

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2748

<u>Page, Line</u>	<u>Project</u>	<u>Amount</u>
P. 26 1. 12	Kipnuk D-8 cat (cost.)	125,000
p. 26 1. 21	Kwigillingok - D-6 cat (cost)	125,000
p. 26 1. 23	Anch. Community Dev. Corp. Grant	1,161,000
p. 27 1. 3	Kokhanok - D-4 dozer	65,000
p. 27 1. 7	Community Enterprise Development Corp. of Alaska (direct grant)	99,800 (?)
p. 28 1. 25	barge docking facilities, Yukon River	1,500,000 (specify)
p. 29 1. 19	Council on Science & Technology - geophysical hazard and other research	300,000
p. 29 1. 29	House Finance Committee - limited entry remote licensing study	65,000
p. 30 1. 7	Fairbanks - interior region EMS radio system	64,500
p. 30 1. 23	Haines Borough - Chilkat Center for the Arts	550,000
p. 30 1. 28	Anchorage - Woodland Park renovation, grant to Boy's Club of Alaska	550,000
p. 31 1. 25	Anchorage - Anch. neighborhood health center	1,000,000
p. 31 1. 27	Anchorage - grant to Health Care Advocates	35,000
p. 31 1. 28	Anch., - grant to AK Semi-Supportive Homes, Inc.	33,200
P. 31 1. 13	Anch. - recreation centers (specify)	1,800,000
P. 33 1. 2	Fairbanks North Star Borough - recreation center (Swimming Pool YMCA Bldg. Big Dipper?)	900,000
p. 33 1. 25	Anchorage - Hilltop ski area	250,000
p. 33 1. 26	Anchorage - Rabbit Creek green belt park land acquisition	1,000,000
p. 33 1. 28	Anchorage - Fire Lake recreation cntr.	5,500,000
p. 34 1. 3	Anch., - AK Public Advocacy Corporati.	453,000
p. 34 1. 22	City of Fairbanks - district heat demonstration project	2,000.000

<u>Page, Line</u>	<u>Project</u>	<u>Amount</u>
p. 34 1. 25	City of Fairbanks - Fairbanks Curling Club 1981 tournament	50,000
p. 35 1. 4	Anchorage - Ship Creek Overlook cultural facilities	225,000
p. 35 1. 12	Anchorage - Cultural round base construction	1,800,000
p. 36 1. 14	Fairbanks North Star Borough - grant to Tanana Valley (twice)	43,000
p. 36 1. 23	City of Fairbanks - Alaskaland renovation	2,000,000
p. 36 1. 24	Anchorage - winter recreation	250,000
p. 36 1. 25	City and Borough of Juneau - convention center	8,000,000
p. 36 1. 26	Anchorage - civic center	10,350,000
p. 37 1. 3	Anchorage - grant to Spenard Comm. Council for community center (rec. facility 3.8 m)	2,500,000
p. 37 1. 15	Anchorage - roads and projects (specify!)	6,940,900
p. 37 1. 17	Anch. -marketing & feasibility study phase I small boat harbor (amount?)	500,000
p. 37 1. 19	Anch - upgrading local roads in District 8	2,000,000
p. 37 1. 22	Anchorage - hovercraft	2,000,000
p. 38 1. 11	Galena - transportation (?)	110,000
p. 38 1. 24	Fairbanks North Star Borough - service area facilities & Equip. (specify)	1,000,000
p. 39 1. 3	Anch. - AK Public Interest Research Group	75,000
p. 39 1. 4	Anch - Newspaper Project, Inc.	7,500
p. 39 1. 5	Anch - citizens participation proj.	48,300
p. 39 1. 6	Anch - AK Center for Policy Studies	317,500

MINUTES
SENATE FINANCE COMMITTEE
April 2, 1980
8:30 a.m.

Chairman John Sackett convened the meeting at approximately 8:30 a.m. All committee members were present. Also in attendance were Senator Stimson; Rod Pegues, Attorney for the Department of Law; Dick Smith from the Department of Administration; Administrative Assistants for Senate Finance Garrey Peska, Bill Hogan, and Nancy Harvey; and representatives from the media including Joe LaRocca.

PRESENT

The Chairman moved that CSHB 578 am (An Act establishing the municipal grant account) be brought up for discussion, advising that a Committee Substitute had been prepared for the legislation and further advising that Mr. Pegues and Mr. Smith were present to testify.

CSHB 578am

SCS

Mr. Pegues informed the committee that he had "not come up with a solution to the entire problem" surrounding the grant account. He advised of the existence of a sample contract used in simple grant situations. The entire problem, however, is much broader. Mr. Pegues advised that he didn't know that there are solutions to all the problem which will satisfy everyone. Municipal grants present no problem. Grants to non-profit corporations and organizations pose serious problems because in some circumstances not enough is known about the organization and its function. An organization like the Red Cross presents no problem because its function is well known. An organization like the "Anchorage Current Events Group" would raise questions concerning the purpose of the organization and its application of a state grant. In the foregoing instance, problems arise when the purpose is not self-evident.

ROD PEGUES

The Administrative branch of government is not supposed to have appropriative powers. This presents a problem in all branches of government. The purpose of an appropriation should be specified by the legislature. The Executive branch cannot spend money that is not specifically appropriated by law. Mr. Pegues further spoke to the fact that no clear defining guidelines designating purpose exist.

Senator Kerttula asked how the legislature should go about appropriating funding to a particular project without furnishing "many pages of backup defining the purpose."

Senator Ray suggested an accompanying letter of intent setting forth guidelines defining exactly what the funding is for.

Mr. Pegues advised that "one or two lines in the bill like 'campground at Tok' have proven to be the most effective method of designating funding for a specific purpose. Dick Smith further attested to the fact that when the legislature asks the Department of Administration to disburse money, it has to give Administration information concerning what the appropriation is for.

The Chairman acknowledged the need for specific purpose and a letter of intent describing distribution of the appropriation, and inquired concerning further problems surrounding the grant account.

Mr. Pegues noted problems surrounding:

- (1) Non-profit corporations as the grant program grows, especially in urban areas, and
- (2) Contracts. Questions arise in areas where more than one qualified contractor exists.

Senator Sumner asked if the latter problem area could be avoided by advertising for needed services and compiling a listing of qualified contractors.

Mr. Pegues replied that the Department of Law has a listing of individuals providing similar services, but operation on this basis has not always met with legislative approval. Community and Regional Affairs should be able to compile a listing of "acceptable non-profit organizations."

Senator Ray raised questions concerning legislative ability to bypass the Administration and make grants directly to the Legislative Council. Mr. Pegues advised that in such action the legislature would also be bypassing the parliamentary system.

Responding to questions from Senator Hohman, Mr. Pegues stated that if a grant involves services which are not part of the lawmaking power of the legislature, problems arise. He restated the fact that there are no problems with municipal grants since municipalities are political subdivisions of the state and the legislature may properly decide to have a city perform a particular function rather than having this function performed by the state.

Senator Hohman attested to concern by his constituents that they will be forced into "an organized borough government situation." People are requesting further information on the borough type of government. The Executive Branch has not responded to the need. Therefore, the Senator wishes to fund a local non-profit organization (AVCP) to investigate and compile the needed information.

Mr. Pegues advised that a grant through Community and Regional Affairs for the foregoing purpose should present no problem. The Chairman questioned the advisability of attaching purpose to such an appropriation without specifically designating it for AVCP. Mr. Pegues responded that it would be preferable to provide a description (purpose) than to name the specific organization to be funded.

Senator Hackney asked if the Department has any evidence of wholesale misuse of appropriations made through the legislature. He further attested to instances wherein funding is appropriated by the legislature for a specific purpose but is not used for that purpose by the department.

Mr. Pegues advised that his mention of the foregoing problem areas represents an attempt to avoid further problems and an attempt to head-off such problems before they arise. The Chairman suggested that the anticipated problems areas brought to light by Mr. Pegues might not necessarily have to be answered in the proposed bill. In response Mr. Pegues advised of the need for language in the grant to comply with constitutional requirements.

The Chairman directed Mr. Pegues to return to committee with solutions for problems raised concerning the legislation.

Senator Kerttula attested to the need for a letter from the Attorney General setting forth guidelines for legislative intent.

The Chairman directed Senator Ray to work with Mr. Pegues and return to committee with an acceptable Committee Substitute for the legislation.

(Mr. Pegues and Mr. Smith left the meeting at this time.)

The Chairman moved that CSHB 60 (Act appropriating for supplemental operating and capital expenses of the state government and making transfers between appropriations)

CSHB 60

be brought up for discussion. Finance staff distributed two listings of proposed additions to the house bill (Supplemental Operating Projects and Supplemental Capital Projects), and the Chairman advised that staff would provide a total for all projects at a later time. He further advised that, keeping in mind the \$203 million limit, each committee member must cut \$45 million in general funds from his list of capital projects. He further advised that members can make their own cuts or a majority of the committee can effect the cuts.

The Chairman instructed members to make their cuts and return updated information to him by 1:00 p.m. in order to meet the bill draft deadline at 9:00 a.m. the following morning.

The meeting adjourned at approximately 9:30 a.m.

ADJOURN

MINUTES
SENATE FINANCE COMMITTEE
April 9, 1980
9:15 a.m.

In the absence of Chairman John Sackett, Vice-Chairman George Hohman convened the meeting at approximately 9:15 a.m. All committee members were present with the exception of the Chairman and Senator Bennett. Also in attendance were Senators Stimson and Rodey; Mary Jablonski, Special Assistant to the Commissioner, Dept. of Fish and Game; Mike Leach, Lobbyist for Southcentral Timber Development, Inc.; Don Berry, Lobbyist for the Municipality of Anchorage; Administrative Assistants to Senate Finance Garrey Peska, Bill Hogan, and Nancy Harvey; and representatives from the press including Joe LaRocca and Jean Kisor.

PRESENT

The Vice-Chairman announced that the meeting was convened for the purpose of review of SCS for CSHB 60 (Act appropriating for supplemental operating and capital expenses of the state government and making transfers between appropriations) with the intention of passing the SCS from committee in order that it may be calendared for floor action tomorrow.

CSHB 60

SCS

Senator Hackney advised of his belief that committee members are familiar with the content of the bill, and Senator Sumner moved that SCS for CSHB 60 pass from committee with a unanimous do pass recommendation. Senator Ray objected to the motion, moving instead that SCS for CSHB 60 pass with individual recommendations. The Vice-Chairman called for a vote on the motion for do pass recommendation and upon a show of hands the motion carried, Senators Hohman, Sumner, Hackney and Kerttula supporting the motion. SCS for CSHB 60 thus passed from committee with a do pass recommendation--Senators Hohman, Sumner, Hackney, and Kerttula signing do pass, Senator Ray signing no recommendation.

MOTION

SCS CSHB 60

The Vice-Chairman stated that Senator Ray would report to committee concerning work on CSHB 578am (Act establishing the municipal grant account). Senator Ray advised that he met with the Governor and his staff as well as the Attorney General concerning drafting of a workable Committee Substitute. The House Finance Committee is also working on the problem (grants to non-profit corporations and organizations). Attorney General Gross will personally draft appropriate legislation and the legislation will be forthcoming soon. The Senator advised he will continue to work with the Attorney General's Office.

CSHB 578am

The Vice-Chairman advised committee members of the Chairman's intention to commence budget closeouts Monday, April 14, 1980.

There being no further business to come before the committee at this time, the meeting adjourned at approximately 9:21 a.m.

ADJOURN

MINUTES
SENATE FINANCE COMMITTEE
April 17, 1980
9:05 a.m.

Chairman Sackett called the meeting to order at 9:05 a.m. All members were present. Also in attendance were Senator Stimson; Department of Revenue Commissioner of Taxation Joseph Donohue; Senator Fahrenkamp; Administrative Assistant to Senate Finance Garrey Peska; and representatives from the press including Dana Reed.

ATTENDANCE

Chairman Sackett advised that the first order of business would be consideration of SENATE BILL NO. 124 (An Act relating to general relief assistance), and asked Senator Hackney to explain the intent to the committee.

SB 124

Senator Hackney stated that in light of what is being done about getting money into the economy in other areas, it might be a good time to look at the whole question of general relief. He said that the bill proposes to limit general relief to those who are 55 years of age or older and to the disabled, and to their dependent children. It would restrict somewhat the criteria for enrollment in such a program, and would deal with a new feature involving the Public Service Employment Program.

General discussion and questioning followed on such things as whether those eligible persons would be given "lead time" coverage of perhaps two weeks while they seek their own employment, the fiscal impact of the bill, and whether or not those performing public assistance employment would be covered under Workmen's Compensation. Chairman Sackett requested that committee members get together to discuss possible amendments to the bill and that it would be taken up for consideration again on Monday. The bill was returned to the file.

SB 124
RETURNED TO
FILE

Senator Hohman requested that the next bill up for consideration, HOUSE BILL NO. 18 (An Act increasing the benefits being paid under the territorial public employees' retirement system) also be held over until Monday. There being no objection, it was so ordered.

HB 18
RETURNED TO
FILE

Chairman Sackett stated that the committee would next consider SENATE BILL NO. 563 (An Act repealing the school tax, providing for refund of school tax payments for 1980; and providing for an effective date), and requested that Department of Revenue Commissioner of Taxation Joseph Donohue explain the intent.

SB 563

Mr. Donohue stated that it was the Department of Revenue position that withholding school tax in the absence of an income tax would be an unnecessary burden on employers in future years, and that the department would like to see it repealed. He added that the marginal revenues raised by the tax over past years (FY 80 - \$.5 million; FY 81 - \$2.75 million) should confirm their position.

MR.
DONOHUE

General discussion followed concerning which bill to use as a vehicle for the legislation. It was decided that SENATE BILL NO. 260 (An Act repealing the school tax; and providing for an effective date) would be used, and would be rewritten as a committee substitute. There being no objection, it was so ordered.

SB 260

Senator Bennett moved and asked unanimous consent that the bill be moved from committee with individual recommendations. There being no objections, it was so ordered. All members signed the committee report "do pass".

MOTION
SB 260

Chairman Sackett advised that SPONSOR SUBSTITUTE FOR SENATE BILL NO. 355 (An Act establishing an administrative journal) was next on the agenda. Senator Hohman moved that it be brought up for discussion. There being no objection, it was so ordered.

SSSB 355

Senator Hohman stated that COMMITTEE SUBSTITUTE FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 355 (Finance) (An Act establishing the Alaska Administrative Journal; and providing for an effective date) was also before the committee for consideration, and that the fiscal note reflected a cost of \$46,000 for FY 80 and \$177,500 for FY 81. He said that the purpose of the bill is to place in one publication all the information required to be made public by state agencies. The publication would then be available on a subscription basis and would provide a service to the people of the State without a drain of the public process. He asked Senator Fahrenkamp to elaborate.

CS SS SB
355 (Fin)

Senator Fahrenkamp stated that passage of the Senate Finance Committee Substitute for the bill would offer "one-stop shopping" to the public. She said the Lieutenant Governor has the prerogative of publishing the material, and that there appears to be enough interest in the project for it to become self-sustaining as soon as publication begins.

SENATOR
FAHRENKAMP

General discussion and questioning followed concerning such aspects as the relationship that would be formed with this publication and the present standard "notice of publication" the various departments give when they propose to promulgate regulations, and whether or not there would be a duplication of effort.

Senator Hohman moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 355 (Finance) be moved from the committee with individual recommendations. There being no objection, it was so ordered. The committee report was signed as follows: Senators Hohman, Bennett, Sumner and Sackett signed "do pass", and Senators Ray, Kerttula and Hackney signed "no recommendation".

MOTION
CS SSSB 355
(finance)

Chairman Sackett advised that SENATE BILL NO. 366 (An Act increasing the number of superior court judges) was next on the agenda and asked Senator Hackney to explain the intent of the bill to the committee.

