Control, p. 85

Subcommittee recommended the Governor's figure of 75.0.

ALASKA DISASTER OFFICE
Training, p. 87

Subcommittee recommended the Governor's figure of 30.0,
totally federal funding.

ALASKA DISASTER OFFICE
Disaster Relief Act, p. 89

Subcommittee recommended the Governor's figure of 53.2.

ALASKA NATIONAL GUARD
Office of Adjutant General, p. 93

Subcommittee recommended the following figures:

Personal Services	654.5
Travel	23.2
Contractual	275.1
Commodities	12.2
Equipment	2.0
Lands and Buildings	17.4
	<u>984.4</u>

ALASKA NATIONAL GUARD
State Armories, p. 95

Subcommittee recommended the following figures:

Personal Services	306.7
Travel	22.8
Contractual	385.8
Commodities	80.0
Equipment	-0-
Lands and Buildings	132.4
Misc.	6.5
	<u>934.2</u>

ALASKA NATIONAL GUARD
Federal Armories, p. 97

Subcommittee recommended the following figures, advising that the difference in personal services between subcommittee figures and those of the Governor represents deletion of \$200 (1% veto addback from general funds). Component is 98.1% federally funded:

Personal Services	450.3
Travel	45.6
Contractual	245.1
Commodities	166.4
Equipment	11.5
	<u>918.9</u>

ALASKA NATIONAL GUARD
Army Training Support, p. 99

Subcommittee recommended the following figures:

Personal Services	282.5
Travel	9.9
Contractual	168.2
Commodities	79.5
Equipment	3.9
	<u>544.0</u>

ALASKA NATIONAL GUARD
Air Training Support, p. 101

Subcommittee recommended the following figures:

Personal Services	431.9
Travel	.9
Contractual	264.4
Commodities	42.5
Equipment	1.8
	<u>741.5</u>

ALASKA NATIONAL GUARD
Recruitmt. Retention Org. Militia, p. 103

Subcommittee recommended the following figures:

Personal Services	423.3
Travel	3.7
Contractual	8.9
Commodities	2.2
Grants and Claims	15.0
	<u>453.1</u>

ALASKA NATIONAL GUARD
Ak. Military Academy, p. 105

Subcommittee recommended the following figures:

Contractual	2.5
Commodities	4.2
Equipment	.9
	<u>7.6</u>

AGRICULTURAL INSPECTION
Plant Industry, p. 197

Subcommittee recommended the following figures:

Personal Services	79.6
Travel	9.3
Contractual	22.4
Commodities	3.6
Equipment	.4
	<u>115.3</u>

AGRICULTURAL INSPECTION
Animal Industry, p. 111

Subcommittee recommended the following figures:

Personal Services	466.3
Travel	32.5
Contractual	73.9
Commodities	19.0
Equipment	3.1
Lands and Buildings	2.2
Grants and Claims	1.0
	<u>598.0</u>

AGRICULTURAL INSPECTION
Seafood Industry, p. 113

Subcommittee recommended the following figures:

Personal Services	109.3
Travel	23.8
Contractual	18.0
Commodities	1.5
	<u>152.6</u>

FIRE SAFETY, p. 115

Subcommittee recommended the following figures:

Personal Services	583.5
Travel	61.6
Contractual	135.8
Commodities	11.5
Lands and Bldgs.	8.5
	<u>800.9</u>

Senators Bennett and Dankworth raised questions concerning what appears to be excessive travel funding for the above component, and Bob Schroeder explained that a portion of such funding (\$8.0) would permit staff attendance at the Western Fire Fighters Association meeting and an Arson Investigation Conference.

OPEN

Vice-Chairman Hohman advised that the above component would be held open for further discussion at a later time.

TRAFFIC SAFETY IMPROVEMENT
Highway Safety Plng. Agency, p. 119

Subcommittee recommended the following figures:

Personal Services	182.7
Travel	30.0
Contractual	55.0
Commodities	5.0
Grants & Claims	1667.3
	<u>1940.0</u>

Vice-Chairman Hohman raised questions concerning prior year legislative action affecting the above component, and Garrey Peska advised of legislation which placed coordinators in political subdivisions as well as establishment of an educational program in outlying areas. A Fiscal Note accompanying the legislation provided \$459 thousand for FY 79. The Governor cut that amount to \$100 plus thousand and instructed that it be budgeted to take care of programs in Anchorage and Fairbanks.