SB 366

Senator Hackney stated that the bill would increase the number of judges in the State, and that otherwise the bill is very straightforward. General discussion followed.

Senator Bennett moved and asked unanimous consent that the bill be moved from committee with individual recommendations. There being no objection, it was so ordered. The committee report was signed as follows: Senators Bennett and Sumner signed "do pass", and Senators Hohman, Ray, Kerttula, Hackney and Sackett signed "no recommendation".

MOTION
SB 366

Chairman Sackett stated that the last bills on the agenda were SENATE BILL NO. 481 (An Act establishing the Denali Recreational Area Commission) and SENATE BILL NO. 482 (An Act appropriating to the Denali Recreational Area Commission). Senator Sumner moved and asked unanimous consent that the bills be taken up for consideration. There being no objection, it was so ordered.

SB 481
SB 482

Senator Sumner stated that with passage of the bill, the Legislative Council would appoint a five-member commission serving without compensation except for per diem. The Commission would contract for economic feasibility of the city concept of specific areas for such things as skiing, exhibition centers, cultural centers, convention centers and athletic facilities (golf, tennis, etc.).

General discussion followed. Senator Sumner moved and asked unanimous consent that the two bills be moved from

CORRECTION

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

General discussion and questioning followed concerning such aspects as the relationship that would be formed with this publication and the present standard "notice of publication" the various departments give when they propose to promulgate regulations, and whether or not there would be a duplication of effort.

Senator Hohman moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 355 (Finance) be moved from the committee with individual recommendations. There being no objection, it was so ordered. The committee report was signed as follows: Senators Hohman, Bennett, Sumner and Sackett signed "do pass", and Senators Ray, Kerttula and Hackney signed "no recommendation".

MOTION
CS SSSB 355
(finance)

Chairman Sackett advised that SENATE BILL NO. 366 (An Act increasing the number of superior court judges) was next on the agenda and asked Senator Hackney to explain the intent of the bill to the committee.

SB 366

Senator Hackney stated that the bill would increase the number of judges in the State, and that otherwise the bill is very straightforward. General discussion followed.

Senator Bennett moved and asked unanimous consent that the bill be moved from committee with individual recommendations. There being no objection, it was so ordered. The committee report was signed as follows: Senators Bennett and Sumner signed "do pass", and Senators Hohman, Ray, Kerttula, Hackney and Sackett signed "no recommendation".

MOTION
SB 366

Chairman Sackett stated that the last bills on the agenda were SENATE BILL NO. 481 (An Act establishing the Denali Recreational Area Commission) and SENATE BILL NO. 482 (An Act appropriating to the Denali Recreational Area Commission). Senator Sumner moved and asked unanimous consent that the bills be taken up for consideration. There being no objection, it was so ordered.

SB 481

SB 482

Senator Sumner stated that with passage of the bill, the Legislative Council would appoint a five-member commission serving without compensation except for per diem. The Commission would contract for economic feasibility of the city concept of specific areas for such things as skiing, exhibition centers, cultural centers, convention centers and athletic facilities (golf, tennis, etc.).

General discussion followed. Senator Sumner moved and asked unanimous consent that the two bills be moved from

committee with individual recommendations. There being no objection, it was so ordered.

The committee report for SENATE BILL NO. 481 was signed as follows: Senator Hohman signed "do pass", and Senators Ray, Kerttula, Bennett, Hackney, Sumner and Sackett signed "no recommendation".

MOTION
SB 481

The committee report for SENATE BILL NO. 482 was signed as follows: Senator Hohman signed "do pass", Senator Ray signed "do not pass unless amended", Senator Kerttula signed "no recommendation - reduce funding", and Senators Bennett, Hackney, Sumner and Sackett signed "no recommendation".

MOTION
SB 482

The meeting adjourned at 9:40 a.m.

ADJOURNMENT

MINUTES
SENATE FINANCE COMMITTEE
April 28, 1980
8:35 a.m.

Vice Chairman Hohman called the meeting to order at 8:35 a.m. All committee members were present with the exception of Chairman Sackett. Also in attendance were Executive Director of Alaska Power Authority Mr. Eric Yould; General Manager of Anchorage Municipal Light and Power Mr. Tom Stahr; Representative McKinnon; Administrative Assistant to Senator Ziegler Guy Van Doren; Administrative Assistant to Senator Hohman Rob Kocsis; Senator Ferguson; Commissioner of Environmental Conservation Ernst Mueller; Environmental Conservation Solid Waste Management Director Dick Williams; Mr. George Silides representing Earth Resources Company; Senator Stimson; Administrative Assistant to Senate Finance Garrey Peska; and representatives from the press Joe LaRocca.

ATTENDANCE

Vice Chairman Hohman advised that the first order of business would be consideration of SENATE BILL NO. 294 (An Act relating to the Susitna River hydroelectric project; and providing for an effective date). Senator Kerttula then requested that Mr. Eric Yould, Executive Director of the Alaska Power Authority present testimony on the bill.

SB 294

Mr. Yould stated that he would suggest four amendments to the bill. They were:

1. Page 1, line 12: Delete the word "two"
2. Page 1, line 25: Change "January 30" to "March 30"
3. Page 2, line 17: Change "shall" to "may"
Page 3, line 23: Change "shall" to "may"
4. Page 3, line 24: After "fund" insert "or other appropriate means approved by the legislature."

General discussion of the amendments and the bill followed. Senator Sumner pointed to the letters in the file from Cook Inlet. Senator Kerttula stated that the letters should be converted into letters of intent. Senator Sumner moved that the staff write the letters into letters of intent. Vice Chairman noted no objections, and so ordered the motion.

SB 294
LETTER OF
INTENT

Senator Kerttula moved that Mr. Yould's fourth amendment be amended to read: after "fund" insert "or other funding sources as approved by the legislature." There being no objection, it was so ordered. Senator Kerttula moved amendments 1, 2 and 3 (above). No objection, so ordered.

SB 294 am

Senator Kerttula moved and asked unanimous consent that the bill be passed from committee with a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass", with the exception of Chairman Sackett, who was absent.

SB 294 am
MOTION

The next order of business was consideration of SENATE BILL NO. 323 (An Act making a special appropriation to Department of Health and Social Services for homemaker health aide services). Vice-Chairman Hohman requested that Senator Ray speak on the bill. Senator Ray stated that the monetary request should be \$1,046.0 rather than \$2,500.0. The committee discussed the possibility of putting the legislation in the appropriation bill. It was decided that the bill would be held over to explore that possibility. Senator Sumner moved that the bill be held over. There being no objection, it was so ordered.

SB 323

SB 323
RET'D TO FILE

SENATE BILL NO. 356 (An Act relating to rural residential loans.) was next considered. Vice-Chairman Hohman asked that testimony be given. Mr. Peska stated that Chairman Sackett had introduced the bill last year as some communities were excluded from getting loans from the Housing Financing Corporation. The bill was intended to correct the problem.

SB 356

Discussion followed concerning the definition of "community" and "rural". Senator Ray moved that the bill be held over until more firm definitions were made. There being no objection, it was so ordered.

SB 356
RET'D TO FILE

The committee then took up consideration of SENATE BILL NO. 418 (An Act relating to electric or telephone cooperative associations), which had been assigned to Senator Kerttula. Senator Kerttula stated that last year legislation had been adopted having to do with easements; however, some problems were encountered. Hence, the introduction of this bill.

SB 418

Senator Ray moved the following amendment: Page 1, line 11: Delete "lines" and insert "line easements". There being no objection, it was so ordered.

SB 418 am

Senator Sumner moved and asked unanimous consent that the bill be moved from committee with a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass", with the exception of Chairman Sackett, who was absent.

MOTION
SB 418 am

The next order of business was consideration of SENATE BILL NO. 575 (An Act authorizing the issuance and sale of an additional \$15,987,000 in revenue bonds for international airports).

SB 575

Senator Ray moved the following amendments:

1. Page 1, line 13: Following "sale of" insert "international airport"
2. Page 1, line 14: Delete "of the state"

There being no objection, the amendments were adopted.

SB 575 am

Senator Hackney moved and asked unanimous consent that the bill be moved from committee with individual recommendations. Vice-Chairman Hohman, noting the number of "do pass" votes, changed the motion to a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Chairman Sackett who was absent.

MOTION
SB 575 am

The next order of business was consideration of COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 452 (Rules) (An Act relating to credit unions). Vice-Chairman Hohman asked Representative McKinnon to speak on the legislation. Representative McKinnon stated that the bill would set up a chartering system and would be a compromise of what has been done in the past.

CSHB 452
(Rules)

Senator Sumner stated that he wished to introduce an amendment to the bill but that it was not yet completed. He moved that the bill be held over. There being no objection, it was so ordered.

CSHB 452
(Rules)
RET'D TO FILE

The next order of business was consideration of COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 546 (An Act increasing pre-judgment and post judgment interest rates). Vice-Chairman Hohman pointed to the letter of intent from the Judiciary Committee, and asked that Mr. Guy Van Doren, Administrative Assistant to Senator Ziegler present testimony on the bill.

CSHB 546

Mr. Van Doren stated that the purpose of the bill was to increase prejudgment and post judgment interest from 8% to 2% above the federal rate. This was to prevent companies being sued from drawing high interest rates on their own accounts while paying only the 8% pre and post judgment rate. The Committee Substitute would establish the rate at 12%; the letter of intent states that any cases pending before this date will be conducted under the 8% level.

Senator Ray moved and asked unanimous consent that the SENATE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 546 (An Act increasing pre judgment and post judgment interest rates; and providing for an effective date) be moved from committee with individual recommendations. Vice Chairman Hohman, noting the number of "do pass" votes, changed the recommendation to "do pass". All members signed the committee report "do pass", with the exception of Senator Sumner who signed "no recommendation" and Chairman Sackett who was absent.

SCS CSHB 546

MOTION
SCS CSHB 546

Consideration of COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 578 amended (An Act establishing the municipal grant account) was taken up. Vice Chairman Hohman stated that Senator Ray had been working with the Attorney General on the language, and asked Senator Ray to bring the committee up to date.

CSHB 578 am

Senator Ray stated that the present version of the bill was a compromise, and will at least be a temporary solution to the problem. Various aspects of the language were discussed. Vice-Chairman Hohman stated that the bill should be returned to the file until the language became more firm. There being no objection, it was so ordered.

CSHB 578 am
RET'D TO FILE

Vice-Chairman Hohman advised that the next order of business would be consideration of SENATE BILL NO. 539 (An Act making an appropriation to the Department of Public Safety for emergency medical services), and asked Senator Ferguson to comment on the bill.

SB 539

Senator Ferguson stated that the bill was introduced in behalf of the EMS people and that it would provide equipment for different types of emergencies to various communities. He said that the Department of Public Safety representative Charlie Smith would contact communities and order the equipment rather than allowing the communities to order it themselves. He said that the monetary allotment for the fire truck should be \$70.0, and that he would also like to add \$5,000.0 for maintenance equipment for the unorganized boroughs as of last year. He added that the monetary allotment for the ambulance should be \$30.0 rather than \$15.0.

Senator Ray moved and asked unanimous consent that the bill be moved from committee with individual recommendations. Vice-Chairman Hohman, noting the number of "do pass" votes, changed the recommendation to "do pass". There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Chairman Sackett who was absent.

MOTION
SB 539

SENATE BILL NO. 436 (An Act relating to grants for solid waste processing or disposal facilities; and providing for an effective date) was considered next.

SB 436

Commissioner of Environmental Conservation Ernst Mueller and Solid Waste Management Director Dick Williams testified as to the departments involvement with solid waste facilities. Mr. Williams stated that this legislation would add \$16,000.0 to the bond proposal, and would allow for two

4/28/80

additional staff members for \$82.0 (the staff would not be hired if the bond proposal were not passed). It was established that the committee was presently considering COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 436 (An Act relating to grants for water supply sewerage systems and solid waste facilities; and providing for an effective date).

CSSB 436

Senator Kerttula moved and asked unanimous consent that the bill be passed from committee with a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Chairman Sackett, who was absent.

MOTION
CSSB 436

Next considered was SENATE BILL NO. 545 (An Act establishing the Alaska Gas Liquids Authority and repealing the Alaska Gas Pipeline Financing Authority). Senator Hackney indicated that Mr. George Silides, representing the Earth Resources Company would present testimony on the bill. Mr. Silides distributed his testimony in written form (attached to the end of these minutes). Possible amendments were discussed. General discussion followed. Vice-Chairman Hohman stated that since it was so close to floor session time, the bill would be returned to the file and taken up again later in the day. There being no objection, it was so ordered.

SB 545

SB 545
RET'D TO FILE

The meeting recessed at 10:10 a.m.

RECESS

Handwritten notes:
#35
100-246
100-246
100-246



Earth Resources Company of Alaska

1001 NOBLE, FAIRBANKS, ALASKA 99701

907/456-ERCA

What is SB 545, and Why is it Needed?

Basically SB 545, establishing the Natural Gas Liquids Authority, is the amending of the existing Gas Pipeline Financing Authority. The amendments focus on today's problems and needs.

In its January 1980 report to the Legislature, the existing Pipeline Financing Authority declared itself, "moribund" and in need of amendment to redefine and redirect its purpose and function. SB 545 does that. It redirects the focus from pipeline financing, per se, for the benefit of Northwest, to the financing of natural gas conditioning and natural gas delivery system to in-state use and benefit. In addition, SB 545 clearly defines such financing as a public purpose and benefits so as to more closely comply with IRS requirements for tax exempt bond financing.

The Natural Gas Liquids Authority is needed as a tool to enable the Administration to act quickly if a decision is finally made to exercise the State's option to participate financially in the gas conditioning plant.

We feel that such financial participation is more probable than not. At the present time, the State's position in the three-cornered discussions between Producers, Northwest, and the Feds is strictly non-voting until the State decides to participate financially. We believe that the State may discover that its present position is analogous to someone who wants to get into a poker game but who is unwilling to buy any chips.

Even if the State is able to influence the location and process design of the conditioning plant without financial participation, there remains the likelihood that the State will need to provide a system to deliver NGL's to instate users. The proposed NGL Authority contains the financing and operational mechanism for this.

Recently, the Mayor's group for the Governor's appointed Natural Gas Task Force called upon the Governor and the Legislature to adopt a clear policy for in-state petrochemical development. SB 545 is a good place to begin and we urge, a "do-pass" recommendation from the Senate Finance Committee.

MINUTES
SENATE FINANCE COMMITTEE
April 28, 1980
1:40 p.m.

In the absence of Chairman John Sackett the meeting was convened by Vice-chairman George Hohman at approximately 1:40 p.m. All committee members were present with the exception of the Chairman. Also in attendance were Senator Bettye Fahrenkamp; Representative Joe McKinnon; Attorney General Avrum M. Gross (for a portion of the meeting); Director of the Division of Banking Julius Brecht; George Silides, a lobbyist representing Silides Engineering Associates; Administrative Assistants for Senate Finance Bill Hogan and Garrey Peska; Administrative Assistant to Vice-chairman Hohman, Rob Kocsis; and representatives from the media including Dana Reed and Joe LaRocca.

PRESENT

Vice-Chairman Hohman advised the the meeting was convened in order to continue discussion of bills on the April 28 committee agenda, particularly legislation held over from the morning meeting. He moved that the most important piece of legislation, CSHB 578 am (Act establishing the municipal grant account) be brought on for discussion.

CSHB 578am

Senator Ray advised of the need to add additional language to the proposed Committee Substitute prepared by Legislative Affairs: Page 1, the last line, following "other qualified persons" insert "in the same area." The Senator advised that such wording would correct situations wherein entities from other areas come into a specified area and provide services which are available through local entities.

Senator Sumner advised of his belief that wording in the municipal grant account legislation provides "more fertile ground for litigation than any other six bills" passed during the session. He further attested to belief that the wording suggested above would violate State procurement practices. He emphasized need to "see" the grant account "addressed in the best legal terms possible."

Referring to language on page 2 of the Committee Substitute, Senator Ray advised that wording to the effect that the Department shall contract with persons who make proposals which best serve the public interest embodies the key to grant account legislation--the amendment would simply keep such services local.

Senator Sumner suggested language be added requiring that the naming of a specific recipient be honored by state agencies except in cases where someone else provides better service.

Following brief discussion between Senators Ray and Sumner, Senator Sumner formally proposed the following wording: "however, the appropriation shall be made to the specific or named recipient, except or unless the administration or department shows that another person would provide greater or better service."

Senator Ray suggested amending the above language to include "unless the department stipulates in writing another person is better qualified."

Senator Ray expressed concern that under the above language the Attorney General could easily issue an opinion stating that he found the administration-selected entity to be preferable to the one selected by the legislature. Senator Sumner responded that his above-suggested wording would put the burden of proof on the administration rather than the legislature. He further attested to need to write the law in such a manner that the burden of proof is on the administration. Senator Ray advised that while the burden of proof rests in the Constitution, there is no way to place such a burden upon the administration if an Attorney General's opinion supports the department.

Senator Hackney attested to the fact that Attorney General Gross previously testified and was recorded as having stated that legislative intent will be complied with.

Administrative Assistant Rob Kocsis having formally drafted Senator Ray's suggested language in amendment form, presented the following wording for committee consideration:

Insert the following language in place of the last sentence on page 1 of the proposed committee substitute

At the same time, the department shall issue a request for a proposal from other qualified persons located or doing business in the same geographic area to provide the same goods or services or both.

AMENDMENT
NO. 1
ADOPTED

No objection to the above language having been voiced, it was adopted as Amendment No. 1 to the proposed committee substitute.

Senator Sumner suggested the following language replace the second complete paragraph on page 2 of the proposed committee substitute: "The department shall contract with the named-recipient unless the department in writing documents why another person is better qualified to serve the public interest."

SUMNER
SUGGESTED
AMENDMENT
NO. 2

Senator Hohman suggested the following alternative language to Senator Sumner's proposed wording:
"The department shall contract with the named-recipient unless the department documents and proves another provider of services is better qualified to serve the public interest."

HOHMAN
SUGGESTED
AMENDMENT
NO. 3

Administrative Assistant Rob Kocsis was directed to compile the above-suggested language and return to committee at a later time for further consideration of CSHB 578am.

Vice-chairman Hohman moved that CSHB 452 (Rules) (An Act relating to credit unions) be brought up for discussion. Senator Sumner moved to delete Sec. 06.45.240, page 18, lines 15 through 22. No objection to the amendment having been voiced, it was adopted by committee. Senator Sumner next moved that CSHB 452 (Rules) pass from committee with individual recommendations. No objection having been raised, CSHB 452 (Rules) passed from Senate Finance--all committee members present signing no recommendation.

CSHB 452
(Rules)
AMENDMENT

CSHB 452
(Rules)/AMEND
INDIVIDUAL
RECOMMENDA-
TION

Senator Bennett moved that SCR 44 (Relating to maintenance of the Eureka Airstrip) be brought before committee and that it pass with individual recommendation. No objection having been raised, SCR 44 passed from Senate Finance--Senators Hohman, Hackney, Bennett, and Kerttula signing do pass, Senators Sumner and Ray signing no recommendation.

SCR 44
INDIVIDUAL
RECOMMENDA-

Attorney General Avrum Gross arrived at the meeting at this time and committee discussion reverted to CSHB 578am (municipal grant account). Mr. Gross reviewed the proposed amending language and advised that Amendment No. 1 poses no problem. Upon review of subsequent suggestions, Mr. Gross stated that the second suggested amendment (Senator Sumner's) would direct the administration to give preference to the named designee, but it would not rule out other qualified providers. The third suggested amendment (Senator Hohman's) would make it necessary for the department to prove the other provider is better qualified. Both of the above suggestions are stronger than current wording in the proposed legislation which simply states that the department will give weight to Legislative intent.

TION

CSHB 578am

MR. GROSS

Mr. Gross attested to the fact that in the course of negotiations on municipal grant account legislation, the administration and Legislature "started from opposite positions." The Legislature claims it has the right to select grant recipients while the administration claims the Legislature does not. The closer the Legislature comes to selecting the recipient, the closer it comes to violating the law.

Senator Ray advised that the proposed committee substitute prepared by Legislative Affairs represents a "compromise" on the grant issue. He further accused the administration of attempting to "push the Legislature back into a second position" when it (the Legislature) "wants to be right up there when the selection is made."

Mr. Gross advised that current language in the bill does not "vary greatly" from Legislative intent, and was offered as a compromise position.

He further asked if the committee would provide him typed copies of the proposed amendments for consideration at his office prior to returning to committee with legislative wording incorporating the intent of the amendments.

CSHB 578am was thus returned to committee files pending appearance by Mr. Gross before committee at its next meeting.

CSHB 578am
RETURNED TO
FILE

Vice-Chairman Hohman advised that discussion of SB 545 (Act establishing the Alaska Gas Liquids Authority and repealing the Alaska Gas Pipeline Financing Authority) would be continued from the morning meeting and introduced former Senator George Silides. Mr. Silides advised that it is necessary this legislation be implemented should action on the Gas Pipeline be taken.

SB 545

Senator Sumner expressed concern regarding make-up of the authority. He further stated that if the bill is merely a piece of legislation "to make the public think something is going to happen," he would not stand in its way. However, if the bill is to be a viable piece of legislation, it does not comply with need, and time does not remain in the session for restructuring. Problems with the legislation center on the fact that the authority is primarily composed of Administration people who could presently perform the function contemplated by the legislation if they wished to. Make-up of the authority should represent an "aggressive portion of the private sector."

Mr. Silides responded that the bill has "been carefully structured and will do the job."

Further discussion ensued between Senator Sumner and Mr. Silides. Senator Sumner concluded his remarks advising that there is nothing to lead him to believe that the commissioners involved under the proposed authority have any enthusiasm for functioning under the bill; the bill would not produce a gas financing package.

Mr. Silides countered with his belief that the bill provides the best vehicle should the Governor desire to enter into a financing agreement. He further advised that he does not feel strongly about the make-up of the authority and would be agreeable to restructuring.

Senator Ray suggested the legislation "needs further work." Vice-chairman Hohman moved that SB 545 would be returned to committee files.

SB 545
RETURNED
TO FILE

The meeting adjourned at approximately 2:50 p.m.

ADJOURN

MINUTES
SENATE FINANCE COMMITTEE
April 29, 1980
1:40 p.m.

Chairman John Sackett convened the meeting at approximately 1:40 p.m. All committee members were present with the exception of Senators Hackney and Bennett who arrived shortly after the meeting began, and Senator Sumner who did not attend. Also in attendance were Fiscal Analyst Bob Schroeder, and Bill Hogan, Administrative Assistant for Senate Finance. PRESENT

The Chairman advised that the meeting was convened for the purpose of conducting budget close-outs for the ADMINISTRATION OF JUSTICE budget category. HB 556
(BUDGET)

The bill version of the budget is appended to these minutes. Significant changes in BRUs (differences in total figures between the Governor and Senate) are footnoted by number and page number.

ADMINISTRATION OF JUSTICE - Senator Sackett Subcommittee Chairman JUSTICE

- 1 Page 34 - DUE PROCESS - Status of Women Commission
Senator Sackett recommended 161.2, advising he deleted all new positions and reduced the BRU to continuation level.
- 2 Page 34 - DUE PROCESS - Human Rights Commission
Senator Sackett recommended 1053.6, advising he deleted all new positions and related costs.
- 3 Page 34 - PUBLIC DEFENDER - First Judicial District
Senator Sackett recommended 330.7, advising he allowed continuation plus \$2 thousand.
- 4 Page 34 - PUBLIC DEFENDER - Second Judicial District
Senator Sackett recommended 240.9, advising he allowed 4 new positions but reduced their cost by 1 month.
- 5 Page 34 - PUBLIC DEFENDER - Third Judicial District
Senator Sackett recommended 1243.7, advising he deleted all new positions.
- 6 Page 34 - PUBLIC DEFENDER - Fourth Judicial District
Senator Sackett recommended 622.3, advising he deleted all new positions and related costs.

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- 7 Page 34 - PUBLIC DEFENDER - Administration and Support
Senator Sackett recommended 132.3, advising
that such funding represents the FY 79 actual
plus 14%.
- 8 Page 34 - PROSECUTION - First Judicial District
Senator Sackett recommended 489.3, advising he
deleted all new positions and reduced vacancy.
- 9 Page 34 - Senator Sackett recommended the following
totals (having deleted all new positions
and reduced vacancy) for the BRUs listed below:

PROSECUTION

Second Judicial District	287.4
Third Judicial District	2213.5
Fourth Judicial District	915.2

- 10 Page 34 - PROSECUTION - Admin. & Support
Senator Sackett recommended 350.3, advising
such funding includes the Administrative
Assistant III (position no. 1) in Juneau.
Other new positions are deleted.
- 11 Page 34 - PROSECUTION - Criminal Appeals & Special Pro.
Senator Sackett recommended 451.1, advising
he deleted the six new positions and effected
3% vacancy.
- 12 Page 35 - CRIMINAL JUSTICE PLANNING - Planning
Senator Sackett recommended 912.9, advising
that the total represents the FY 80 authorized
plus 7%. He allowed the Program Coordinator
position in Juneau.
- 13 Page 35 - ADULT CONFINEMENT - Palmer Corr. Cntr.
Senator Sackett recommended 1492.6. Referring
to the Master Plan, he advised he added the
Clerk Typist for Palmer (position no. 6) and
increased equipment.
- 14 Page 35 - ADULT CONFINEMENT - Anch. State Corr. Cntr.
Senator Sackett recommended 1270.9 which
includes the Alcoholism Counselor required
for probation (position no. 5).
- 15 Page 35 - ADULT CONFINEMENT -
Juneau Correctional Center - 2247.5
Fairbanks Corr. Cntr. - 2677.0
Above increases reflect addition of Alcoholism
Counselors added in FCCS HB 60.

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- 16 Page 35 - ADULT CONFINEMENT - Eagle River Corr. Cntr.
Senator Sackett moved for acceptance of the Governor's figure of 2314.0, including the Institutional Instructor, Anchorage.
- 17 Page 35 - ADULT CONFINEMENT - Local Facilities
Committee members recommended addition of 465.0 for Bethel, 228.0 for Kenai, 322.0 for Kodiak, and 83.0 for Sitka, for a new total of 1127.0.
- 18 Page 35 - ADULT CONFINEMENT - Major Medical & Guard Hire
Senator Sackett recommended 750.7, advising that two nurses are required in accordance with a lawsuit filed in Anchorage involving the Human Rights Commission. These nurses will cover four jails in the Anchorage area.
- 19 Page 35 - ADULT CONFINEMENT - Master Plan Statewide Pool
Bob Schroeder advised that this BRU originated with the Master Plan Committee. The House created a BRU in response to committee need. Senator Bill Ray moved to zero the BRU. No objection having been voiced, it was zeroed.
- 20 Page 35 - YOUTH SERVICES - Institutional Care
Committee transferred this function to Health and Social Services.
- 21 Page 35 - YOUTH SERVICES - Juvenile Court Intake
Senator Sackett advised that the above represents a new BRU established to provide care for juveniles prior to court appearance rather than placing them in maximum security. Most state maximum security prisons do not have room to house them. Senator Ray moved to hold the BRU open. No objection having been offered it was initially held open but subsequently closed at the meeting of 5/3/80 for a total of 384.1.
- 22 Page 36 - YOUTH SERVICES - Juvenile Probation 3rd Dist.
Senator Sackett recommended 862.3, advising the total includes vacancy reduction to 3%.
- 23 Page 36 - PROBATION & COMM. PROGRAMS - Adult Probation 1st Jud. Dist.
Senator Sackett recommended 210.8, advising he reduced travel as well as vacancy and turn over.

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- 24 Page 36 - PROBATION & COMM. PROGRAMS
 Adult Probation 3rd Judicial D. 945.6
 Adult Probation 4th Judicial D. 442.1
 The Chairman advised that for the above
 BRUs he reduced vacancy and turn over to 3%
 and also reduced travel.
- 25 Page 36 - PROB. & COMM. PROGRAMS - Community Based Progs.
 Senator Sackett advised that the above
 BRU represents half-way houses. He recommended
 1018.0, advising he took out one-month's
 equivalent in costs for new positions.
- 26 Page 36 - DIV. OF CORRECTIONS - Directors Office
 Senator Sackett recommended 1416.7, advising
 of a total of 5 new positions--3 from the
 Master Plan and new positions 1 and 2 (Criminal
 Justice Planner II, Juneau, and Training Officer
 I, Juneau).
- 27 Page 36 - OFFENDER CONF. REF. & SUPV. - Parole Board
 Senator Sackett recommended 165.0, advising
 he deleted the two new positions and reduced
 the BRU to continuation level. Senator Ray
 advised of numerous complaints in this area
 and requested reinstatement of the Clerk IV
 position in Juneau (addition of 19.9 to the
 above total for a new total of 184.9). No
 objection to the above request having been
 voiced, the new total was adopted.
- 28 Page 36 - CRIME IDENT & APPREHENSION - Detachments & C.I.B.
 Senator Sackett initially recommended 14780.5
 and deletion of all new positions. Committee
 members demonstrated need for a number of the
 deleted positions, and Senator Ray suggested
 reinstating either all the requested troopers
 or the constables. Senator Ray then formally
 moved for reinstatement of positions 7 through
 13 (constables for: Sewawik, Noorvik, Kiana,
 Tanana, McGrath, Iliamna; and a trooper for
 Holy Cross). No objection to the motion having
 been voiced, the new total of 15245.8 was
 adopted.
- 29 Page 36 - CRIME IDENT. & APPREHENSION - Narcotics Unit
 Senator Sackett recommended 573.3 but advised
 committee members of a request for 215.6 to be
 used for drug buys. The intention is to purchase

6516.0 worth of drugs with the requested funding. Discussion followed concerning the department's pool of drug purchase money and the dollar amount of drugs that the requested funds should be able to purchase. Senator Sackett advised that the backup material accompanying the request was extremely poor, and Senator Ray suggested the department substantiate its request prior to funding.

- 30 Page 37 - CRIME IDENT. & APPREHENSION - Central Communications
Delete all new positions and related costs.
No substantial backup. New total 2011.5.
- 31 Page 37 - CRIME IDENT & APPREHENSION - Training
Senator Sackett recommended 1320.0, advising he deleted the new position (Clerk Typist II, Sitka).
- 32 Page 37 - CRIME IDENT. & APPREHENSION - Contract Jails
Senator Sackett recommended 397.2. An additional 50.0 for Valdez was added to the above for a new total of 460.0.
- 33 Page 37 - CRIME IDENT. & APPREHENSION - Village Public Safety Officer
Senator Sackett recommended 2994.7, advising that the above represents a new BRU created to accommodate a program initiated through FCCS HB 60.
- 34 Page 37 - VIOLENT CRIMES COMP. BOARD -
Senator Sackett recommended 334.4, advising that many of the line items had been reduced to the continuation level.
- 35 Page 37 - POLICE STANDARDS COUNCIL -
Senator Sackett recommended 102.2, advising he deleted all new positions. Questions arose concerning budgeting for training classes and the BRU was left open. It was later closed at the meeting 5/3/80, Senator Hackney recommending acceptance of the Governor's figure of 253.8. No objection having been voiced, the Governor's figure was adopted.
- 36 Page 37 - ALASKA COURT SYSTEM - Administration & Support
Total of 2859.9 includes the first three of requested new positions (Data Control Clerk, Accounting Clerk, and Library Clerk, all to be located in Anchorage).