Vice-Chairman Hohman moved for inclusion of \$165 thousand for four bush communities (Kotzebue, Bethel, Nome, and Dillingham) to be added to grants and claims for coordinators in these communities to follow up on alcohol-related offenders.

\$165 THOUSAND
GRANT TO
KOTZEBUE
BETHEL
NOME
DILLINGHAM

Bob Schroeder advised that the new figure for grants and claims (including Senator Hohman's addition) would be \$1827.3. The new total for the entire component would then be \$2100.0.

DRIVER VEHICLE SERVICES
Driver Services, p. 125

Subcommittee recommended the following figures:

Personal Services	464.3
Travel	9.2
Contractual	344.6
Commodities	12.8
Equipment	-0-
	<u>830.9</u>

Bob Schroeder advised that the above component represents the centralized area which handles driver licenses.

DRIVER VEHICLE SERVICES
Vehicle Services, p. 127

Subcommittee recommended the following figures:

Personal Services	245.2
Travel	2.1
Contractual	120.2
Commodities	8.5
Equipment	-0-
	<u>376.0</u>

DRIVER VEHICLE SERVICES
Field Operations, p. 129

Subcommittee recommended the following figures:

Personal Services	1892.6
Travel	9.9
Contractual	1949.7
Commodities	24.0
Equipment	1.0
Lands and Buildings	43.8
Misc.	254.4
	<u>4175.4</u>

DRIVER VEHICLE SERVICES
Administration, p. 131

Subcommittee recommended the following figures:

Personal Services	488.5
Travel	11.9
Contractual	148.2
Commodities	20.3
Equipment	-0-
Lands and Buildings	26.0
	<u>694.9</u>

DEBT SERVICE
Flood Control, p. 139

Subcommittee recommended acceptance of the Governor's figure of 1054.0.

DEBT SERVICE
Fire Centers, p. 141

Subcommittee recommended acceptance of the Governor's figure of 529.8.

Vice-Chairman Hohman next directed committee attention to page 11 of the PUBLIC PROTECTION shortform dealing with Occupational Safety.

OCCUPATIONAL SAFETY
General Administration, p. 11

OSHA

Senator Bennett moved to delete the entire OSHA program but his motion failed--Senators Hohman, Dandworth, and Hackney objecting.

The subcommittee then recommended the following figures:

Personal Services	271.2
Travel	31.7
Contractual	117.1
Commodities	2.2
Equipment	-0-
	<u>425.2</u>

OCCUPATIONAL SAFETY
Compliance Inspection, p. 13

Subcommittee recommended the following figures:

Personal Services	747.2
Travel	41.6
Contractual	234.3
Commodities	14.5
Equipment	4.9
Lands/Buildings	15.0
	<u>1057.5</u>

OCCUPATIONAL SAFETY
Health Inspection, p. 15

Subcommittee recommended the following figures:

Personal Services	57.2
Travel	6.8
Contractual	31.1
Commodities	4.4
Equipment	6.9
	<u>106.0</u>

OCCUPATIONAL SAFETY
Training & Consultation, p. 17

Subcommittee recommended the following figures:

Personal Services	386.2
Travel	21.1
Contractual	95.8
Commodities	5.8
Equipment	3.5
Lands and Buildings	2.9
	<u>501.3</u>

OCCUPATIONAL SAFETY
Planning & Standards, p. 19

Subcommittee recommended the following figures:

Personal Services	70.9
Travel	2.9
Contractual	43.7
Commodities	.9
	<u>118.4</u>

OCCUPATIONAL SAFETY
Research Contracts, p. 21

Subcommittee recommended the following figures:

Personal Services	94.9
Travel	1.4
Contractual	34.6
Commodities	.5
Lands and Buildings	3.8
	<u>135.2</u>

Following completion of the OSHA budget review, the committee began review of the TRANSPORTATION budget.

TRANSPORTATION

VEHICLE WEIGHT ENFORCEMENT, p. 3

The subcommittee through Mr. Jay Hogan recommended the following figures:

Personal Services	809.8
Travel	20.0
Contractual	112.3
Commodities	22.1
Equipment	-0-
Lands & Buildings	8.3
	<u>972.5</u>

ADMINISTRATION

Commissioner's Office, p. 7

Subcommittee recommended the following figures:

Personal Services	264.4
Travel	23.7
Contractual	101.0
Commodities	5.8
Equipment	-0-
	<u>394.9</u>

Mr. Hogan advised that the discrepancy between subcommittee figures for personal services and the Governor's figure results from the fact that the Governor recommended that a number of CIP positions be moved into the budget. The subcommittee decided to delete all CIP positions as a unit and move them into the budget next year (annual salary cost for CIP's = \$20 million).

CIP
POSITIONS

ADMINISTRATION

Transportation Planning, p. 9

Personal Services	458.5
Travel	27.7
Contractual	61.5
Commodities	2.9
Equipment	-0-
	<u>550.6</u>

ADMINISTRATION
Internal Review, p. 11

Subcommittee recommended the following figures:

Personal Services	410.3
Travel	17.6
Contractual	5.1
Commodities	1.0
Equipment	-0-
	<u>434.0</u>

ADMINISTRATION
Administrative Services, p. 13

Subcommittee recommended the following figures:

Personal Services	3799.4
Travel	19.5
Contractual	783.6
Commodities	80.0
Equipment	-0-
Lands and Buildings	391.7
	<u>5074.2</u>

ADMINISTRATION
Financial Management, p. 15

Subcommittee recommended the following figures:

Personal Services	1668.8
Travel	20.9
Contractual	268.9
Commodities	14.0
Equipment	-0-
	<u>1972.6</u>

Mr. Hogan advised that the reduction in Contractual Services results from deletion of computer program positions.

ADMINISTRATION
Right-of-Way Lands and Leasing, p. 17

Subcommittee recommended the following figures:

Personal Services	917.0
Travel	19.6
Contractual	49.2
Commodities	4.8
Equipment	-0-
	<u>990.6</u>

MAINTENANCE & OPERATIONS
Administration, p. 21

Subcommittee recommended the following figures:

Personal Services	291.1
Travel	24.7
Contractual	422.5
Commodities	5.8
Equipment	-0-
	<u>744.1</u>

Mr. Hogan advised that the increase in contractual services is due to contemplated service on the Alaska Railroad Whittier shuttle allowing service 5 days a week during the summer and 3 days a week in the winter.

MAINTENANCE & OPERATIONS
Safety & Security, p. 23

Subcommittee recommended the following figures:

Personal Services	131.7
Travel	30.0
Contractual	263.6
Commodities	75.0
	<u>500.3</u>

Mr. Hogan advised that during hearing processes the State has learned the FAA has added additional passenger screening regulations. Expansion of statewide screening programs was not funded, the thought being that the State should attempt to negotiate more reasonable screening standards for Alaska.

MARINE TRANSPORTATION
Southeast Vessel Operations, p. 27

Subcommittee recommended acceptance of the Governor's total figure of 25539.7. Senator Stimson inquired concerning whether the component contains federal funding, and Mr. Hogan responded that federal funding is available for use during vessel construction--such funding being basically highway funding.

MARINE TRANSPORTATION
Southeast Vessel Overhaul, p. 29

Subcommittee recommended the following figures:

Personal Services	808.5
Travel	47.4
Contractual	1960.1
Commodities	891.3
	<u>3707.3</u>

Mr. Hogan advised that the above BRU had been held to a maintenance level. There is currently a direct effort being made to do more overhaul work in Alaska (Ketchikan) rather than Seattle; however, committee feeling was that the BRU represents a new program and it would be better kept at barebones while providing language permitting transfer between it and the Southeast Vessel Operations BRU (p. 27) if additional funding is needed.

MARINE TRANSPORTATION
Southeast Shore Facilities, p. 31

Subcommittee recommended the following figures:

Personal Services	857.1
Travel	2.1
Contractual	491.1
Commodities	40.6
Equipment	-0-
	<u>1390.0</u>

Mr. Hogan advised that the subcommittee added one position (14.6) at the request of Senator Meland, thus increasing personal services over the Governor's figure. Under contractual, the Governor's figure included two items the subcommittee felt should be placed in the capital budget (1) dock maintenance (165.0) and (2) terminal repairs (46.9). Also, during the hearing process it was decided that it would simplify the accounting process if agents simply retained their commissions rather than running them through through the budget. The same change would be made concerning the Seattle head tax. Head tax and commissions effect a 335.0 change.