- 37 Page 37 - ALASKA COURT SYSTEM - Judicial Qualifications
Senator Sackett recommended 29.5. Senator Ray moved to zero the BRU. No objection to the motion for zero having been voiced, funding for the BRU was eliminated.
- 38 Page 37 - ALASKA COURT SYSTEM - Judicial Council
Senator Sackett recommended 308.8, advising "they want to really expend, and this is not the year to expend."

At this time the committee concluded budget review and requested that Attorney General Gross again appear before committee concerning CSHB 578 am (Act establishing the municipal grant account).

CSHB 578 am

Senator Ray advised of his opinion that the most recently submitted language from Mr. Gross was far from what the committee intended when it previously presented him with three proposed language changes for his review and incorporation within grant legislation.

Senator Sumner attested to his understanding that the wording to be properly drafted by Mr. Gross would require that the Department contract with the named recipient unless the Department shows in writing that someone else is better qualified to serve the public good.

Senator Hohman advised that the Department could subvert Legislative intent if it diverts funding from the designated recipient to another. Mr. Gross responded that in the instance of an alcoholism program aimed at early detection of potential alcoholism problems, the legislature could ensure such a grant would not go to an organization with a different philosophy by "writing in" the specific purpose of the grant.

Senator Ray responded that in his district he would prefer that if the grant is not given to the named recipient, the grant not be funded at all. Mr. Gross responded that he had not before understood that the committee expected him to draft language specifying that the Legislature designate the grantee.

Senator Ray and the Chairman directed Mr. Gross to prepare language providing that if the grant is not made to the entity designated by the Legislature it shall not be made at all.

The meeting adjourned at approximately 3:15 p.m.

SFC-80 #37, Side 1, (280-end) Side 2 (entire side)
SFC-80 #38, Side 1 (000-189)

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MINUTES
SENATE FINANCE COMMITTEE
April 29, 1980
9:07 a.m.

Chairman John Sackett convened the meeting at approximately 9:07 a.m. In attendance were Senators Hohman, Kerttula, and Hackney as well as Senator Ray who arrived shortly after the meeting began. Also attending were fiscal analysts Bob Grogan and Reporter Joe LaRocca. PRESENT

The Chairman advised that the meeting was convened for the purpose of conducting budget close-outs for the NATURAL RESOURCES budget category.

The bill version of the budget is appended to these minutes. Changes in each BRU (differences in figures between the Governor and Senate) are footnoted by number, date, and page number.

NATURAL RESOURCES (Committee of the Whole)

NATURAL
RESOURCES

- 1 Page 26 - MANAGEMENT & ADMINISTRATION - Research Special Projects - New total \$1702.2.
No new positions allowed for special projects.
- 2 Page 26 - STATE PIPELINE SURVEILLANCE - Gas Pipeline Review - New total 0. Component zeroed because there is no gas pipeline to review.
- 3 Page 26 - LAND MANAGEMENT - Land Selection Title Defense
New Total 495.2 includes two new positions, Hydrologist II (position no. 8) and Cadastral Surveyor III (position no. 1)
- 4 Page 26 - LAND MANAGEMENT - Land Disposals/Fee Title,
New total 3033.8 includes no new positions; stop all CIP positions.
- 5 Page 26 - WATER MANAGEMENT - Water Inventory/Assessment
New total 164.8 represents continuation level, no new positions
- 6 Page 26 - WATER MANAGEMENT - Water Use Management
New total 1010.9 includes no new positions.

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- 7 Page 26 - WATER MANAGEMENT - Dam Safety
This BRU was zeroed because of low priority placement by the Department.
- 8 Page 26 - FOREST MANAGEMENT - Timber Inventory/Sales
Senator Sackett recommended a total of 705.7 which includes funding for the Forester II position at Icy Bay (position no. 1) and the Forest Technician I at Haines (position no. 6). He advised that positions 2, 3, 4, and 5 relate to assisting the public obtain permits for firewood. Senator Hackney attested to need for the Forest Technician listed as position no. 4 and recommended a new total of 773.0. No objection having been noted, the new total was adopted.

NOTE- Both the above figure (773.0) and figure listed on the attached budget bill (772.9) are incorrect. Line item amounts in computer printout are also incorrect. Correct Senate total for this BRU is 997.7.

- 9 Page 27 - OIL & GAS MANAGEMENT - Lease Sales
Senator Sackett recommended a total of 807.4, advising that all new positions were deleted.
- 10 Page 27 - OIL & GAS MANAGEMENT - Lease Sale Admin.
Senator Sackett recommended a total of 491.7, advising that the increase over the Governor's figure represents additional funding in the miscellaneous line item for the unitization project position.
- 11 Page 27 - RESOURCE INVENTORY/ASSESSMENT - Geological Hazard Identification.
Senator Sackett recommended a total of 126.8, advising that he deleted all new positions.
- 12 Page 27 - PARK OPERATIONS
Bob Grogan advised that while the Park Division budget is "up 3%," it is questionable whether or not state parks can be maintained properly within this funding. Senator Sackett moved for acceptance of the Governor's figures for all park BRUs for a total of 2,936.3.
- 13 Page 28 - COMMERCIAL FISH - Salmon
Senator Sackett recommended 6,446.1, advising he permitted inflation only and allowed no new positions.

- 14 Page 28 - COMMERCIAL FISH - Administration
Senator Sackett recommended a total of 898.5, advising he deleted all new positions and transferred the balance to Commercial Fisheries Entry Commission
- 15 Page 28 - COMMERCIAL FISH - Ground Fish
Senator Sackett recommended zero for this BRU since "there is nothing happening out there." Bob Grogan advised that given the overall level of the fisheries (total catch last year was 4 million lbs.), the requested addition of 14 positions "might be a bit premature."
- 16 Page 28 - SPORT FISH - Management
Bob Grogan advised that the Senate total of 887.4 represents a deletion of all new positions and hold on inflation.
- 17 Page 28 - SPORT FISH - Administration
New total of 253.3 represents reduction of inflation in areas such as travel.
- 18 Page 28 - F.R.E.D. - Operations
Senator Sackett advised that in arriving at the new total of 7,153.3 he deleted the new positions and all related costs and permitted inflation of only 10% since no new hatcheries are "coming on line."
- 19 Page 28 - ADMINISTRATION AND SUPPORT - Office of the Commissioner
Senator Sackett recommended a total of 706.5, advising he allowed no new positions or related costs but left the grants and claims. Senator Ray moved to add 19.9 for the Clerk III position in Juneau. No objection having been voiced, the new total of 726.4 was adopted.
- 20 Page 28 - ADMINISTRATION AND SUPPORT - Public Communication
Senator Sackett recommended 221.2, advising that he deleted all new positions and remote filming.
- 21 Page 28 - ADMINISTRATION AND SUPPORT - Administrative Services
Senator Sackett recommended 2269.5, advising he deleted all new positions.
- 22 Page 29 - GAME - Investigations and Research
Senator Sackett recommended 5655.0, advising he deleted all new positions.

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- 23 Page 29 - VESSELS
Senator Sackett recommended 1679.0, advising he deleted all new positions.
- 24 Page 29 - SUBSISTENCE SECTION
Senator Sackett recommended 1331.4, advising he added a Biologist III position for McGrath and a Biologist III for Fort Yukon.
- 25 Page 29 - C.F.E.C - Commission
Senator Sackett recommended 997.9, advising he allowed no new positions and transferred 4 positions to the Data Center.
- 26 Page 29 - C.F.E.C. - Fisheries Data Center
Senator Sackett recommended 1995.7, advising that the BRU represents a new Fish & Game Management unit and includes two new positions.
- 27 Page 29 - HABITAT PROTECTION - Land and Water Conservation
Senator Sackett recommended 315.3, advising he allowed no new positions.
- 28 Page 29 - HABITAT PROTECTION - Administration and Support
Senator Sackett recommended 204.9, advising he deleted funding for merit increases and reinstatement.
- 29 Page 29 - HABITAT PROTECTION - Environmental Monitoring
Senator Sackett recommended 527.4, advising he deleted all new positions and reinstatement.
- 30 Page 29 - HABITAT PROTECTION - Gas Pipeline Monitoring
The committee zeroed this BRU.
- 31 Page 29 - FISH & WILDLIFE PROTECTION - Enforcement
Senator Sackett recommended 5708.1, advising he deleted all new positions but allowed for inflation.
- 32 Page 30 - FISH & WILDLIFE PROTECTION - Marine Enforcement
Senator Sackett recommended 1903.5, advising that he reduced underfunding and brought the BRU back to its maintenance level.
- 33 Page 30 - ADMINISTRATION - Advisory Board
Senator Sackett recommended zero funding for this BRU.
- 34 Page 30 - ADMINISTRATION - Administrative Services
Senator Sackett recommended 336.6, advising he deleted all new positions.

- 35 Page 30 - ENVIRONMENTAL QUALITY OPER - Facility Construction and Oper.
Senator Sackett recommended 1076.2, advising he deleted the part time Clerk Typist.
- 36 Page 30 - ENVIRON. QUALITY OPER. - Southeast Region
Senator Sackett recommended 477.8, advising he allowed only one position (position no. 1, Environmental Field Officer II, Juneau).
- 37 Page 30 - ENVIRONMENTAL QUALITY OPERATION - Southcentral Region
Senator Sackett recommended 1074.2, advising he allowed the Environmental Field Officer II in Anchorage but reduced contractual to the continuation level.
- 38 Page 30 - ENVIRON. QUALITY OPER. - Northern Region
Senator Sackett recommended a total of 678.4, advising that funding includes position no. 1, the Field Officer II in Fairbanks.
- 39 Page 30 - ENVIRONMENTAL MANAGEMENT - Water Quality Management
Senator Sackett recommended 1133.0, advising he deleted all new positions.
- 40 Page 30 - ENVIRONMENTAL MANAGEMENT - Management and Tech. Assistance
Senator Sackett recommended 555.9, advising he reduced vacancy an additional 1%, and also reduced travel.
- 41 Page 30 - ENVIRONMENTAL MANAGEMENT - Air & Solid Waste
Senator Sackett advised that additional funding included in the new total of 577.0 if to be used for the Nulato Land fill operation.
- 42 Page 30 - GAS PIPELINE SURVEILLANCE
Senator Sackett recommended zero for this BRU, advising that the administration "can come in with a supplemental or go to Budget & Audit if it needs the positions."

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

ADJOURN

SFC-80 #36, Side 2 (158-end)
#37, Side 1 (000-280)

4/29/80

MINUTES
SENATE FINANCE COMMITTEE
May 1, 1980
2:45 p.m.

In the absence of Chairman John Sackett, Vice-Chairman George Hohman convened the meeting at approximately 2:45 p.m. Members in attendance included Senators Sumner, Hackney, Bennett, Ray, and Kerttula. Also present were Fiscal Analyst Bob Schroeder and Administrative Assistant for Senate Finance Bill Hogan.

PRESENT

The Vice-Chairman announced that the meeting was convened for the purpose of conducting budget close-outs for the PUBLIC PROTECTION budget category.

The bill version of the budget is appended to these minutes. Significant changes in components (differences in total figures between the Governor and Senate) are footnoted by number and page number.

PUBLIC PROTECTION - Senator Bennett, Subcommittee Chairman

PUBLIC
PROTECTION

1 Page 31 - OFFICE OF CONSUMER PROTECTION

Senator Bennett initially recommended 491.9. Objection was raised and travel costs associated with the component eventually reduced effecting a new total for the component of 483.6.

2. Page 31 - ALCOHOLIC BEVERAGE CONTROL BD.

Senator Bennett advised that the ABC Board is "currently under sunset," and recommended zero for the component. Senator Ray objected and moved instead the Governor's figure of 438.9 with the understanding that if the Board is eliminated through sunset legislation, the funding will be deleted.

3 Page 31 - OCCUPATIONAL SAFETY
General Administration
Compliance Inspection
Health Inspection

Senator Bennett advised that the Budget & Audit Committee recommended that the above components be zeroed. The House followed that suggestion when preparing its budget. Senator Sumner objected to eliminating the funding, advising that he believes OSHA at the federal level to be more of a "monster" than the state program. However, upon a show of hands, the motion for zero was adopted.

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- 4 Page 31 - OCCUPATIONAL SAFETY - Planning & Standards
Senator Bennett recommended zero funding in accordance with Legislative Budget & Audit suggestion.
- 5 Page 31 - WORKER PROTECTION - Wage & Hour Admin. Senator Bennett recommended 770.1, advising that such funding includes a Budget Amendment in the amount of 45.4.
- 6 Page 32 - BANKING, SECURITIES & CORP. - Financial Institutions
Senator Bennett recommended 746.3. Senator Ray recommended subtraction of 120.0 from contractual services for a code change, leaving a new total of 626.3. No objection having been voiced, the new total was adopted.
- 7 Page 32 - BANKING, SECURITIES & CORP. - State Recorder
Senator Bennett recommended 1156.2 and Bob Schroeder advised that the difference between the recommended figure and the Governor's figure results from subtraction of "double rent" associated with possible office relocation in Anchorage. It is now likely the office will not have to move after all. Senator Hohman raised questions concerning the Bethel office and requested that the component be held open. The component was initially left open but later closed at the above-recommended figure.
- 8 Page 32 - ALASKA TRANSPORTATION COMMISSION
Senator Bennett recommended 1415.9. Senator Ray advised of numerous complaints that the Board does not allow public participation during its meetings unless one is a party to the action through petition to intervene. The decision not to permit public input is apparently Board policy. Bob Schroeder advised that if SB 512 fails to pass the Legislature, the above commission "will be under sunset."
- 9 Page 32 - ALASKA NATIONAL GUARD - Office of Adjutant General
It was initially requested that this component remain open. No objection having been raised it was held open but later closed at the Governor's figure 1011.6.

The committee completed its review of the Public Protection budget and took a fifteen minute break prior to commencing review of SOCIAL SERVICES. Fiscal Analyst Bob Schroeder left the meeting and was replaced by the Fiscal Analyst for Social Services, Jerry Schilz.

SOCIAL SERVICES - Senator Bill Ray, Subcommittee Chairman

- 1 Page 13 - ADVENTURE BASED EDUCATION
Jerry Schilz advised that the 150.0 in funding had been moved from C & RA to Social Services with intent that funding must go through Alaska Pacific University. Senator Hohman stated that funding for the above purpose in FCC3 HB 60 was given directly to the school district and requested that the component remain open. No objection having been voiced, it was held open and subsequently closed at the above-mentioned funding level.
- 2 Page 13 - LONGEVITY BONUS
Senator Ray recommended 15014.7, advising he reduced contractual and the associated estimate.
- 3 Page 13 - PIONEERS HOMES - Fairbanks
Senator Ray recommended 2688.2, advising he increased contractual.
- 4 Page 13 - PIONEERS HOMES - Palmer
Senator Ray recommended 2417.2, advising he increased personal services.
- 5 Page 13 - PIONEERS HOMES - Central Office
Senator Ray recommended 251.2, advising that the difference in funding between the Governor's and Senate figure represents a reduction in staff.
- 6 Page 14 - CHILD SUPPORT ENFORCEMENT
Senator Ray recommended 2057.5, advising he allowed no new positions.
- 7 Page 13 - ASSISTANCE PAYMENTS .. AFDC
Senator Ray recommended 28096.7, suggesting that the program be arranged in such a fashion that the department will have to ask for and justify a supplemental if additional funding is needed. The component shall also bear legislative intent to the effect that the Department will not reduce the program without Legislative review and approval. Jerry Schilz advised that the above program is closely tied to the social security cost of living increase. Senator Ray advised that the Department has arbitrarily increased a number of its programs 9 or more percent. He attested to need to place the Department in a positions where it must request and justify supplementals.