MARINE TRANSPORTATION
Southwest Vessel Operations, p. 33

Subcommittee recommended the following figures:

Personal Services	4029.9
Travel	23.3
Contractual	490.2
Commodities	793.8
Equipment	9.1
	<u>5346.3</u>

Senator Dankworth questioned the large appropriation to travel, and Senator Bennett alluded to rumors of employees

being allowed to bring wives along and ship personal property aboard ferries (presumably at no expense to them). Mr. Hogan responded that audits have documented such abuses but the Department has failed to respond. Garrey Peska attested to the fact that perhaps the problem would be resolved through the Governor's recommendation that Marine Transportation be moved under the Department of Administration.

MARINE TRANSPORTATION
Southwest Vessel Overhaul, p. 35

Subcommittee recommended the following figures:

Personal Services	-0-
Travel	-0-
Contractual	351.4
Commodities	145.7
	<u>497.1</u>

MARINE TRANSPORTATION
Southwest Shore Facilities, p. 37

Subcommittee recommended the following figures:

Personal Services	225.8
Travel	1.9
Contractual	270.8
Commodities	10.0
Equipment	-0-
	<u>508.5</u>

MARINE TRANSPORTATION
Administration, p. 39

Subcommittee recommended the following figures:

Personal Services	1029.7
Travel	38.0
Contractual	401.2
Commodities	23.6
Equipment	-0-
	<u>1492.5</u>

SOUTHEAST REGION O & M
Airports, p. 43

Subcommittee recommended the following figures:

Personal Services	75.5
Travel	7.5
Contractual	160.7
Commodities	69.0
	<u>312.7</u>

SOUTHEAST REGION O & M
Highways, p. 45

Subcommittee recommended acceptance of the Governor's total of 5326.3.

SOUTHEAST REGION O & M
Administration, p. 47

Subcommittee recommended the following figures:

Personal Services	260.4
Travel	26.5
Contractual	19.8
Commodities	3.7
	<u>310.4</u>

CENTRAL REGION O & M
Airports, p. 51

Subcommittee recommended the following figures:

Personal Services	1608.6
Travel	32.0
Contractual	1552.6
Commodities	469.2
Equipment	-0-
Lands & Buildings	389.0
	<u>4051.4</u>

CENTRAL REGION O & M
Highways, p. 53

Subcommittee recommended the following figures:

Personal Services	4492.2
Travel	28.2
Contractual	7185.2
Commodities	2860.6
Equipment	10.0
Lands & Buildings	74.1
	<u>14650.3</u>

CENTRAL REGION O & M
Administration, p. 55

Subcommittee recommended the following figures:

Personal Services	791.5
Travel	35.0
Contractual	59.0
Commodities	9.8
Equipment	-0-
	<u>895.3</u>

Mr. Hogan advised that reductions shown in subcommittee figures when compared to those of the Governor reflect current use.

SOUTHCENTRAL REGION O & M
Airports, p. 61

Subcommittee recommended the following figures:

Personal Services	145.2
Travel	5.0
Contractual	424.9
Commodities	25.2
Equipment	-0-
	<u>600.3</u>

Mr. Hogan advised that as with the preceding BRU, reductions exhibit current use. The Division simply has not spent its travel funding.

SOUTHCENTRAL REGION O & M
Highways, p. 63.

Subcommittee recommended the following figures:

Personal Services	2176.1
Travel	57.5
Contractual	2652.5
Commodities	1028.4
Equipment	10.4
Lands & Buildings	78.2
	<u>6003.1</u>

SOUTHCENTRAL REGION O & M
Administration, p. 65

Subcommittee recommended the following figures:

Personal Services	328.8
Travel	6.0
Contractual	29.3
Commodities	7.3
Equipment	-0-
	<u>371.4</u>

Mr. Hogan advised that, again, reductions reflect current use.