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- 8 Page 14 - ASSISTANCE PAYMENTS - Aid To Disabled
Senator Ray recommended 4691.7, advising of his opposition to intent language specifying establishment of contractual arrangements between the Department and Mauneluk Association providing that the Association serve as fiscal intermediary for processing payments to residents in the Kotzebue region.
- 9 Page 14 - ASSISTANCE PAYMENTS - General Relief
Senator Ray recommended 800.0, advising that the funding increase of 150.0 would help catch up with increasing costs.
- 10 Page 15 - PUBLIC ASSISTANCE ELIGIBILITY - Eligibility Determination - Senator Ray recommended 4462.7, advising that the component was reduced because 4 positions were moved to Mauneluk. These individuals will assist in determining eligibility.
- 11 Page 15 - PUBLIC ASSISTANCE ELIGIBILITY, Staff Development
Senator Ray recommended 137.0, advising that the reduced funding represents a reduction in staff.
- 12 Page 15 - PROGRAM SERVICES, Homemaker Services
Senator Bennett recommended a total of 1392.4 with intent that state services presently administered by the Dept. of Health & Social Services transfer to Mauneluk Association for a pilot program on the delivery of health and social services programs by a local area. Senator Ray voiced objection to the intent, advising he could not agree to giving such a function to one group when several groups provide the same services.
- 13 Page 15 - PROGRAM SERVICES, Foster Care and Institutional Care - Senator Ray advised that funding for these components has been moved to a newly-created BRU.
- 14 Page 15 - PROGRAM SERVICES - Youth Services
Senator Ray recommended 490.6, advising that funding includes a grant of 40.0 to Big Brothers and Big Sisters of Southeast Alaska.
- 15 Page 15 - FOSTER CARE - Senator Bennett advised that positions from previous Foster Care component have been transferred to this new BRU. He recommended a total of 3688.9, advising that average daily costs have risen 51%.

- 16 Page 16 - CONTRACT SERVICES-MAUNELUK
Senator Ray recommended 400.2, advising that he wished the record to show his objection to contractual services in the above manner.
- 17 Page 16 - SOCIAL SERVICES - Southcentral Region
Senator Ray recommended 2720.4, advising that he deleted positions 1 and 3 and allowed 2, 4, and 5.
- 18 Page 16 - SOCIAL SERVICES - Southeastern Region
Senator Ray recommended 499.2, advising he added 29.6 for a social worker at Sitka.
- 19 Page 16 - SOCIAL SERVICES - Northwestern Region
Senator Ray recommended 433.6, advising that he deleted 3 positions and "gave the money to Mauneluk."
- 20 Page 17 - OLD AGE ASSISTANCE PAYMENTS
Senator Ray recommended 4479.5, advising that such funding represents addition of a budget amendment in the amount of 134.6.
- 21 Page 17 - COMMISSIONERS OFFICE
Senator Ray recommended 493.4, advising that this component was reduced by 17.0 and that funding "put in the Reach Program."
- 22 Page 17 - ADMINISTRATION - Finance
Senator Ray recommended 679.3 for full funding of existing positions.
- 23 Page 17 - ADMINISTRATION - Audit
Senator Ray recommended 427.0, advising that he deleted the new position in Juneau.
- 24 Page 17 - ADMINISTRATION - Fraud Investigation
Senator Ray recommended 158.7, advising that he fully funded existing positions.
- 25 Page 17 - ADMINISTRATION - Contract Internal Audit
Senator Ray recommended 0 funding, and Jerry Schilz advised that last year the department was to contract out its audit. The program never really "got off the ground."
- 26 Page 18 - TITLE XX OFFSET
Senator Ray advised of a Budget Amendment deleting 62.0. Jerry Schilz stated that the department would be receiving 62.0 less than anticipated.

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- 27 Page 18 - EMPLOYMENT SECURITY - Unemployment Insurance
Senator Ray recommended 11071.7, advising
he included the Governor's Budget Amendment.
- 28 Page 18 - EMPLOYMENT SECURITY - Fraud Investigation
Senator Ray recommended 462.0, advising that
he deleted the clerk typist position in
Anchorage and its associated costs.
- 29 Page 18 - ADMINISTRATIVE SERVICES - Management Services
Senator Ray recommended 2334.9, advising he
reduced travel.
- 30 Page 18 - ADMINISTRATIVE SERVICES - Labor Market
Information
Senator Ray recommended 497.0, advising he
eliminated the new positions and associated
costs.
- 31 Page 19 - WINTERIZATION
Senator Ray advised that the above program
has been moved to the Development Category.
- 32 Page 19 - CETA - Services and Administration
Senator Ray recommended 3373.7, advising
that the above funding represents the Governor's
budget figure. He further stated that he "had
to add the new positions to get the money."
- 33 Page 20 - COMMUNITY SERVICES
Senator Ray recommended 100.0 and Jerry
Schilz advised that the above represents
a state program becoming a federal program.
The program will be "happy" with 100.0 and
one position.

Senator Ray advised that the budget for Social Services is
\$3.7 million lower than the Governor's.

The meeting adjourned at approximately 4:10 p.m.

ADJOURN

SFC-80 # 38, Side 2 (380-end)
39, Side 1 (entire side)
Side 2 (000-202)

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MINUTES
SENATE FINANCE COMMITTEE
May 1, 1980
8:45 a.m.

Chairman Sackett called the meeting to order at 8:45 a.m. All members were present with the exception of Senator Hohman who arrived at 9:25 a.m. Also in attendance were Senate Finance Administrative Assistant Bill Hogan; Fiscal Analyst Milt Barker; and representatives from the press including Joe LaRocca.

ATTENDANCE

Chairman Sackett stated that the first order of business would be to close out the Development category of the 1981 budget. That category had been assigned to Senator Sumner and Chairman Sackett requested that he begin.

DEVELOPMENT
CATEGORY

The bill version of the budget is appended to the end of these minutes. Changes in each category are footnoted by number, date and page number. Development category footnotes are as follows:

DEVELOPMENT

1. 5/1/80 - page 38 - Office of Governor - International Affairs - Asian Office.
Increased Governor's figure \$324.4 to \$517.9
(Letter from Chuck Gibson re: more active role in whole Asian sphere - increased travel, printing in Contractual)
Senator Sumner requested a Letter of Intent that they report activities back to the Legislature.
2. 5/1/80 - page 38 - Department of Revenue - Municipal Bond Bank Authority.
Decreased Governor's figure from \$334.3 to \$290.9
(Chairman Sackett moved the change in Contractual from \$219.9 to \$181.5 - \$15.0 Accounting, \$45.0 Bond Council, \$30.0 Financial Advisory, \$13.0 Bond Ratings, \$15.0 Trustee and Bond Delivery, \$2.0 Professional Secretary)
3. 5/1/80 - page 38 - Department of Commerce and Economic Development - Economic Enterprise - General Operations.
Increased Governor's figure \$1354.4 to \$1567.3
(Chairman Sackett - deleted \$40.0 for pink salmon study in Contractual)
(Increased Grants/Claims from -0- to \$348.9. Funding to Minority Resource Center and Services with Letter of Intent to increase the number of economic enterprises participating in state sponsored projects. Senator Ray opposed.)

4. 5/1/80 - page 38 - Department of Commerce and Economic Development - Economic Enterprise - EDA Planning.
Reduced Governor's figure \$359.2 to \$239.3
(Disallowed two new positions)
(In Contractual - Development Plan Update, funding for permit simplification workshop)
5. 5/1/80 - page 39 - Department of Commerce and Economic Development - Economic Enterprise - Asian Office.
Reduced Governor's figure \$151.9 to \$131.7.
(Deleted housing and utility costs)
(Ray opposed total figure)
6. 5/1/80 - page 39 - Department of Commerce and Economic Development - Veterans Loan Fund.
Reduced Governor's figure \$936.2 to \$903.6.
(Increase of 5% from -0- in vacancy and turnover.)
7. 5/1/80 - page 39 - Department of Commerce and Economic Development - Tourism.
Reduced Senate figure \$3991.8 to \$3491.8.
(In Contractual deleted \$50.0 for market research and deleted \$500.0 for media advertising.)
(In Personal Services three positions allowed - one conversion of part time)
8. 5/1/80 - page 39 - Department of Commerce and Economic Development - Energy & Power Development - Energy Administration.
Senate figure \$308.7.
(No new positions or position costs)
9. 5/1/80 - page 39 - Department of Commerce and Economic Development - Energy & Power Development - Weatherization.
Governor's and Senate figure same - \$2488.0.
(Senator Ray moved to transfer \$20.2 from Grants/Claims to Personal Services for an Energy Assistant in Juneau with no increase in funding.)
10. 5/1/80 - page 39 - Department of Commerce and Economic Development - Alaska Power Authority.
Reduced Governor's figure \$332.1 to \$327.1.
(New position equipment deleted.)
11. 5/1/80 - page 39 - Department of Natural Resources - Agricultural Management - Agricultural Development.
Increased Senate figure \$82.7 to \$122.7.
(Added \$40.0 for Horticulturist. Later this position was deleted and put in University of Alaska - Organized Research - General University Research instead)

12. 5/1/80 - page 39 - Department of Natural Resources - Agricultural Management - State Fairs.
Increased Governor's figure \$162.3 to \$294.5.
(Chairman Sackett moved to add \$5.0 for Galena Fair and \$2.0 for Delta Fair.)
13. 5/1/80 - page 40 - Department of Community and Regional Affairs - Local Government Assistance - Energy Impact Program.
Increased Governor's figure \$585.2 to \$991.2.
(Increase in Federal Environmental Recreation Grants)
14. 5/1/80 - page 40 - Department of Community and Regional Affairs - Community Planning Services - Community Planning Assistance.
Reduced Governor's figure \$4799.7 to \$4239.8.
(Deleted new positions - 5% vacancy)
15. 5/1/80 - page 40 - Department of Community and Regional Affairs - Municipal Lands Trustee.
Reduced Governor's figure \$254.6 to \$190.5.
(Deleted new position and position costs)
16. 5/1/80 - page 40 - Department of Community and Regional Affairs - Administration - Administrative Services.
Reduced Governor's figure \$394.0 to \$350.2.
(Deleted position \$26.5), 4% vacancy.)

Chairman Sackett stated that the next order of business would be budget close-outs in the Health Category. He asked Senator Ray to proceed. Footnotes are as follows:

HEALTH

1. 5/1/80 - page 20 - Department of Health and Social Services - Nursing - Field Nursing.
Reduced Governor's figure \$4526.0 to \$4354.0.
(Transfers out Mauneluk)
2. 5/1/80 - page 20 - Department of Health and Social Services - Nursing - Early Screening.
Reduced Governor's figure \$526.0 to \$407.5.
(Deleted Public Health Nurse and Public Health Aides)
3. 5/1/80 - page 20 - Department of Health and Social Services - Communicable Disease Control - TB Control.
Increased Governor's figure \$690.0 to \$715.7.
(Reduced vacancy and turnover to 3% - increased Personal Services)

4. 5/1/80 - page 20 - Department of Health and Social Services - Environmental Health - General Sanitation. Increased Governor's figure \$1354.3 to \$1420.1. (Reduced vacancy and turnover to 5%)
5. 5/1/80 - page 21 - Department of Health and Social Services - Child & Family Health - Special Education Grants. Reduced Governor's figure \$394.5 to \$358.4. (Reduced grant for Arctic Association for Retarded - Fairbanks)
6. 5/1/80 - page 21 - Department of Health and Social Services - Public Health Administration - Administration. Increased Governor's figure \$744.7 to \$771.6. (Added \$26.9 for Fairbanks Breast Cancer Center)
7. 5/1/80 - page 23 - Department of Health and Social Services - General Relief Medical Catastrophic. Reduced Governor's figure \$977.3 to \$954.8. (Reduced Grants/Claims)
8. 5/1/80 - page 24 - Department of Health and Social Services - SHPDA - Certification and Licensing. Reduced Governor's figure \$385.0 to \$357.7. (Reduced travel \$27.5.)
9. 5/1/80 - page 24 - Department of Health and Social Services - SHPDA - Health Planning Commission. Reduced Governor's figure \$142.3 to \$91.7. (Deleted Planner, and new position costs)
10. 5/1/80 - page 25 - Department of Health and Social Services - Alaska Psychiatric Institute. Increased Governor's figure \$8262.9 to \$8424.1. (Reduced Vacancy and turnover to 2%)
11. 5/1/80 - page 25 - Department of Health and Social Services - Harborview. Reduced Governor's figure \$5752.4 to \$5710.6. (Increased vacancy and turnover)
12. 5/1/80 - page 25 - Department of Health and Social Services - Community DD Services - Family Support. Increased Senate figure \$1427.8 to \$1533.0. (Added \$105.2 in Grants/Claims for R.E.A.C.H.)
13. 5/1/80 - page 25 - Department of Health & Social Services. M.H. Administration & Support - Central Office Admin. Reduced Governor's figure \$588.4 to \$580.8. (Increased vacancy and turnover factor)

14. 5/1/80 - page 25 - Department of Health and Social Services - M.H. Administration & Support - Demonstration Grants.
Reduced Governor's figure \$406.3 to \$351.8.
(Deleted Planner position.)

The meeting recessed at 9:40 a.m.

RECESS

MINUTES
SENATE FINANCE COMMITTEE
May 2, 1980
1:45 p.m.

Chairman John Sackett convened the meeting at approximately 1:45 p.m. In attendance were Senators Bennett, Hackney, Hohman, and Kerttula. Senators Ray and Sumner did not attend. Also present were Dr. Kerry Romesburg, Executive Director of the Postsecondary Education Commission; Bill Thomson, Deputy Commissioner of Education; Fiscal Analyst Dave Scott; and Administrative Assistant to Senate Finance Bill Hogan.

PRESENT

The Chairman announces that the meeting was convened for the purpose of conducting budget close-outs for the EDUCATION budget category.

The bill version of the budget is appended to these minutes. Significant changes in components (differences in total figures between the Governor and Senate) are footnoted by number and page number.

EDUCATION - Senator Hackney, Subcommittee Chairman

EDUCATION

- 1 Page 4 - FOUNDATION PROGRAM COMPONENTS - Correspondence Study-DOE
Senator Hackney recommended 1527.7, advising that he increased correspondence study statewide by increasing the commodities line item.
- 2 Page 4 - FINANCIAL SUPPORT-DISTRICTS - Pupil Transportation
Senator Hackney recommended the request figure of 18216.5. Dave Scott advised that the Governor reduced the request because the department asked that such a reduction be made. The department says it made no such request for reduction. Due to the above communication problem, the requested funding level was reinstated.
- 3 Page 5 - FINANCIAL SUPPORT-DISTRICTS, Boarding Home Grants
Senator Hackney recommended 1000.0, advising of decreases in the plant and facility.
- 4 Page 5 - FINANCIAL SUPPORT-OTHER - Debt Retirement Local
Dave Scott advised that the subcommittee adopted 30250.0 which represents full funding of both sections of debt retirement.

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- 5 Page 5 - FINANCIAL SUPPORT-OTHER - Cross Cultural Education
Dave Scott recommended 97.3, advising that in accordance with the Governor's amendment cross cultural has been transferred to the University of Alaska. The personal services director and secretary are not transferring since both will be retiring.
- 6 Page 5 - K-12 EDUC. PROGRAM SUPPORT - Educational Program
Dave Scott recommended the House figure of 632.0, advising that such funding does not allow the position request.
- 7 Page 5 - K-12 EDUC. PROGRAM SUPPORT - Career & Vocational Education
Dave Scott recommended the House figure of 986.3 based on an RP. Senator Sackett inquired concerning the vacancy, and Mr. Scott responded that vacancy has been effected based on 3 and 4 %.
- 8 Page 5 - K-12 EDUC. PROGRAM SUPPORT - Special Education
Senator Hackney recommended 384.3, advising he allowed the Education Specialist for identification of the gifted and talented.
- 9 Page 6 - EXECUTIVE ADMINISTRATION - Planning Info. & Research
Dave Scott recommended 764.1, advising that such funding allows positions 4 and 6 (Program Evaluation Admin., Juneau, and Field Services Admin.-Instructional TV, Juneau).
- 10 Page 6 - EXECUTIVE ADMINISTRATION - Project ETA
Senator Hackney recommended 1886.0. Responding to questions from Senator Sackett concerning General Fund changes, Dave Scott advised that the program has entered that period where federal funding "goes down and General Fund comes up."
- 11 Page 6 - STATE BOARD OF EDUCATION - Professional Teaching Practice
Senator Hackney recommended 95.4, but Senator Sackett suggested that the general funds be reduced and the program receipts remain as the source of funding.
- 12 Page 6 - ADULT & POSTSEC. SUPPORT - Grants Admin.
Dave Scott advised that the two new positions (Fire Training Coord. and Fisheries Educ. Coord.)

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are necessary for coordination work around the state. Senator Hackney recommended 688.0, advising that such funding includes the four requested positions.

- 13 Page 6 - POSTSECONDARY EDUCATION COMMISSION - Scholarship Loan Program - Senator Hackney recommended 12000.0, advising that such funding covers an entire fiscal year.
- 14 Page 6 - POSTSECONDARY EDUCATION COMMISSION - Student Incentive Grant Program - Dave Scott recommended 339.0 and advised of the need for greater involvement in the program which is governed by federal regulations and receipts.
- 15 Page 6 - POSTSECONDARY EDUCATION COMMISSION - Student Financial Aid Admin. - Senator Ray moved for acceptance of the Governor's figure of 881.1, advising of the need for collection services. Senator Hackney stated that his sub-committee had allowed the temporary positions to assist with enrollment. Dr. Kerry Romesburg attested to an \$800,000 backlog in identified uncollected student loans out of a total of \$4.7 million in total loans. These loans have a delinquency rate of approximately 19 to 21%.
- 16 Page 6 - POSTSECONDARY EDUCATION COMMISSION - General Administration - Senator Hackney recommended 845.8, advising that the division is faced with a need to move from Juneau to Fairbanks. Senator Ray objected and requested that the component be held open pending further action.
- 17 Page 7 - SKILL CENTER PROGRAMS - Seward Center - Senator Hackney recommended 3233.3, advising he allowed only two new positions (No. 5, Custodial Worker, Seward, and one from program receipts).
- 18 Page 7 - VOCATIONAL REHABILITATION - Counseling & Placement - Senator Hackney recommended 2352.2, advising of a new position for the Palmer office.
- 19 Page 7 - VOCATIONAL REHABILITATION - Services to Clients - Senator Hackney recommended 2315.0, advising that such funding reduces general fund to the continuation level. The total budget effected a 40% increase in general fund. This was cut back to 25%.

- 20 Page 7 - VOCATIONAL REHABILITATION - Employment of the Handicapped
Senator Hackney recommended 119.1, including funding to establish the Governor's Commission on the handicapped.
- 21 Page 7 - ALASKA HISTORICAL COMMISSION
Senator Hackney recommended 460.1, advising that the commission has been on a starvation diet for years. Funding includes money for Alaska Historical textbooks.
- 22 Page 7 - ALASKA ARTS COUNCIL
Senator Hackney recommended 2157.6, advising the increase is "due to the fact that everything else has been increasing." Dave Scott advised of an additional request by the Anchorage Arts Council due to expiration of CETA funding. Anchorage funding in the amount of 120.0 was thus added to the above figure for a new total of 2277.6.
- 23 Page 7 - PUBLIC BROADCASTING COMMISSION
Dave Scott advised that last year PBC developed a formula for fund distribution. The subcommittee recommends 75% of that formula.
- 24 Page 7 - MUSEUMS
Dave Scott recommended 672.6, advising that such funding includes positions 1 and 4 (Curator II, field services, Juneau, and Museum Assistant, Juneau). These two positions were previously federally funded.
- 25 Page 7 - STATE LIBRARY - Regular Operations
Dave Scott advised that the recommended total of 2969.8 includes 130.0 in funding for Capital 81. This funding represents the only Capital 81 funding included with the Education category. The Governor included no such funding in his budget. The 130.0 represents funding for a 90-day session which is what has been funded in the past.
- Six of the positions to be funded under the library component are aligned with federal receipts. Only position no. 9 (School Library Media Coordinator) is funded through general fund.

At this time the committee concluded review of the Education budget, took a brief recess, and reconvened for consideration of the TRANSPORTATION budget.

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TRANSPORTATION - Senator Hohman, Subcommittee Chairman

- 3 Page 41 - ADMINISTRATION - Internal Review and Internal Review CIP
Senator Hohman recommended 485.8 for the former and 50.0 for the latter, advising that reductions were made in personal services and travel.
- 4 Page 41 - ADMINISTRATION - Admin. Services CIP
Senator Hohman recommended 402.7, advising of 13 CIP conversions.
- 5 Page 41 - MAINTENANCE & OPERATIONS, Administration
Senator Hohman recommended 783.4, advising of intent relating to the Whittier Shuttle.
- 6 Page 42 - SOUTHEAST REGION O & M - Highways
Senator Hohman recommended 5430.4 and Senator Ray advised of the need for bond issue funding to handle realignment.
- 7 Page 42 - CENTRAL REGION O & M - Administration
Senator Hohman recommended 904.0, advising that such funding represents an 8% change from the FY 80 authorized.
- 8 Page 42 - SOUTHCENTRAL REGION O & M, Highways
Senator Hohman recommended 5914.5, advising that the Governor requested a 200.0 increase. Most regions move from three to five people between components almost every year.
- 9 Page 43 - FAIRBANKS INTERNATIONAL AIRPORT, Security
To the total of 1773.0 recommended by the Transportation Subcommittee, Senator Hohman added 35.0 for an additional security position and a new total of 1808.0.

Jay Hogan advised committee members of a budget amendment for Marine Transportation in the amount of \$1 million.

The Chairman advised of over 400 CIP conversions statewide totaling \$4 million. He proposed two-phase funding for these positions, funding one-half from general funds and the other half from interagency receipts.

The Chairman further announced that at the committee's next meeting, it will review the Capital budget and the Budget for the University of Alaska. He advised that "the Governor wants everything currently in the Capital budget. We can't make too many additions because we took care of them in FCCS for HB 60."

The meeting adjourned at approximately 3:20 p.m.

ADJOURN

MINUTES
SENATE FINANCE COMMITTEE
May 2, 1980
8:45 a.m.

Chairman Sackett called the meeting to order at 8:45 a.m. All members were present with the exception of Senator Sumner who arrived at 9:00 a.m. Also in attendance were Senator Stimson; Administrative Assistant to Senator Hohman Rob Kochis; Senate Finance Administrative Assistants Garrey Peska and Bill Hogan; and representatives from the press including Joe LaRocca.

ATTENDANCE

Chairman Sackett stated that the first order of business would be consideration of COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 578 am (An Act establishing the municipal grant account; and providing for an effective date). He stated that Senator Ray had been working with the Attorney General on the technical language contained in the bill and asked that Senator Ray bring the committee up to date. It was established that the committee was working on final language for SENATE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 578 (An Act relating to state grants; and providing for an effective date). Senator Ray gave the committee a section by section review of that most current version. General discussion, mostly relating to subsection (b), followed. The problem here was to make sure that the grantee could not arbitrarily decide when and how to use the grant money. The committee decided that language (line 24 of the working copy) that would read: "The remainder of the grant shall be in installments equal to the amount of grant money the municipality expended in the previous month." Senator Ray moved and asked unanimous consent that this version of the bill be moved from committee with a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass".

CSHB 578 am

SCS
CSHB 578

Chairman Sackett stated that the next order of business would be close-out of the General Government budget category. He asked that Senator Kerttula, who had been assigned that category, proceed. The General Government footnotes are as follows:

GENERAL
GOVERNMENT
BUDGET CLOSE-
OUTS

GENERAL GOVERNMENT

1. 5/2/80 - page 44 - Office of the Governor - Executive Operations - Executive Office.
Reduced Senate figure \$2,367.9 to \$2,290.0.
(Senator Kerttula moved to delete Bethel Special Assistant (\$56.6) and Bethel Clerk Typist III (\$21.3).)

2. 5/2/80 - page 45 - Office of the Governor - Executive Operations - Lieutenant Governor.
Reduced Governor's figure \$796.4 to \$711.3.
(Deleted Data Processing Equipment Operator I.)
3. 5/2/80 - Office of the Governor - Executive Operations - Policy Development and Planning.
Reduced Governor's figure \$1492.7 to \$1214.3.
(Double funding - also deleted three positions)
4. 5/2/80 - Page 45 - Office of the Governor - Executive Operations - Internal Audit.
Reduced Governor's figure \$625.8 to \$586.9.
(no new positions)
5. 5/2/80 - page 45 - Office of the Governor - Salary and Benefits Incr. - University of Alaska.
Reduced Governor's figure \$18036.4 to \$15437.1.
(Deleted Governor's admendment for Community College Contracts)
6. 5/2/80 - page 45 - Department of Administration - Elective Operations - Public Offices Commission.
Reduced Governor's figure \$383.6 to \$338.5.
(Allowed only two new part time Clerks for elections)
7. 5/2/80 - page 45 - Department of Administration - Accounting - Pre-Audit.
Increased Governor's figure \$994.3 to \$1014.7.
(Included Governor's budget amendment)
8. 5/2/80 - page 46 - Department of Administration - General Services - Central Mail and Switchboard.
Increased Governor's figure \$410.7 to \$413.8.
(Included Governor's budget amendments #02-1 and #02-3.)
9. 5/2/80 - page 46 - Department of Administration - General Services - Archives.
Decreased Governor's figure \$942.9 to \$907.4.
(Deleted one new position)
10. 5/2/80 - page 46 - Department of Administration - Data Processing - Computing and Telecommunications.
Decreased Governor's figure \$8195.5 to \$7934.2.
(Deleted Fairbanks EDP Coordinator)
11. 5/2/80 - page 47 - Department of Administration - Labor Services - Equal Employment Opportunity.
Decreased Governor's figure \$419.6 to \$379.0.
(Deleted Admin. Support Technician and Clerk Typist III)

12. 5/2/80 - page 47 - Department of Administration - Retirement and Benefits - P.E.R.S.
Increased Governor's figure \$862.5 to \$864.4.
(Deleted new positions but left funding in the charge-back area.)
13. 5/2/80 - page 47 - Department of Administration - Retirement and Benefits - T.R.S.
Reduced Governor's figure \$749.4 to \$746.0.
(Deleted new position equipment, including Governor's budget amendment.)
14. 5/2/80 - page 47 - Department of Revenue - Revenue Operations - Audit.
Reduced Governor's figure \$3223.6 to \$2923.1.
(Disallowed private citizen check)
(Disallowed new positions)
15. 5/2/80 - page 47 - Department of Revenue - Revenue Operations - Treasure Management.
Reduced Governor's figure \$1436.9 to \$1415.3.
(3% vacancy and turnover)
16. 5/2/80 - page 48 - Department of Revenue - Administration and Support - Administrative Services.
Reduced Governor's figure \$2361.4 to \$2266.7.
(Disallowed new positions)
17. 5/2/80 - page 48 - Department of Transportation - Facilities Planning and Research - CIP Position Conversion Administration.
Reduced Governor's figure \$1015.7 to \$986.8.
(Approval done in two phases - only 1/2 of conversion approved this budget as G.F. - 1/2 of funding from CIP projects with interagency receipts.)
18. 5/2/80 - page 48 - Department of Transportation - Facilities Planning and Research - CIP Position Conversion - Central.
Reduced Governor's figure \$1018.5 to \$989.5.
(same as footnote # 17)
19. 5/2/80 - page 49 - Department of Transportation - Facilities Planning and Research - CIP Position Conversion - S.E.
(same as footnote # 17)
20. 5/2/80 - page 49 - Department of Transportation - Facilities Planning and Research - CIP Position Conversion - Interior.
(same as footnote # 17)

21. 5/2/80 - page 49 - Department of Transportation - Facilities Design and Construction -
Administration
Design
Construction
Position Conversion
(Reduced Governor's figures - 3% vacancy and turnover.)
22. 5/2/80 - page 49 - Department of Transportation - Public Facilities Maintenance and Operations -
Maintenance and Operations - Central
Maintenance and Operations - Interior
Maintenance and Operations - S.E.
Maintenance and Operations - Western
Maintenance and Operations - Southcentral
(Senate figures increased from Governor's figures due to inclusion of Governor's budget amendments.)
23. 5/2/80 - page 49 - Department of Transportation - State Equipment Fleet -
Central District
Interior District
Southeastern District
Western District
Southcentral District
(Senate figures increased from Governor's figures due to inclusion of Governor's budget amendments.)
24. 5/2/80 - page 50 - Legislature - Budget and Audit Committee - Legislative Finance.
Increased Governor's figure \$1430.8 to \$1457.0.
(Included Governor's budget amendment for pay increase for session employees.)
25. 5/2/80 - page 50 - Legislature - Office of Ombudsman
Reduced Governor's figure \$991.8 to \$939.2.
(Disallowed new position)
(Disallowed travel to Israel)

Chairman Sackett stated that the committee would meet again at 1:30 p.m. that day. The meeting recessed at 9:50 a.m.

RECESS

MINUTES
SENATE FINANCE COMMITTEE
May 3, 1980
8:30 a.m.

Chairman Sackett called the meeting to order at 8:30 a.m. All members were present. Also in attendance were Administrative Assistant to Senate Finance Bill Hogan; Director of Legislative Finance Jay Hogan; Fiscal Analyst Dave Scott; and representatives from the press including Joe LaRocca.

ATTENDANCE

Chairman Sackett advised that the first order of business would be to close out two BRU's in the Transportation category that had been left open. He requested that Senator Hohman proceed. The footnotes are as follows:

TRANSPORTATION
BUDGET CLOSE-
OUT

TRANSPORTATION

1. 5/3/80 - page 41 - Administration - Commissioner's Office.
Accepted total figure of \$792.7.
(Senator Hohman moved that \$350.0 be added to Contractual for contracting for airport maintenance in rural airports.)
2. 5/3/80 - page 41 - Maintenance and Operations - Airport Leasing.
Accepted Governor's figure.
(Senator Hohman moved that the five positions recommended by the Governor be allowed.)