INTERIOR REGION O & M
Airports, p. 69

Subcommittee recommended the following figures:

Personal Services	604.4
Travel	24.3
Contractual	801.3
Commodities	168.6
Equipment	-0-
	<u>1598.6</u>

Senator Bennett suggested adding funding for resurfacing the air field at Central (47.0), but Vice-Chairman Hohman advised he would make note of such request and place funding in the capital budget.

INTERIOR REGION O & M
Highways, p. 71

Subcommittee recommended the following figures:

Personal Services	3711.0
Travel	105.2
Contractual	4039.5
Commodities	1100.6
Equipment	10.0
Lands and Buildings	161.7
	<u>9128.0</u>

Senator Dankworth raised questions concerning the high appropriation for travel, and Mr. Hogan responded that while highway travel is not very explicitly explained, it appears to reflect travel away from the central duty station such as that necessary to repair potholes, etc. He concluded that funding represents a lean budget and that previously requested travel funding has been used.

INTERIOR REGION O & M
Administration, p. 73

Subcommittee recommended the following figures:

Personal Services	537.9
Travel	15.5
Contractual	33.1
Commodities	8.7
Equipment	-0-
	<u>595.2</u>

INTERIOR REGION O & M
North Slope Haul Road, p. 75

Senator Hackney moved to allocate 3.2 million to allow for total opening of the road. Vice-Chairman Hohman advised of problems surrounding such action since the House has adopted a contrary position. Senator Hackney advised that he hoped the House would change its position, and Senator Dankworth attested to the fact that the Governor cannot appropriate taxpayers' funds for upkeep of the road and yet not allow the people to use it. Mr. Hogan attested to the existence of a number of Fiscal Notes pertaining to maintenance of the road, advising that while he believed the figure suggested by Senator Hackney to be essentially correct, it is difficult to estimate the amount of funding required to maintain the road since it has not been previously maintained. Senator Hackney advised that he had traveled the highway from Fairbanks to Prudho Bay in a state sedan, and since the road is traversable, it is upsetting that public funds are being used on it and yet the public is not allowed to travel it.

The above component was help open for further discussion at a later time. OPEN

WESTERN REGION O & M
Airports, p. 79

Subcommittee recommended the following figures:

Personal Services	549.6
Travel	35.0
Contractual	537.2
Commodities	198.7
Equipment	-0-
	<u>1320.5</u>

WESTERN REGION O & M
Highways, p. 81

Subcommittee recommended the following figures:

Personal Services	582.4
Travel	9.3
Contractual	740.3
Commodities	90.0
Equipment	2.2
Lands and Buildings	4.7
	<u>1428.9</u>

WESTERN REGION O & M
Administration, p. 83

Subcommittee recommended the following figures:

Personal Services	236.3
Travel	16.5
Contractual	30.0
Commodities	10.0
Equipment	-0-
	<u>292.8</u>

ANCHORAGE INT. AIRPORT
Field Maintenance, p. 87

Subcommittee recommended the following figures:

Personal Services	1251.6
Contractual	326.6
Commodities	260.2
Equipment	.9
	<u>1839.3</u>

ANCHORAGE INT. AIRPORT
Building Maintenance, p. 89

Subcommittee recommended the following figures:

Personal Services	771.9
Contractual	214.9
Commodities	101.8
	<u>1088.6</u>

ANCHORAGE INT. AIRPORT
Security, p. 91

Subcommittee recommended the following figures:

Personal Services	1627.1
Travel	1.6
Contractual	51.7
Commodities	93.3
Equipment	9.0
	<u>1782.7</u>

Mr. Hogan advised that the subcommittee deleted funding for the Sitka training program. Senator Dankworth asked if federal funding is available for the type of work contemplated by the above BRU, and Mr. Hogan responded that federal funding is available for runway construction but not for operational purposes.

ANCHORAGE INTERNATIONAL AIRPORT
Custodial, p. 93

Subcommittee recommended the following figures:

Subcommittee recommended the following figures:

Personal Services	722.4
Contractual	346.8
Commodities	44.1
	<u>1113.3</u>

ANCHORAGE INT. AIRPORT
Administration, p. 95

Subcommittee recommended the following figures:

Personal Services	332.8
Travel	-0-
Contractual	750.0
Commodities	5.3
Equipment	-0-
Miscellaneous	158.5
	<u>1246.6</u>

ANCHORAGE INT. AIRPORT
Equipment, p. 97

Subcommittee recommended the following figure:

Personal Services	397.3
Contractual	16.3
Commodities	268.5
Equipment - tools	2.2
	<u>684.3</u>

FAIRBANKS INT. AIRPORT
Field Maintenance, p. 101

Subcommittee recommended the following figures:

Personal Services	568.7
Contractual	78.1
Commodities	199.0
Equipment	33.2
	<u>879.0</u>

FAIRBANKS INT. AIRPORT
Building Maintenance, p. 103

Subcommittee recommended the following figures:

Personal Services	165.3
Contractual	475.4
Commodities	59.0
Equipment	-0-
	<u>699.7</u>

FAIRBANKS INT. AIRPORT
Security, p. 105

Subcommittee recommended the following figures:

Personal Services	1472.7
Travel	.2
Contractual	37.6
Commodities	56.2
Equipment	5.0
	<u>1571.7</u>

FAIRBANKS INT. AIRPORT
Custodial, p. 107

Subcommittee recommended the following figures:

Personal Services	261.8
Commodities	21.1
Equipment	-0-
	<u>282.9</u>

FAIRBANKS INT. AIRPORT
Administration, p. 109

Subcommittee recommended the following figures:

Personal Services	247.3
Travel	-0-
Contractual	137.3
Commodities	4.1
Equipment	-0-
Miscellaneous	78.3
	<u>467.0</u>

HIGHWAY DESIGN & CONSTRUCTION
Director, p. 113

Subcommittee recommended the following figures:

Personal Services	127.9
Travel	5.6
Contractual	2.3
Commodities	.3
Equipment	-0-
	<u>136.1</u>

HIGHWAY DESIGN & CONSTRUCTION
Administration, p. 115

Subcommittee recommended the following figures:

Personal Services	83.9
Travel	11.9
Contractual	22.0
Commodities	6.5
Equipment	-0-
	<u>124.3</u>

HIGHWAY DESIGN & CONSTRUCTION
Highway Design, p. 117

Subcommittee recommended the following figures:

Personal Services	508.3
Travel	15.0
Contractual	6.8
Commodities	1.2
Equipment	-0-
	<u>531.3</u>

HIGHWAY DESIGN & CONSTRUCTION
Highway Construction, p. 119

Subcommittee recommended the following figures:

Personal Services	459.1
Travel	30.9
Contractual	43.5
Commodities	6.7
Equipment	-0-
	<u>540.2</u>

AVIATION DESIGN & CONSTRUCTION
Director, p. 123

Subcommittee recommended the following figures:

Personal Services	113.0
Travel	3.2
Contractual	7.1
Commodities	2.0
	<u>125.3</u>

AVIATION DESIGN & CONSTRUCTION
Aviation Design, p. 125

Subcommittee recommended the following figures:

Personal Services	184.8
Travel	1.4
Contractual	24.8
Commodities	4.8
	<u>215.8</u>

AVIATION DESIGN & CONSTRUCTION
Aviation Construction, p. 127

Subcommittee recommended the following figures:

Personal Services	146.8
Travel	.6
Contractual	13.5
Commodities	1.1
	<u>162.0</u>

DEBT SERVICE

Highways, p. 131

Subcommittee recommended acceptance of the Governor's figure of 16861.6.

DEBT SERVICE

Marine Transportation, p. 133

Subcommittee recommended acceptance of the Governor's figure of 4137.8.

DEBT SERVICE

Aviation, p. 135

Subcommittee recommended acceptance of the Governor's figure of 7917.4.

Upon concluding its review of the TRANSPORTATION budget, the committee moved to adjourn the meeting at approximately 2:35 p.m. ADJOURN

SF-79 # 35, Side 1 (490-remainder
of cassette)

36 (entire cassette)

37 (Beginning of tape
to 259 on Side 2)

SENATE FINANCE COMMITTEE

April 1, 1979

1:30 p.m.

In the absence of Chairman Sackett, Vice-Chairman Hohman convened the meeting at approximately 1:30 p.m. All members were present with the exception of the Chairman, Senator Sumner, and Senator Ray. Also in attendance were Senator Stimson; Fiscal Analyst Dave Scott; and Administrative Assistant to the Finance Committee, Garrey Peska.