Chairman Sackett then stated that the committee would close out the University of Alaska budget category. This category had been assigned to the committee as a whole. The footnotes are as follows:

UNIVERSITY OF
ALASKA BUDGET
CLOSE-OUTS

UNIVERSITY OF ALASKA

1. 5/3/80 - page 8 - University of Alaska - Board of Regents - Faculty Sabbatical Leave Program.
(Senator Bennett moved that a Letter of Intent be written designating the following allotment of positions:
8 in Anchorage
8 in Fairbanks
4 in Juneau
4 "at large" to be designated by President Barton)

2. 5/3/80 - page 8 - University of Alaska - Statewide Administration - Statewide Staff & Support.
Reduced Governor's figure \$4468.2 to \$3776.8.
(Allows two new positions - Assistant Director of Institutional Study and Microfilm Camera Operator)
3. 5/3/80 - page 8 - University of Alaska - Statewide Administration - Data Processing Services.
Reduced House figure \$4035.2 to \$3928.8
(Senator Sackett deleted \$505.0 for self-insured Claim Reserves)
4. 5/3/80 - page 8 - University of Alaska - Organized Research - General University Research.
Reduced Governor's figure \$41000.6 to \$40415.1.
(Allowed seven new positions, all federally funded except the Agronomy Professor and the Pesticide Professor)
(Senator Kerttula moved to add a Horticulturist position for leafy vegetables to the Mat-Su Experimental Farm. No objections. This position had previously been added to the Natural Resources Category, Agricultural Management, Agricultural Development; it will now be removed and added here.)
5. 5/3/80 - page 8 - University of Alaska - University Center - Fairbanks, Instruction.
Reduced Governor's figure \$12883.9 to \$12662.9.
(Allowed six new positions - Clerk Steno II; Personal Secretary; Conference Coordinator; Assistant Professor, Vocational Agriculture & FO; Associate Professor of Music, Zoo, Geog., & Education; and Xced Program Staff.)
6. 5/3/80 - page 8 - University of Alaska, Fairbanks - Public Service - KUAC.
Reduced Governor's figure \$1107.0 to \$1091.1.
(3% vacancy and turnover)
7. 5/3/80 - page 9 - University of Alaska - UA Fairbanks - Academic Support.
Senate figure same as Governor's figure \$4256.9.
(Allowed Museum Graduate Assistant)
(Senator Kerttula moved for a Letter of Intent saying the Library will be kept open to midnight)
8. 5/3/80 - page 9 - University of Alaska - UA Fairbanks - Student Services.
Reduced Governor's figure \$1701.7 to \$1676.0.
(Allowed one new position)

9. 5/3/80 - page 9 - University of Alaska - UA Fairbanks - Student Services.
Reduced Governor's figure \$13954.2 to \$12272.3.
(Allowed the following positions: Dispatcher; two Engine Drivers; Temp. Pool - fire; Purchasing Clerk II; Data Entry Clerk; and Staff Accountant)
10. 5/3/80 - page 9 - University of Alaska - UA Anchorage - Instruction.
Reduced Governor's figure \$6611.5 to \$6483.5.
(Allows 9 positions - same as Governor)
11. 5/3/80 - page 9 - University of Alaska - UA Anchorage - Research & Professional Centers.
Increased Governor's figure \$1091.2 to \$1084.5.
(3% turnover salary savings rate)
12. 5/3/80 - page 9 - University of Alaska - UA Anchorage - Academic Support.
Reduced House figure \$1989.9 to \$1809.3.
(Recommended two positions instead of three.)
13. 5/3/80 - page 9 - University of Alaska - UA Anchorage - Administration & Plant.
(Senator Kerttula moved that a Letter of Intent be written specifying that President Harrison not be allowed to hire a full time assistant.)
14. 5/3/80 - page 9 - University of Alaska - UA Juneau - SESC Instruction.
Reduced Governor's figure \$1290.8 to \$1229.7.
(Allows Associate Professor of Music.)
15. 5/3/80 - page 9 - University of Alaska - UA Juneau - JDCC Instruction.
Reduced Governor's figure \$1863.9 to \$1834.5.
(Added \$26.3 for Continuing Education Training Specialist, and \$75.0 for a training center for Vocational Education teachers - funding in Misc.)
16. 5/3/80 - page 9 - University of Alaska - UA Juneau - Administration and Plant.
Reduced Governor's figure \$1430.4 to \$1399.9.
(Allowed Custodian I position.)
17. 5/3/80 - page 9 - CC Statewide Administration - State-wide Staff and Support.
Reduced Governor's figure \$1249.7 to \$1087.3.
(Allowed three positions)

18. 5/3/80 - page 9 - University of Alaska - CC Statewide Administration - CC Contract
Reduced original Senate figure \$2103.8 to \$2016.4.
(Senators Ray and Kerttula moved to delete \$87.4 for Professional Development Leaves.)
(Community College breakdown sheet is attached to end of these minutes. A Letter of Intent will be written indicating specific breakdown of funds.)
19. 5/3/80 - page 10 - University of Alaska - Anchorage Community College - Academic Support.
Reduced Governor's figure \$2098.2 to \$1972.4.
(3% vacancy and turnover)
(Transferred in Performing Arts Media Center, transferred out Campus President)
20. 5/3/80 - page 10 - University of Alaska - Chukchi Community College - Consortium - NW Arctic REAA
Senate figure \$427.8
(All previous BRU's transferred in - with Letter of Intent)
21. 5/3/80 - page 10 - University of Alaska - Kodiak CC - Instruction
Reduced Governor's figure \$754.9 to \$749.3.
(Vocational Education Program decreased funds are being appropriated in a House bill.)
22. 5/3/80 - page 11 - University of Alaska - Kuskokwim CC - Instruction
Reduced Governor's figure \$2280.2 to \$2253.1.
(If federal funding is approved, position requests will be allowed)
23. 5/3/80 - page 11 - University of Alaska - Kuskokwim CC - Administration and Plant.
Reduced Governor's figure \$766.5 to \$738.8.
(Allow for Labor Pool-Plant position.)
24. 5/3/80 - page 11 - University of Alaska - Mat-Su CC - Administration and Plant
Reduced Governor's figure \$300.7 to \$269.0.
(Senator Kerttula changed the Custodian I position to Custodian II.)
25. 5/3/80 - page 11 - University of Alaska - Prince William Sound CC - Instruction
Reduced Governor's figure \$670.3 to \$508.9.
(If federal funding is approved, the position requests will be allowed.)

26. 5/3/80 - page 12 - University of Alaska - Tanana Valley
CC - Instruction
Reduced Governor's figure \$2017.7 to \$2144.4.
(Allows for following positions plus more on the priority
listing: Food Service Director; Program Director; and
Vocational Counselor)
27. 5/3/80 - page 12 - University of Alaska - Tanana Valley
CC - Administration and Plant
Reduced Governor's figure \$633.7 to \$598.5.
(Hutchison Career Center, Misc., with Letter of Intent)
(Allowed new position)
28. 5/3/80 - page 12 - University of Alaska - Cooperative
Extension Service
Reduced Governor's figure \$3136.5 to \$3170.9.
(University of Alaska President Barton requested that
this be shown as a separate appropriation.)
(Senator Kerttuia asked for a Letter of Intent stating
that an Extension Agent would transmit information from
the UA and the Experimental Farm to the Alaska farmers.)

Chairman Sackett advised that the committee would
review the Capital Budget after recess. The meeting
recessed at 9:55 a.m.

RECESS

University of Alaska
Community College Contract
FY-81 Cost

	<u>Request</u>	<u>Recommended</u>
Article 1-Agreement	38.7	10.0
Scheduling of Negotiations		
Article 4-Grievance	-	15.0
Article 5- Workload	8.9	-
Class maximum overloads		
Article 5- Workload	13.3	-
Stacked Classes/modular		
Article 6- Working Conditions	10.6	-
Substitutes		
Article 7- Employment Status	294.7	294.7
Summer/Overload Employment	(240.0 for summer school)	
Article 8- Salaries & Benefits		
Placement	57.3	-
Placement Committee	4.7	4.7
Salary Schedule	(7% July '79 7% July '80) 555.9	555.9
Area Cost Differential	345.0	45.0
Fringe Benefits	91.1	91.1
Continuing Education	5.0	-
~~Article 9- Professional Develop. Leaves~~	~~87.4~~	~~87.4~~
Article 10- Release Time	76.7	-
Article 12-	10.0	-
	<u>2,599.3</u>	<u>2,103.8</u>
		- 87.4
		<u>2,016.4</u>

MINUTES
SENATE FINANCE COMMITTEE
May 3, 1980
11:00 a.m.

Chairman John Sackett convened the meeting at approximately 11:00 a.m. All committee members were present with the exception of Senator Hohman who arrived shortly after the noon break. Also in attendance were Director of Legislative Finance Jay Hogan; Fiscal Analysts Milt Barker, Bob Grogan, Dave Scott, Bob Schroeder, Jerry Schilz, and Alison Elgee. Commissioner of Transportation Robert Ward appeared for a portion of the meeting and representatives of the press and administrative assistants to committee members were present for portions of the meeting.

PRESENT

The Chairman announced the meeting was convened for the purpose of Capital Budget review and the closing of areas of the Operating Budget previously held open. He again stated that the Governor's Capital Budget provides little room for change since most legislative capital projects have been funded through the Free Conference version of HB 60. The committee then commenced review of the Capital Budget, effecting the following deletions and additions:

CAPITAL
BUDGET
&
OPERATING
CLOSE-OUTS

EDUCATION

CAPITAL
EDUCATION

Rural Education -

All Rural Education projects were accepted with the exception of the following projects which Nancy Harvey advised were included within HB 60:

Refrig/Freezer Repair - Bethel	90.0
Major Maintenance, High School -Emmonak	158.6
Dist. Code Upgrade - Iditarod	250.0

Adult and Postsecondary Education

Skill Center

Oil Rig Enclosure - Seward	260.0
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UNIVERSITY OF ALASKA

Dave Scott advised that per committee request he deleted approximately \$1.2 million in instructional equipment from the University budget.

DELETION

SOCIAL SERVICES

Jerry Schilz advised of the need to delete the following, not due to their inclusion in HB 60, but because of RP's:

Employment Stabilization Dept. of Labor

DELETIONS

UI Benefits System Redesign, Juneau	375.0
UI Tax System, Juneau	325.0

The Chairman advised of need to add the following:

Dept. of Labor Telecommunications

ADDITIONS

Telecommunication training and upgrade	231.0
ES and UI furniture and upgrade for personnel in Anchorage	277.5

Senator Ray added the following:

REACH, Inc., Purchase of Group Home - Juneau	150.0
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HEALTH

The committee adopted the Governor's capital budget with no deletions, but with the following addition:

Dept. of Health & Social Services Mental Health and Developmental Disabilities

ADDITION

Studio Club - Wasilla	1.8 million
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Senator Kerttula advised that the above request would allow the Studio Club to move onto the armory site. The Club would provide supplemental long-term care and allow room for Club rehabilitation projects such as gardening. Senator Sumner advised that the land would be donated to the Club; the requested funding will purchase the facility and provide operating costs. Senator Ray objected to the above request, but upon a show of hands, his objection was overridden.

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NATURAL RESOURCE MANAGEMENT

Land Disposal Surveying

Controversy arose over inclusion of the 5,500.0 requested in the Governor's capital budget for surveying and land disposal, some committee members advising that the funding was included in HB 60. Bob Grogan stated that the original request for such surveying was \$12,903.1. The \$5,500.0 is separate from the \$6,903.1 requested in the Department's supplemental and does not represent a duplication of funding. Senator Sumner moved to hold this item open or eliminate it from the capital budget until representatives from the Division of Lands appear before committee. Following further discussion the funding was eliminated from the Senate Capital Budget.

DELETION

PUBLIC PROTECTION

No additions or deletions were made to the Governor's capital budget for Public Protection.

JUSTICE

Due Process Alaska Court System

The following items were deleted from the Governor's capital budget due to inclusion within HB 60:

DELETIONS

Sitka, Court Cooling System	96.9
Anchorage Court Addition/Remodeling	24274.2
Kenai Court Remodeling	184.0
Fairbanks Court Planning	110.0

DEVELOPMENT

The committee effected the following deletions from the Governor's capital budget:

DELETIONS

Dept. of Commerce & Economic Development Economic Enterprise and Energy/Power Development

Energy Supp. & Demonstration Assessment Anchorage	100.0
(Funding for the above project was deleted because \$150.0 in federal funding is available for the study.)	

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DEVELOPMENT - Continued

Alaska Power Authority

Swan Lake Hydroelectric Project	18000.0	DELETIONS
Lake Tyee Hydroelectric Project	10000.0	

(The above projects were deleted since funding is included in specific bills slated to pass the legislature this session.)

Bottom Fish Development

Bottom Fish Commission Asst.

Milt Barker advised that operational funding should be deleted from the request of \$800.0 reducing it to \$425.0. No objection having been raised, the \$425.0 figure was adopted.

REDUCTION

He further advised that the following bottom fish operations have been moved to Fish & Game:

TRANSFERS

Bottomfish Resource Assessment	95.4
Bottomfish Regulation Development	20.0
Bottomfish Management Action	28.3
Bottomfish Catch Reporting	20.5
Bottomfish Observation/Port Sampling	153.3
Bottomfish Logbook	20.6
Bottomfish Log	100.0
Bottomfish Profiles	50.0

Department of Revenue

ARRDC

Chairman Sackett moved for elimination of the 20000.0 requested for Alaska Renewable Resources Development Corporation funding, advising that such funding represents a "special project" which should not be appropriated at this time. No objection to the above motion having been voiced, the funding was eliminated.

DELETION

Agricultural Management

Milt Barker advised of a Budget Amendment increasing funding for the Agriculture Revolving Loan Fund from the 11760.0 requested in the Governor's capital budget to 6,160.0. No objection to the Budget Amendment having been raised, the \$6,160.0 was approved.

BUDGET
AMENDMENT
INCREASE

5/3/80

At this time several members of the committee raised questions concerning the Transportation budget and requested that Commissioner of Transportation, Bob Ward, appear before committee prior to further budget review by the committee. A 20 minute recess was called for by the Chairman, during which Commissioner Ward was contacted and asked to come before committee.

RECESS 12:00 NOON

RECONVENE 12:00 p.m.

When the meeting reconvened, Commissioner Ward appeared and testified concerning problems with federal funding and carry-over projects from prior years.

COMMISSIONER
OF TRANS-
PORTATION
BOB WARD

The Department is currently unable to obtain exact figures concerning federal funding reductions and is therefore unable to effect complete obligational authority of federal funding the state will receive. Mr. Ward advised that the Transportation budget is under funded by approximately 25%. The Department has identified about \$26 million worth of projects that could be funded by state funds rather than federal funding. If that should occur, (state funding rather than federal) the Department would receive the full amount of funding currently identified in the Governor's Capital budget. Commissioner Ward stated that such an arrangement would be a "reasonable way to fund."

Senator Ray asked the Commissioner if he was requesting an additional \$26 million, and Commissioner Ward replied "no, of \$70 million in federal funds we hoped to obligate, we can only obligate \$27 million worth." The Department thus identified \$26 million in projects and "said to the state, 'if you fund these with state funds, they will go this year, and then we will have federal funds available for other uses' (the obligational authority will be available for other projects)."

Commissioner Ward next mentioned an exception in the application of federal funds, advising that when the State is in a position whereby it has obligated all its federal funds for the year, it can advance state funds for the coming year and the federal government will reimburse such advances. That is not the case this year, however, since the federal government is holding back federal funding as a hedge against inflation.

Senator Sumner attested to frustration over a situation whereby the federal government holds back money to slow "us" down, and "we" start using general funds to get "us" going.

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Commissioner Ward stated that the State is not "shoveling state money in;" so far, the Department has just identified \$26 million in projects that could be funded with state money. The Department would then "shove" additional projects into federal funding.

Senators Sumner and Sackett questioned the availability of funding for projects included within the \$26 million in HB 60, citing specifically \$75 million for roads, etc. Commissioner Ward advised that projects contained in HB 60 were "always contemplated to be state projects." The Department identified the projects included within the \$26 million and made a presentation to the Finance Committees when President Carter announced the federal tax cutback.

Commissioner Ward advised the original list requested \$22 million in projects. The Department now contemplates an additional \$7 million to commence after the first of August. The \$26 million request represents an option the legislature has if it wants to fund these projects and get them under construction this year. Prior presentations by the Department were made (1) before the leadership in Jerry Reinwand's Office, (2) before the House, and (3) before the Free Conference Committee on HB 60.

Chairman Sackett asked Commissioner Ward if the Governor has approved the subject projects, and Mr. Ward responded "he thinks they are a good idea." He added, however, "this is just an option the legislature has."

A brief discussion followed between Senator Ray and Commissioner Ward concerning realignment of the Thane Road, Senator Ray stressing need to have the project identified in the bond project in order to have approved funding when needed two years hence.

Senator Kerttula attested to need to examine a listing of projects included in the requested \$26 million in additional funding.