PRESENT

Vice-Chairman Hohman advised that the purpose of the meeting was to conduct committee review of the EDUCATION BUDGET, directing attention to page 3 of the shortform.

EDUCATION

ALASKA HISTORICAL COMMISSION, p. 3

Subcommittee recommended the following figures:

Personal Services	113.5
Travel	11.3
Contractual	220.0
Commodities	2.2
	<u>347.0</u>

Senator Hackney advised that increased funding under contractual represents new support for both a history and a publications project.

ALASKA ARTS COUNCIL

Administration and Support, p. 7

Subcommittee recommended the following figures:

Personal Services	194.3
Travel	58.2
Contractual	37.8
Commodities	7.7
Equipment	3.1
	<u>301.1</u>

Senator Hackney advised that the funding increase under travel supports new positions No. 1 and 2. Subcommittee also added back in equipment in support of the new positions.

ARTS COUNCIL
Grants, p. 9

Subcommittee recommended the following total 1234.0.
Senator Hackney advised that the funding is totally
grants and claims, setting forth the following grants:

Community Art's Training	40.0
Contemporary Art Bank	25.0
Anchorage Symphony	20.0
Juneau Symphone	1.0
Sitka Summer Music Festival	5.0
Anchorage Civil Ballet	4.0
Ballet North	4.0
Ketchikan Theater Ballet	2.0

TEACHER RETIREMENT
Regular TRS state p. 11

Subcommittee recommended the following total 16426.6.
Senator Hackney advised that the subcommittee used a
12% growth factor for FY 79, 8% for FY 80, and changed
the actuary table from 7106% to 7.43%.

FINANCIAL SUPPORT PROGRAMS
Pupil Transportation-Public, p. 13

Subcommittee recommended the following total 20,647.0.
Senator Hackney advised that the increase is due to
transportation of non-public school children. No new
bus routes are contemplated.

FINANCIAL SUPPORT PROGRAMS
Debt Retirement-Local, p. 17

Subcommittee recommended the total of 24081.0.

FINANCIAL SUPPORT PROGRAMS
Student Lunch Program, p. 19

Subcommittee recommended adoption of the Governor's
figure of 2700.0.

FINANCIAL SUPPORT PROGRAMS
Tobacco Tax Distribution, p. 25

Subcommittee recommended adoption of the Governor's
figure of 2003.2.

FINANCIAL SUPPORT PROGRAMS
Local Formula-REAA, p. 27

Subcommittee recommended a total of 8790.2. Senator Hackney advised that the subcommittee allowed the districts their FY 79 entitlement plus a growth factor of 10%, but reduced funding by 1/2 the FY 78 district surplus. Dave Scott distributed a handout outlining fund balances for REAA schools and urban schools. Discussion followed concerning obligated and unobligated funding. Dave Scott recommended a change in funding source, using 5050.4 in general fund rather than 8790.2. He also attested to balances in district funds, advising of funds in the Central Rail Belt, Chugach and Pribilof Island school districts amounting of over half a million dollars. FY 79 school audits will not be completed until November. Senator Hackney advised that it was the subcommittee feeling that the Legislature will be back in January when the audits have been completed and it will then be in a position to recognize some reserve pattern by then. The subcommittee really didn't have any comparison figures for this year.

OPEN

Senator Dankworth questioned the surplus funding in the Anchorage district, and Dave Scott advised that the surplus is claimed to be only about \$2 million. The district is a self-insuring district and these funds are available to pay off losses on insurance claims. Dave Scott advised that the subcommittee had not cut funds, the districts will actually be getting a 3-4% increase. Vice-Chairman Hohman advised that he wished to talk with the auditors to be certain that if the committee puts pressure on these surplus funds, problems do not arise elsewhere.

Senator Hackney suggested that the component be flagged and kept open for further discussion.

FINANCIAL SUPPORT PROGRAMS
SOS ASHA payments, p. 29

Subcommittee recommended acceptance of the Governor's figure of 286.0.

FINANCIAL SUPPORT PROGRAMS
Bilingual Fund, p. 31

Subcommittee recommended acceptance of the Governor's figure of 496.3.