Senator Sumner requested backup from Commissioner Ward on road work at East Northern Lights in Anchorage. Commissioner Ward advised of the need for \$11.6 million for the project, anticipated to start in FY 81. The bond bill includes \$6.6 million (relating to difficult acquisition problems). The second phase will require \$5.0 million. He spoke to the need for the \$5.0 million in HB 60 to be added to bond funding

in order to commence design work and land acquisition during FY 81. The \$11.6 million represents complete state funding since difficulties surrounding right-of-way acquisition preclude federal funding.

Commissioner Ward left the meeting at this time, and Jay Hogan distributed for committee review a Budget Amendment dealing with reduced federal funding. He advised that federal funds for the coming year have been reduced by approximately 60%. Sometime after the budget was put together, the federal government sliced back sharply what each state will get. The Department feels it will "come up" with 40% of its original \$90 million estimate, or about \$30 million.

In conclusion, Mr. Hogan suggested that "federal funding be rolled over until next year when the exact amount is known, since the bonds will not be out until January."

GENERAL GOVERNMENT

CAPITAL
BUDGET

Chairman Sackett effected the following additions to the Governor's capital budget:

Office of the Governor

ADDITIONS

Budget Review Committee	300.0
Automated Budget System (Intent from SCR 49)	700.0

Alison Elgee advised of a Budget Amendment effecting the following addition:

Dept. of Administration

BUDGET
AMENDMENT
ADDITION

Office Systems Furniture (Would provide for a modular furniture system which will expand space for 20 by approximately 30%. The plan is to use the 10th Floor in the State Office Building as a pilot project.)	375.0
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Senators Ray and Sumner objected to the above addition, but their objections were overridden and the project included in the budget.

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GENERAL GOVERNMENT - Continued

The committee effected the following deletions in the Governor's capital budget:

Facilities Planning and Research

DELETIONS

Vehicle Air Quality 300.0
(Senators Sumner and Bennett advised that studies similar to that contemplated by the above funding are being done by the Boroughs in their respective areas.)

Department of Revenue

Permanent Fund Contribution 1500000.0
(The Chairman advised that funding for the above contribution was "taken care of in the bill.")

Having concluded review of the capital budget, the committee next turned attention to categories in the Operating Budget which remained open.

OPERATING BUDGET CATEGORIES PREVIOUSLY LEFT OPEN

EDUCATION

Public Broadcasting Commission

The Chairman moved that pages 157 through 159 containing funding for the Commission total out at the Senate Figure of 4,335.0.

Visually Handicapped

Senator Ray moved to add 70.0 to the grant figure for a new total of 120.0, advising that funding is to go to the Advisory Board, Alaska Visionary Impaired Program.

ADDITION

HEALTH

Medicaid - Data Processing

Controversy arose over the in excess of \$1 million request for data processing of medicaid payments through contract with a California firm. Senator Hackney expressed his belief that the system was not functional while in state, that the California firm had been successful in issuing timely payments, and that returning the process to the state would only place the Department back where it started. Senator Bennett agreed, citing as an example the excessive

5/3/80

number of accounts receivable in the Fairbanks area alone prior to the California take-over.

Senator Sumner advised he had no objection to including the \$1 million requested, but Chairman Sackett advised that he does not understand why the payment function cannot be performed locally. Senator Ray suggest attaching a letter of intent advising that because the California processing was funded this year does not mean it will necessarily be funded next year.

Jerry Schilz suggested intent language to the effect that the program would be funded this year, but next year the Department must submit a proposal for bringing the function back to the state. Senator Sumner questioned whether the \$1 million will be used to "purchase equity" in the system and Jerry Schilz stated he would look into the matter.

NATURAL RESOURCES

Minerals & Energy Development

Senator Hackney raised questions concerning the mining and minerals lease project, requesting that two projects (McGrath and Lime Hills) which might have previously been dropped be reinstated. Bob Grogan advised that the project which was disallowed in this area was a geological mapping project rather than the two above-mentioned.

DEVELOPMENT

Office of the Commissioner

Senator Sumner requested that this component previously held open at his request be closed at the Senate figure of 169.1.

Local Government Assistance

Senator Hackney in discussion with Milt Barker satisfied questions relating to positions in Fairbanks, and asked that the component be closed at 740.9.

GENERAL GOVERNMENT

Dept. of Law

Senator Kerttula requested that funding be provided for three antitrust positions (Positions 9, 10, and 11-- two attorneys and a secretary) due to increasing numbers

ADDITION

of potential antitrust cases. Federal funding for this purpose has been dropped and there is need to continue the project. No objection having been raised, funding for continuation of the project was approved.

Dept. of Revenue

Permanent Fund Dividends

Alison Elgee distributed a letter from the Department setting forth payment estimates and residency projections for permanent fund dividends. She advised of Department concern that it have the necessary funding to pay dividends even if the amount exceeds the appropriation. The dividend program was funded at a total of 128,500.0.

Dept. of Transportation

Remote Village Radio

Alison Elgee advised that she had still not received information from previous inquiries, but that she hoped to have the necessary information prior to free conference. The component was funded at a total of 150.0, Senator Bennett requesting that Central communities be included in the above funding.

SOCIAL SERVICES

Adventure Based Education

Senator Hohman reviewed previous funding for this project and advised that funding should remain at a total of 150.0, stating that he would bring the project up for further discussion at free conference.

Upon conclusion of review of open components in the operating budget, Senator Kerttula directed committee attention back to the Capital Transportation budget and statements made by Commissioner Ward. The Senator advised of his belief that at least half of the \$26 million in projects requested by Mr. Ward are included in HB 60, and directed committee staff to investigate the matter.

The meeting adjourned at approximately 1:35 p.m.

ADJOURN

SFC-80 #42, Side 1 (199-end)
Side 2 (entire side)
#43, Side 1 (000-599)

5/3/80

MINUTES
SENATE FINANCE COMMITTEE
May 5, 1980
8:45 a.m.

Chairman Sackett called the meeting to order at 8:45 a.m. All committee members were present with the exception of Senator Bohman. Also in attendance were Senator Colletta; Administrative Assistants to Senate Finance Garrey Peska and Bill Hogan; Fiscal Analysts Alison Elgee, Jerry Schilz, Milt Barker and Dave Scott; and representatives from the press including Joe LaRocca.

ATTENDANCE

Chairman Sackett advised that the first order of business would be SENATE BILL NO. 110 (An Act relating to the availability of an abstract of a driver's record; and providing for an effective date) and asked Senator Bennett to speak on the bill.

SB 110

Senator Bennett stated that the bill would allow the department to issue copies of drivers license records to the driver or to persons designated by the driver, mainly for automobile insurance purposes. He concluded that it is a simple bill. Senator Bennett moved and asked unanimous consent that the bill be passed from committee with individual recommendations.

Chairman Sackett noted that there was a letter in the file from the Department of Public Safety stating that the fiscal note would no longer be necessary for the legislation. As to the motion, he stated that there being no objection, it was so ordered. All members present signed the committee report "do pass".

MOTION
SB 110

Consideration of SENATE BILL NO. 370 (An Act relating to fire prevention) and COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 648 (Finance) (An Act relating to fire prevention) was the next order of business. Chairman Sackett, noting that the two bills were very similar except that CSHB 648 (Fin) had a zero fiscal note, asked Senator Colletta to present testimony on the bill of his preference.

SB 370
CSHB 648 (Fir

Senator Colletta stated that the two bills started out as identical measures but that the fiscal impact had changed to zero with the Finance Committee Substitute. The bill would essentially provide tax base and employment exemptions. Senator Sumner moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 648 (Finance) be moved from committee with a "do pass" recommendation.

There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Senator Hohman who was absent.

MOTION
CSHB 648 (Fin

The next order of business was consideration of SENATE BILL NO. 319 (An Act relating to an exemption from municipal property taxation). Chairman Sackett asked Senator Ray to comment on the bill. Senator Ray stated that he would like to see a portion of the bill amended. Chairman Sackett stated that the bill would be returned to the file and would be considered at a later time when the amendment was prepared. The bill was returned to the file.

SB 319

SB 319
RET'D TO FILE

Chairman Sackett requested Senator Ray to speak on the next bill up for consideration, SENATE BILL NO. 323 (An Act making a special appropriation to the Department of Health and Social Services for homemaker health aide services; and providing for an effective date). General discussion ensued. Senator Ray moved and asked unanimous consent that the bill (with the HESS Committee amendment) be moved from committee with a "do pass" recommendation. There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Senator Hohman who was absent.

SB 323

MOTION
SB 323

SENATE BILL NO. 499 (An Act making a special appropriation to the Department of Administration for new positions in the division of personnel to process applications for state employment; and providing for an effective date) was the next order of business. Chairman Sackett asked Senator Ray to introduce the bill to the committee. Senator Ray stated that with this legislation, the Division of Personnel would be able to process applications for state employment in a six week period rather than the present four month period.

SB 499

Senator Sumner moved and asked unanimous consent that the bill be moved from committee with individual recommendations. There being no objection, it was so ordered. All members signed the committee report "do pass" with the exception of Senator Sumner who signed "no recommendation" and Senator Hohman who was absent.

MOTION
SB 499

Senator Ray brought up the subject of the bidding process for upcoming ferry maintenance and construction. He stated that the 50% duty costs had not been taken into account on the recent \$18 million bid award to a Vancouver, Canada firm to "stretch" an Alaska ferry. The Attorney General had originally ruled that the bid award would have to remain with the Canadian firm, but has now stated that a new bid could be awarded. The additional funds required to secure the next lowest bid would be \$2 million. Senator Ray stated that he just wanted to make the Free Conference Committee on the budget aware of the situation.

BID PROCESS
ALASKA STATE
FERRY SYSTEM

Chairman Sackett then directed each of the fiscal analysts to present a summary of the monetary differences between the Governor's Adjusted figures and the Senate Finance Committee figures for the 1981 Operating Budget. (The summaries are attached to the end of these minutes.)

FY 81
OPERATING
BUDGET
SUMMARIES

Chairman Sackett advised the committee that they would meet again at 1:30 p.m. The meeting recessed at 9:30 a.m.

RECESS

SFC - TAPE # 43, Side 1 (599 - end)
Side 2 (000 - 581)

5/5/80

FY 81
OPERATING BUDGET
GOVERNOR - SENATE COMPARISON

Governor - General Fund total	\$ 1,163,234.7
Senate - General Fund total	<u>1,370,449.1</u>
	\$ 207,214.4



GENERAL EXPLANATION BY CATEGORY

EDUCATION:

Governor - General Fund	\$343,592.0
Senate - General Fund	<u>351,892.4</u>
	+ \$ 8,300.4

Major Increases:

Correspondence - D.O.E. - provide additional support beyond Foundation Unit	\$ 200.0
Local Formula - REAA in lieu Revised estimate from Dept. anticipate Governor amendment	1,403.5
Debt Retirement - Local Increase to fund 100% of statutes	5,040.0
Scholarship Loan Program Revised estimate from Dept. Anticipate Gov. Amendment	1,900.0
Alaska Arts Council Increase in Grants allocation	456.1
Public Broadcasting Commission Funding Commission Formula at 75% Gov. Funded at continuation	<u>480.5</u>
	\$ 9,480.1

General Decreases:

(1,179.7)
\$ 8,300.4

* Transfer of Post-Secondary Education was shortfunded \$600.0

UNIVERSITY OF ALASKA:

Governor	-	General Fund	101342.7
Senate	-	General Fund	<u>98176.1</u>
			- 3166.6

Major Increases:

Community College Contract	2,016.4
Gov. Amendment in Gen. Government transferred to Education Category	

Major General Decreases:

Risk Management	(505.0)
Require legislation for revolving Fund	
Turnover Rate	(1,086.5)
Reduced from 5% to 3%	
University asked for 0.5% to 2% range	
Recruitment/Relocation	(162.5)
Continuation only	
President's Office - Master Plan	(175.0)
Library Books - Anchorage	(90.0)
Continuation - \$750.0 in FY 80	

Balance of decreases were general reductions
of positions, travel and equipment.

Transfers within Category:

Fairbanks	}	\$1,261.0 to Auxiliary Services
Anchorage		
Juneau		

SOCIAL SERVICES:

Governor - General Fund	\$ 87,536.6
Senate - General Fund	91,729.2
	+ \$ 4,192.6

Major Increases:

Program Services - Added \$40.0 for a grant under Youth Services; added \$2,256.7 for grants to Battered Womens Shelter	\$ 2,296.7
Foster Care - Transfers from Program Services BRU and Administration of Justice category to combine Foster Care Program	403.7
Institutional Care - Transfers from Program Services BRU and Administration of Justice Category to combine Institutional Care BRU.	3,022.9
Dept. of H & SS WIN - Decreased Federal receipts and increased general funds to allow for start up of Fairbanks Office	258.3
Department of Labor - a net increase as a result of the establishment of the Fairbanks WIN Office	273.9

Major Decreases:

Assistance Payments - Reducation based on Departments latest estimates plus projected savings from Fairbanks WIN Office.	(1,804.7)
Social Services - This is a net reduction made up of reductions in vacancy and turnover and deletion of new positions and associated costs.	(69.5)

HEALTH:

Governor - General Fund	\$ 69,472.2
Senate - General Fund	65,807.7
	- \$ 3,664.5

Major Increases:

Emergency Medical Services - General Fund	
Total is the same as Governor but there is a source of funds change of federal (\$585.1) and increase general funds \$585.1. This was because of loss of federal funds.	\$ 585.1
Alaska Psychiatric Institute - General Fund	161.2
Community D.D. Services	122.2

Major Decreases:

Medicaid - (\$3,795.1) federal	
(\$1,888.1) General Fund	
Reduced to FY 80 authorized plus supplemental in HB 60 plus 26.6% increase.	
Added intent to request supplemental in FY 81 if necessary.	(1,888.1)
General Relief Medical -	
Same reason as Medicaid above - G.F.	(2,534.0)

NATURAL RESOURCES MGMT AND ENVIRONMENTAL CONSERVATION:

Governor - General Fund	\$ 88,014.6
Senate - General Fund	85,127.3
- \$	2,887.3

Major Decreases:

DNR Admin - Research & Special Projects - new positions Deleted	\$ (372.4)
Dam Safety - Program deleted	(105.2)
Ground Fish - program deleted	(491.8)
All Gas Pipeline Surveillance BRU's Program Deleted	(2,669.0)
	(Program Receipts) (not Gen. Fund)

Major Increases:

Lease Sale Administration - unitization	93.0
Subsistence - 2 new positions	109.6

PUBLIC PROTECTION:

Governor - General Fund	\$ 27,119.4
Senate - General Fund	<u>25,427.8</u>
	- \$ 1,691.6

Decreases:

General decreases - In large part due to
the fact that \$2,041.8 in OSHA was
deleted. \$1,020.9 is General Fund

\$ (1,020.9)

Balance were general reductions

* One budget amendment not included for \$166.4 in Banking and
Securities.

JUSTICE:

Governor - General Fund	\$ 96,685.0
Senate - General Fund	93,587.2
- \$	3,097.8

Increases:

Major increase is:

Village Public Safety Officer Program	\$ 2,994.7
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Decreases:

Transferred to Social Services Category	(3,646.0)
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Other reductions were overall reductions
in personnel, travel & related costs

* Juvenile Confinement - Institutional care and Foster Care
\$3,646.0 and 3 permanent positions transferred to Social
Services Category.

DEVELOPMENT:

Governor - General Fund	\$ 59,706.4
Senate - General Fund	62,564.6
	+ \$ 2,858.2

Increases:

Asian Office	\$ 193.5
Municipal Assistance	3,600.0
Economic Enterprise	348.9
State Fairs	132.2
Tourism	1,000.0

Decreases:

ARRC - deleted from budget	(1,476.1)
Energy & Power Development - studies and new positions eliminated	(317.7)
Balance is general reduction	: