

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2811

(Representative Carney arrived at this time.)

(Representative Fuller left at this time.)

SB 684

The next bill to be considered was SB 684.

CSSSSB 684 (Fin) am -- "An Act relating to the investment and management of the Alaska permanent fund and to the computation of the income of the fund available for distribution; and providing for an effective date."

(Tape change, HFC 82-55, side 2.)

Chairman Adams reminded the Committee that they were dealing with the Senate version of the bill -- CSSSSB 684 (Fin) am.

REPRESENTATIVE RAY METCALFE, Chairman, House State Affairs Committee, said it was abnormal to not take up the version of the bill passed out by the previous committee -- HCS CSSSSB 684 (SA). Chairman Adams said when this bill was brought up yesterday, he asked which version the Committee wanted to take up, and no one indicated they wanted to address the House State Affairs CS.

Representative Metcalfe said he thinks this is an important piece of legislation. He said that since the Senate version addresses 90% of what he thinks it should, if the Finance Committee passes that version without amendment, he would be willing to support the bill through the House.

Representative Haugen MOVED AND ASKED UNANIMOUS CONSENT to report CSSSSB 684 (Fin) am out of Committee. There being NO OBJECTION, it was so ordered. The bill was reported out with a "do pass" recommendation.

ANNOUNCEMENTS

Chairman Adams advised the time of the next meeting will be announced on the House Floor. He said that meeting will be on SB 842. He said the Committee is still working from the Committee Substitute proposed by Representative Malone.

ADJOURNMENT

The meeting adjourned at 8:45 a.m.

Tape HFC 82-55, side 1 #643 to end
side 2 #001 to #086

hf0512821745

HOUSE FINANCE COMMITTEE

May 12, 1982

5:45 p.m.

(Tape HFC 82-55, side 2 #86.)

PRESENT

Members of the Committee in attendance: Representatives Adams, Cotten, Haugen, Fuller, Carney, Bettisworth, Haugen and Hurlbert. ALSO PRESENT: Representatives Gardiner and Randolph; Susan Burke, attorney for Permanent Fund Distribution program; Cliff Groh, legislative staff; and Keith Specking, Office of the Governor.

SB 687

Chairman Adams called the meeting to order and advised that SB 687 ("An Act relating to the issuance of search warrants; and changing Rule 37, Rules of Criminal Procedure.") would not be taken up this evening, as he has technical questions that need to be answered.

SB 842

Chairman Adams brought SB 842 up for consideration. He advised the version before the Committee is HCS CSSB 842 (FIN).

HCS CSSB 842 (Fin) -- "An Act providing for permanent fund dividends; and providing for an effective date."

Chairman Adams advised that three amendments have been presented for the Committee's consideration. He said he believed these amendments were a compromise between House members and the Governor.

Representative Carney MOVED AND ASKED UNANIMOUS CONSENT that amendment #1 (see attachment #1) be adopted. Representative Haugen OBJECTED.

Chairman Adams invited SUSAN BURKE and CLIFF GROH to explain the amendment section by section.

Page 2, line 12. Mr. Groh said this is a small amendment which adds the word "name" to the application form. He said this amendment was suggested by the Director of the enforcement Division, Department of Revenue. He said all these amendments are in the nature of technical amendments to the bill.

Page 2, line 19. Mr. Groh said this was suggested by the legislative drafter.

Page 3, line 10. Mr. Groh said this amendment was suggested by Mr. Bushre, Department of Revenue. He said this clarifies the procedure for the State when the State is the guardian for an individual.

Page 5, line 22. Mr. Groh said this is a technical amendment which sets up the next amendment.

Page 5, following line 22. Mr. Groh said this amendment clarified what would happen if the parent collecting on behalf of a minor failed to file for their ward. He said this amendment was suggested by legislative drafting.

Page 6, line 5. Ms. Burke explained the bill before the Committee would only allow permanent fund payments to go toward paying child support obligations if there were a court order requiring those payments. She said it doesn't make sense to limit this only to court ordered obligations. She said child support enforcement determinations should have the same effect.

Page 6, line 21. Mr. Groh said this is a technical amendment that adds the same provision to the federal medicaid program that is on the State's public assistance program.

Page 9, line 8. Mr. Groh said this is the same as page 2, line 12.

page 10, line 6. Mr. Groh said this was added for the same reason as the amendment on page 3, line 10.

Page 14, line 29. Mr. Groh said this was added for the same reason as the amendment on page 5, following line 22.

Representative Cotten asked if the situation is that if the parent or guardian doesn't file, when the person reaches the age of majority there will be a period where he can go in and file for his benefits. Mr. Groh said that was right.

Page 15, line 4. Mr. Groh said this is the same as page 6, line 5.

Page 15, line 27. Mr. Groh said this is the same as page 6, line 21.

Page 16, lines 12-22. Mr. Groh said this is a technical amendment.

Page 16, line 15. Mr. Groh said this was a technical amendment.

Page 16, line 20-22. Mr. Groh said this was a technical amendment suggested by the legislative drafter. He said this section was not needed so it was deleted.

Page 17, line 1. Mr. Groh said this reflects the portion deleted by the previous amendment.

Page 17, line 25. Mr. Groh advised they added this language to cover the technical situations in the bill.

Page 18, line 9. Mr. Groh said these additional sections are technical to "keep the bill in sync". He said the language was drafted by Susan Burke to take care of the situation of what would happen if there is a later court decision than was expected. Ms. Burke explained the difficulty is the way the value of each dividend each year is determined under the existing program. She said it takes half the earnings of the permanent fund this year and divides it by the total number of dividend shares that were paid out the previous year. She said if they suspend the program, and they are not paying on the basis of dividend shares but strictly per capita, there is no way to determine the 1983 share value. She said what section 23 of the bill does is in essence repeats the section that establishes how the commissioner figures out how much money each dividend is, but instead of basing it on the number of shares actually paid, it is the number of shares that would have been paid had they not had this in lieu of the per capita system. She said it gives them a way of valuing dividends until they can start up the existing program again if they ultimately win.

Mr. Groh said the remaining portions of the amendment are numbering changes reflecting the changes made in the bill by the amendment.

Chairman Adams asked if the objection to the amendment was maintained. Representative Haugen REMOVED HIS OBJECTION. There BEING NO FURTHER OBJECTION, Amendment #1 was adopted.

Amendment #2 was presented:

Page 4, lines 13-19 and Page 13, lines 13-14. Following "eligible for", delete all material and insert "a future permanent fund dividend".

Mr. Groh explained the draft CS had an inconsistency. He said this amendment would provide that if someone is convicted of a crime in connection with a false statement, that individual will not be eligible for future permanent fund dividends. There was brief discussion.

Representative Cotten MOVED AND ASKED UNANIMOUS CONSENT that amendment #2 be accepted. There being NO OBJECTION, it was so ordered.

Amendment #3 was presented:

Page 19, line 5. following "or" delete all material (on that line).

Page 19, line 5. Delete "October 1982 term" and insert "on October 19, 1982".

Mr. Groh explained the current draft reads that if there is no Supreme Court decision on the case by 30 days after the beginning of the October 1982 term, which is expected to be October 4th, this bill would automatically trigger into effect. He said the Department of Revenue decided, after seeing the draft, they would like a little more time, and it would be more appropriate to have a slightly earlier date on the trigger date. They asked that the date be moved up two weeks, changing it from 30 days after the beginning of the term, which is likely to be November 3, 1982, to a date certain of October 19, 1982. He said this allows 15 days after the beginning of the Supreme Court term to receive a decision.

REPRESENTATIVE RANDOLPH asked if that meant that if the Supreme Court doesn't act, then on October 19th they would mail out checks -- two weeks before the election. Representative Cotten said he thinks that was coincidental. He said they are referring to the term of the Supreme Court. Representative Randolph commented that all of the effective dates, until this one, have taken into account the fact of this session of the Supreme Court -- July 10. He said there has obviously been a policy decision made to do something other than that, which he would like to hear an explanation for.

REPRESENTATIVE GARDINER said the feeling was that the Court might issue a decision as soon as they came back after the recess. He said when that concept was brought up, the feeling was to extend the date beyond July 10th. It was brought up that if they are going to rule, they will probably do it when they come back, and that is why they shorted it two weeks.

Ms. Burke responded the Governor and Legislature in 1980 spent a great deal of time and effort in putting together the distribution plan that is now before the Court. She said there were important reasons for setting up the distribution plan the way it was set up, and it was the method of distribution the Governor and the majority of the Legislature in 1980 were in support of. She said she didn't think it hurt to wait a few more months to give the U.S. Supreme Court a chance at the beginning of their October term to make a decision. She said she was sorry to be here with a back-stop plan, she thinks the dividend

distribution program is important to the people of the state. She reiterated that this is a back-stop plan, and said she prefers the existing program and thinks it works best.

There was further discussion on the timing of sending out the checks.

Representative Cotten MOVED AND ASKED UNANIMOUS CONSENT That Amendment #3 be adopted. There being NO OBJECTION, it was so ordered.

Representative Cotten MOVED AND ASKED UNANIMOUS CONSENT to report out HCS CSSB 842 (Fin) incorporating the amendments. There being NO OBJECTION, it was so ordered.

Chairman Adams said he would like to HOLD consideration of the fiscal notes for this bill until tomorrow to give Committee members an opportunity to review them. He said the four fiscal notes being considered at this time are:

\$144.1 for Revenue Collection and Management, Department of Revenue;

\$432.2 for Enforcement Division, Department of Revenue;

\$914.3 for Administration & Public Services, Department of Revenue; and

\$11- or \$12 million from the Department of Health and Social Services for the four-month "hold harmless" sections.

Mr. Groh said there is also a recommended Committee Report for the bill. Chairman Adams said that will be considered at the same time the fiscal notes are brought up.

ADJOURNMENT

The meeting adjourned at 6:15 p.m.

Tape HFC 82-55, side 2 #086 to #576

OK:
#1
AMENDMENT

Offered in the HOUSE

TO: HCS CSSB 842 (Fin)

Page 2, line 12:

Delete "() the individual on whose behalf I am
applying" and insert "() _____ (Name) _____, the
individual on whose behalf I am applying,"

Page 2, line 19:

Delete "all"

Page 3, line 10:

Delete sentence beginning "Any obligation" and insert
"Money held in trust under this subsection shall be
invested by the commissioner in accordance with AS
37.10.070."

Page 5, line 22:

Delete "and"

Page 5, following line 22:

Insert the following:

(3) adopt regulations under the
Administrative Procedure Act (AS 44.62) that establish
procedures and time limits for an individual upon
emancipation or upon reaching majority because the
parent, guardian, or other authorized representative
did not apply on behalf of the individual; and

Renumber subsequent paragraph

Page 6, line 5, following "order":

Add "or decision of the child support enforcement agency under AS 47.23.140 - 47.23.220"

Page 6, line 21, following "receive":

Insert ", for a period not to exceed four months,"

Page 9, line 8:

Delete " () the individual on whose behalf I am applying" and insert " () (Name), the individual on whose behalf I am applying"

Page 10, line ⁶/~~4~~:

Delete sentence beginning "Any obligation" and insert "Money held in trust under this subsection shall be invested by the commissioner in accordance with AS 37.10.070."

Page 14, following line 29:

Insert the following:

*Sec. 14. AS 43.23.060 is amended by adding a new paragraph to read:

(5) adopt regulations under the Administrative Procedure Act (As 44.62) that establish procedures and time limits for an individual upon emancipation or upon reaching majority to apply for permanent fund dividends not received during minority because the parent, guardian, or other authorized

representative did not apply on behalf of the individual; and

Renumber subsequent bill sections

Page 15, line 4:

Add "or decision of the child support enforcement agency under AS 47.23.140 - 47.23.220"

Page 15, line 27, following "receive":

Insert ", for a period not to exceed four months,"

Page 16, lines 12-¹³~~12~~:

Delete "sec. 20" and insert "sec. 21" in both places

Page 16, line 15:

Delete "in" and insert "for"

Page 16, lines 20-22:

Delete all material

Renumber subsequent subsections

Page 17, line 1:

Delete "(f)" and insert "(e)"

Page 17, line 25, following "AS 43.23":

Add "and notwithstanding the fact that those provisions may not be enacted into law before the effective date of this section"

Renumber subsequent bill sections

-40-

Page 18, line 9:

Insert the following:

* Sec. 22. Sections 6, 7, 9, and 13 of this Act are repealed.

* Sec. 23. (a) This section applies only to the determination of the value of a permanent fund dividend to be paid in 1983 and applies only if permanent fund dividends are distributed under sec. 18 of this Act on or after October 19, 1982, and if, after that date, the United States Supreme Court decides that AS 43.23.010 is valid.

(b) Notwithstanding any contrary provisions of AS 43.23.030, by December 1, 1982, the commissioner of revenue shall give public notice of the value of each permanent fund dividend to be paid in 1983. The commissioner shall determine that value by

(1) determining the amount of income of the Alaska permanent fund for fiscal year 1982 and fiscal year 1983 transferred to the dividend fund under AS 43.23.050 (b);

(2) determining the number of permanent fund dividends that would have been paid during 1982 if sec. 18 of the Act had not taken effect and an estimate of the number of permanent fund dividends for a prior year under AS 43.23.014; and

(3) dividing the amount determined in (1) of this section by the amount determined in (2) of this

section.

* Sec. 24. If secs. 2-5 of this Act take effect under the provisions of sec. 26 of this Act, then all other provisions of AS 43.23, as enacted in ch. 21, SLA 1980 and as amended in secs. 8, 10, 11, 12, 14, 15, and 16 of this Act, remain in effect.

Renumber subsequent sections.

Page 18, line 20, following "Sections 2 - 5":

Insert "and sec. 22"

Page 18, line 25:

Delete "21" and insert "21, and 22"

Page 19, line 1:

Delete "5-17, 19, 20, 22, 23" and insert "6-17, 19, 20, 23, 24, and 25"

Page 19, line 3:

Delete "18" and insert "19"

HOUSE FINANCE COMMITTEE

May 13, 1982

1:09 p.m.

Tape HFC 82-56, Side 1, #001

PRESENT

Members of the committee in attendance: Representatives Adams, Cotten, Chuckwuk, Haugen, Bettisworth, Montgomery, Fuller and Hurlbert. Representatives Meekins, Cuddy and Carney were not in attendance.

Chairman Adams called the meeting to order and informed committee members that they would be considering CSSSSJR 61 (Rules).

CSSSSJR 61 (Rules)

CSSSSJR 61 (Rules) - "Proposing amendments to the Constitution of the State of Alaska relating to appropriations and the retention, investment and expenditure of certain state revenues; providing for effective dates for the amendments; and superseding the amendments proposed by Legislative Resolve No. 1, First Special Session of the Twelfth Legislature (FSS FCCS SJR 4)."

Chairman Adams began by explaining that SJR 61, sponsored by Senator Dankworth, makes a number of proposed amendments to the constitution which include a limit on state spending as well as establishment of the Alaska Resource Fund. The spending limit features three main points. State spending cannot exceed state revenues; the operating budget is based on revenue received from taxes, license fees, permits and other miscellaneous income and the voters decide how to spend a portion of the revenue received from the sale or lease of natural resources.

Representative Fuller MOVED AND ASKED UNANIMOUS CONSENT that CSSSSJR 61 (Rules) be reported out of committee. There being NO OBJECTION, it was so ordered. CSSSSJR 61 (Rules) was reported out of committee "without recommendation".

MEETINGS

Chairman Adams informed members that the next meeting would be May 14 beginning at 8:30 a.m.

ADJOURNMENT

The meeting adjourned at 1:11 p.m.

HOUSE FINANCE COMMITTEE

May 14, 1982

8:40 a.m.

(Tape HFC 82-56, side 1 #45.)

PRESENT

Members of the Committee in attendance: Representatives Adams, Haugen, Bettisworth, Montgomery, Cotten and Fuller. Representative Carney arrived later in the meeting. ALSO PRESENT: Phil Wall, Director of Administrative Services, Department of Revenue; Gordon Landis, Department of Health and Social Services; Cliff Groh, legislative staff; Rickard Aks, Deputy Commissioner, Department of Community and Regional Affairs; and Kevin Bruce, Administrative Assistant to Senator Rodey.

SB 842

Chairman Adams called the meeting to order. He reminded the Committee that they accepted HCS CSSB 842 (Fin) -- "An Act providing for permanent fund dividends; and providing for an effective date." -- on May 12th, and at that time he had requested that the fiscal notes and letter of intent be held.

MR. PHIL WALL, Director of Administrative Services, Department of Revenue, advised the Department prepared three fiscal notes yesterday which respond to the House Finance CS. He advised the fiscal notes anticipate that payment of the costs, the actual source of funds, would come from the same appropriation that the payment of the dividends themselves come from.

Chairman Adams said there are three fiscal notes from the Department of Revenue being considered, they are all dated May 13th, and the amounts are: \$159.0, \$777.2, and \$1.66 million.

In answer to a question from Representative Cotten, Mr. Wall said the amount of the fiscal notes represents a "worst-case" situation, the highest cost situation that could occur. He said the possibility of this occurring is remote. He said the worst-cost figure represents slightly over 1% of the \$150 million appropriation. Representative Cotten asked if there will be that much slack. Mr. Wall said they believe that is probably true.

Representative Cotten commented it wasn't necessary to make a special appropriation or even to approve the fiscal notes. Chairman Adams agreed. He said this would not come from the General Fund.

Chairman Adams said there is also a fiscal note from the Department of Health and Social Services. MR. GORDON LANDIS, Department of Health and Social Services, presented a fiscal note dated 5/13/82 in the amount of \$12,866.5. He explained that section 16 of the current bill requires the Department of Health and Social Services to do three different things: (1) to ignore the receipt of the permanent fund dividend as income or resources in all state welfare programs; (2) to ignore it as income and resources in the jointly federal/state medicaid program; and (3) to substitute equivalent state welfare coverage in cash programs and the food stamp program for the federal program for joint federal/state welfare program coverage that individuals would lose when they receive the permanent fund dividend.

Mr. Landis said this design of section 16 was not proposed by the Governor nor was it proposed by the Department. He said it was a concept that grew from the feeling that poor people would suffer the greatest tax bite by the receipt of \$1000 or more per family -- they would lose 50% and up when they became ineligible for assistance by virtue of receiving this large sum all at once.

Mr. Landis said by a four-month hold harmless, what they are in essence doing with the fiscal note is substituting state money (general fund monies) for federal assistance monies. He said since all the federal programs require that everyone in their caseload (35,000 to 40,000 Alaskans) must apply for any entitlement before they can access a welfare program, all their recipients in federal programs will have to apply for the permanent fund dividend. When they receive the dividend, he said they will be over income for federal or joint federal/state assistance in the month they receive that dividend; then, depending on their individual circumstances and how much other cash they have, if they don't spend all or a portion of their permanent fund, in subsequent months they will be over resources for federal programs. He said the four month hold harmless simply takes the general relief and general relief medical programs and uses those as funding mechanisms to continue people's food stamp benefits, their AFDC checks, etc., to allow them a period of time to spend down their permanent fund wisely rather than under the pressure of time and the need for medical assistance.

Mr. Landis said there is some staff cost attached to this which he personally believes is extremely modest in that no welfare agency in the history of American welfare has ever been confronted with a situation wherein they have to assist their entire welfare populace through a simple but tedious application process for another program, monitor what those people do with their permanent fund dividend, and then as quickly as they become eligible under the federal rules move them back into federal programs. He said they believe that with the 8 seasonal four-month positions and the overtime for existing staff that they can

accomplish this massive effort without decreasing the service levels they give to new people coming in the doors.

Mr. Landis said they believe the hold harmless concept is extremely wise in that they have always been able to identify certain segments of the welfare population who not only would not net the full \$1000 from permanent fund dividends, but who may actually be out of pocket more than they could afford beyond the \$1000 -- particularly those people who are ineligible who suffer a massive medical bill during the time they are ineligible. He said the Department has come to support the concept of a hold harmless period.

Chairman Adams asked why the four month concept was selected instead of a one-, two-, three-, or indefinite period of time. Mr. Landis said that was a decision made by the Legislature without the Department's guidance. He said they costed all four options, and in addition they costed the option of no hold harmless. He said there didn't turn out to be a broad spread between a one month hold harmless and a full hold harmless. It was about a \$5 million difference total. There was brief discussion. Mr. Landis advised that information is available as back-up to a previous fiscal note.

Chairman Adams advised there is also a letter of intent to accompany the bill (see attachment #1.)

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT that the four fiscal notes discussed at today's meeting and the letter of intent be approved. There being NO OBJECTION, it was so ordered. The fiscal notes and letter of intent were attached to the Committee Report for HCS CSSB 842 (Fin).

(Representative Carney arrived.)

SB 180

The next bill to be considered was SB 180.

CSSB 180 (C&RA) am -- "An Act relating to municipal government; and providing for an effective date."

Chairman Adams advised the bill was referred back to the Finance Committee because there were some drafting errors in the Committee Substitute reported out by the Finance Committee. He presented a 2d Finance CS (HCS CSSB 180 2d Fin -- same title), which corrects the drafting errors on the following four pages:

Page 106, line 21-29;

Page 107, line 19;

Page 146, line 20; and

Chairman Adams briefly explained the drafting errors.

Representative Cotten asked if the change on page 106 would mean that, for example, in the North Slope Borough they could count all the people working on the drill sights and so forth for the purpose of calculating how much of the ad valorem tax they collect. Chairman Adams said "or participate in taxation. That is correct."

Representative Cotten asked if the tax limitation has changed the formula. MR. RICHARD AKS, Deputy Commissioner, Department of Community and Regional Affairs, said this is not a substantive change to the formula. He said current law allows the Commissioner to use U.S. Census data or other reliable data to determine the population. He said this language would provide greater legislative guidance in terms of what types of other reliable data could be used in determining population. He said it is not an actual tinkering with the formula; it is direction in how to count population. There was further discussion.

Representative Montgomery asked if changing the date from January 15 to July 1 on page 106 wouldn't have a financial effect. Mr. Aks said they have been doing July 1 population counts; the January 15 date is a reporting date. There was brief discussion.

Representative Bettisworth asked where in the 2d Finance CS he could find his amendment prohibiting regulation of firearms. MS. CHERYL FRASCA, Aide to Chairman Adams, said her understanding was that this amendment was to be offered on the Floor as a Finance Amendment. There was brief discussion.

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT to report out HCS CSSB 180 (2d Finance). There being NO OBJECTION, it was so ordered. The bill was reported out without recommendation (Haugen, Adams signing "do pass"; Bettisworth, Carney, Cotten, Fuller, Montgomery signing "no recommendation".) Chairman Adams advised the amendment prohibiting regulation of firearms will be offered on the floor as a Finance Committee amendment.

SB 687

The next bill to be considered was SB 687.

SB 687 -- "An Act relating to the issuance of search warrants; and changing Rule 37, Rules of Criminal Procedure."

Chairman Adams offered the following explanation of the bill:

SB 687, sponsored by Senator Rodey, permits the issuance of a search warrant upon the sworn oral testimony of a person

communicated by telephone. The judicial officer would be required to record the proceeding by using a voice recording device. The bill, therefore would necessitate the installation of a cassette recorder with voice coupler and a speaker phone in each judge and magistrate chamber, as well as in most judicial officers' homes. The Court System's original fiscal note indicated that 300 such set-ups would be necessary at a cost of \$390 each. Since the fiscal note was written, however, additional set-ups have already been installed and as a result only 185 are still necessary, reducing the fiscal note to \$72.5.

The bill adopted by the Senate also required that the judicial officer issuing the search warrant, shall, without unnecessary delay, have the voice recording of the proceeding transcribed and shall certify the accuracy of the transcript and shall file the original recording and the transcript with the court. This requirement was dropped from the House Judiciary version of the bill due to adequate transcription facilities not always being readily available in Alaska. Transcripts, however, would still need to be prepared as the need arises.

MR. KEVIN BRUCE, Administrative Assistant to Senator Rodey, advised he is present to answer questions on the bill. Representative Cotten asked how this would work. Mr. Bruce explained the warrant is issued in much the same way a normal warrant would be when an officer goes before a magistrate or judicial officer in court, only this would allow them to do it over the phone. He said the judge would actually swear the law enforcement officer in, take testimony, make and alter the warrant in any way he determines is necessary, and re-read it to the officer so the officer can write it up correctly. He said the only difference is the whole thing is transcribed over the phone, using the recording, so that later on if there is any question about the validity of the warrant, the recording could be transcribed.

Chairman Adams said the difference between the two bills is on page 1, line 27 through page 2, line 1. Mr. Bruce agreed. He said they consider that "a very friendly amendment". He said they didn't mean to cause the judiciary any extra problem, and they think it is very workable.

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT to report out HCS SB 687 (Judiciary) with the \$72.5 fiscal note. There being NO OBJECTION, it was so ordered. The Bill was reported out without recommendation (Haugen and Adams signing "do pass"; Bettisworth, Carney, Cotten, Fuller and Montgomery signing "no recommendation").

SB 693

The next bill to be considered was SB 693.

CSSB 693 (Fin) -- "An Act changing the termination date of the law giving the supreme court authority over court facilities; and providing for an effective date."

Chairman Adams presented and explained a proposed House Finance CS -- HCS CSSB 693 (Fin) "An Act relating to the numbers of superior court judges and judicial elections; and providing for an effective date."

Representative Cotten asked who requested the superior court judge in Valdez be upgraded. Chairman Adams said Representative Cato. Representative Cotten said the Court System is not asking for it? Chairman Adams said they would like to have it. He said Art Snowden is not opposed to it.

Representative Haugen MOVED AND ASKED UNANIMOUS CONSENT that HCS CSSSB 693 (Fin) be reported out. There being NO OBJECTION, it was so ordered. The bill with the two fiscal notes (\$25.2 and \$66.0) was reported out with a "do pass" recommendation.

SB 876

Chairman Adams assigned SB 876 (special appropriations/Department of Law/settlement agreement) to the bond subcommittee.

ADJOURNMENT

The meeting adjourned at 9:10 a.m.

Tape HFC 82-56, side 1 #045 to #569

HOUSE FINANCE COMMITTEE

COMMITTEE LETTER OF INTENT

HCS CSSB 842

The Committee intends that the Department of Revenue engage in careful audit of Permanent Fund dividend applications and vigorously enforce the laws pertaining to fraud.

The Committee intends that the State's Attorney General carefully consider and review the United States Supreme Court's decision on the Permanent Fund dividend program created by the Legislature in 1980. The Committee intends that this consideration and review include consultation with interested attorneys and other citizens before the State's Attorney General issues an opinion as to whether the Supreme Court's decision allows Permanent Fund dividend payments to be based on accumulated years of residency if those years are counted after January 1, 1979.

Whatever the result of the State's Attorney General's opinion on the constitutionality of cumulative payments in 1983 and future years, the Committee intends that Permanent Fund dividends in the amount of \$1,000 per capita be paid in 1982 to eligible applicants if the United States Supreme Court either rules the Permanent Fund dividend program created by the Legislature in 1980 invalid for any reason by October 19, 1982, or if the Court has not made a determination by that date.

If the United States Supreme Court determines the Permanent Fund dividend program created by the Legislature in 1980 to be valid, the Committee intends that individuals who turn 18 years of age after January 1, 1979 have one year after attaining that age in which to claim all Permanent Fund dividends for which they have been eligible except for their age. This one-year "window of eligibility" at age 18 for claiming prior years' dividends does not apply until after the last day for filing an application for a Permanent Fund dividend in 1983, so that individuals who have turned 18 between January 1, 1979 and the last day of filing an application in 1983 may be able to collect dividends for 1979, 1980, and 1981. The Committee intends that individuals collecting for prior years' dividends upon reaching the age of 18 shall receive interest on their dividends; that interest shall be calculated at the average rate of return earned by the dividend fund.

If the United States Supreme Court determines the Permanent Fund dividend program created by the Legislature in 1980 to be for any reason invalid--or if the United States Supreme Court issues no decision on the program by October 19, 1982--the Committee intends that payment of Permanent Fund dividends be made to parents, guardians, or other authorized representatives for minors and incompetent individuals on behalf of those minors and incompetents. In cases in which there is no other appropriate guardian and the State is caring for a minor or incompetent, the State should ensure that the Permanent Fund dividends are protected and invested.

Under no circumstances should the State claim a Permanent Fund dividend for a minor who has a legal parent, guardian, or authorized representative other than the State. Under no circumstances should the State claim a dividend for an incompetent individual who has a legal guardian or authorized representative other than the State. A procedure should be established by regulation to avoid the necessity for a multitude of legal proceedings to establish guardianship for purposes of receiving Permanent Fund dividends.

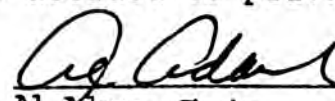
The Committee intends that the Department of Health and Social Services monitor the impacts of Permanent Fund dividends on public assistance programs and make a report to the Legislature within 90 days after the first payment of Permanent Fund dividends.

The Committee intends that the Department of Revenue issue warrants to eligible applicants as soon as possible under this legislation.

The Committee intends that the payment of dividends shall have first call on 50 percent of the income of the Permanent Fund available for distribution, regardless of what other uses the income is put to.

Economists appearing before the Legislature have predicted an economic slowdown in Alaska resulting from a decline in state spending and lending caused by recent drops in world oil prices. Economists appearing before the Legislature and other public forums in Alaska have argued that direct distribution of a portion of state revenues to all Alaskans--such as that embodied in the Permanent Fund dividend program--is the most efficient method of increasing Alaskans' incomes.

The Committee recognizes that virtually all the petroleum development in Alaska has occurred on publicly owned lands. This is in sharp contrast to other states, where vast accumulations of wealth have accrued to private landholders.


Al Adams, Chair
House Finance Committee

HOUSE FINANCE COMMITTEE

May 15, 1982

2:00 p.m.

HFC 82-56, Side 1, #568

PRESENT

Members of the committee in attendance: Representatives Adams, Carney, Bettisworth, Hurlbert, Haugen, Montgomery, Fuller, Meekins, Chuckwuk and Carney. Representative Cuddy was not present.

OTHERS PRESENT: Representative Rogers; Art Snowden, Administrative Director, Alaska Court System; Mark Hickey, Department of Transportation and Public Facilities; J.P. Tangent, Alaska State Chamber of Commerce; Paul Berg, Department of Education; Rod Betit, Director, Division of Public Assistance, Department of Health and Social Services; and Alison Farnan, Fiscal Analyst, Legislative Finance.

Chairman Adams called the meeting to order and informed committee members that the following bills would be considered during today's meeting:

CSSB 42 (C & RA) am - "An Act relating to the village safe water program; and providing for an effective date."

SB 205 - "An Act making a special appropriation to the Fairbanks North Star Borough for the Nordic Ski Club of Fairbanks and the Nordic Ski Club of Anchorage; and providing for an effective date."

CSSB 365 (Fin) - "An Act relating to special education; and providing for an effective date."

SB 876 - "An Act making special appropriations and appropriation transfers to the Department of Law for implementation of a settlement agreement; and providing for an effective date."

SB 887 am - "An Act making special appropriation for revenue sharing and other assistance to municipalities; and providing for an effective date."

Chairman Adams informed members that there are proposed committee substitutes for the above referenced bills. The proposed titles are:

2d House CSSB 42 (Finance) - "An Act providing for the issuance of general obligation bonds in the amount of \$95,615,000 for the purpose of paying the cost of water, sewer, and solid waste facilities construction; and providing for an effective date."

2d House CSSB 205 (Finance) - "An Act providing for the issuance of general obligation bonds in the amount of \$29,475,000 for the purpose of paying the cost of construction of and improvements to airport, port, marine highway, harbor, highway, and other transportation facilities; and providing for an effective date."

2d House CS CSSB 365 (Finance) - "An Act providing for the issuance of general obligation bonds in the amount of \$52,000,000 for the purpose of paying the cost of capital improvements for elementary and secondary schools and community education facilities; and providing for an effective date."

House CSSB 876 (Finance) - "An Act providing for the issuance of general obligation bonds in the amount of \$74,380,000 for the purpose of paying the cost of capital improvements for the University of Alaska education facilities; and providing for an effective date."

House CSSB 887 (Finance) - "An Act providing for the issuance of general obligation bonds in the amount of \$55,000,000 for the purpose of paying the cost of construction of and improvements to court and correctional facilities; and providing for an effective date."

Chairman Adams asked Representative Meekins, Chairman of the Bond Subcommittee, to provide members with an overview of the bills and work done by the committee.

REPRESENTATIVE MEEKINS informed committee members that the subcommittee held approximately sixteen public meetings on the bonds. The subcommittee did not give allocations per district instead tried to accomodate all the requests which they could. The total package is approximately \$506 million. Representative Meekins explained that they have not received the governor's approval of the issues. The transportation and water/sewer issue are substantially different than the way the governor introduced them. With regard to the water and sewer issue, the governor had a total of \$35 million for statutory programs which distribute the money based upon a first come, first serve basis with a local match in urban areas and 100% in rural areas. The Subcommittee deleted that and put in 100% funding based on priority of need with \$59 million going to the Anchorage area. Representative Meekins stated that the subcommittee had approximately \$60 million which was generated on a statewide basis in the transportation category with the balance distributed by

legislative request. Appropriations for legislative requests were based on the merits of the project with some being rejected due to technical problems.

Representative Meekins explained that the corrections area was changed reducing the large, central felon facility which was \$41 million for a 400 bed facility in the Palmer area. The core facility will be phased adding 24 maximum security beds and 124 regular beds for a total of 150 beds. The money which was saved as a result of phasing this project was included for completion of the Nome and Bethel correctional facilities which currently do not have enough funding for completion. There was intent included stating that these facilities should be "regional correctional facilities and multi-purpose facilities".

The University projects remained similar to the governor's request adding two priorities for the statewide administration and Board of Regents. A total of \$10 million was allocated for equipment, computer, repairs and renovations on a statewide basis. Additionally there are dorms included for Anchorage, Fairbanks and Juneau with new buildings in Anchorage and Fairbanks. Also included is new dorms in the Bethel area and a learning center in Galena.

Representative Meekins explained that with regard to the education bond issue, they took the governor's priorities almost entirely with two changes requested by a member deleting two new schools and adding one.

(Representative Chuckwuk arrived at this time.)

REPRESENTATIVE ROGERS stated that the total of the package is \$506.5 million. The subcommittee was working with approximately \$800 to \$900 million in requests and tried to base their decisions on the merits of the project looking at all areas of the state. He felt that the transportation issue is the biggest departure from the governor's bill which was introduced for \$221 million which would allow the commissioner of Transportation and head of Budget and Management to move the money around as they wish. The subcommittee's bill specifies each project, as is required by law, and is primarily "new starts" which the committee felt should require voter approval. All contingency funds, federal matching funds, and annual improvements were eliminated.

Representative Rogers explained that the other philosophical difference between the house subcommittee substitutes and the governor's request is in the corrections bond issue, as previously explained by Representative Meekins.

(Tape Change 82-56, Side 2)

In response to a question from Representative Carney concerning the Palmer correctional facility; Representative Meekins responded that the phasing plan is in accordance with the city's plan. He explained that there was a controversy over whether to have such a large facility and this plan would help address that controversy allowing for additional beds at this time.

Representative Carney asked if there was room left in the transportation issue for transfer of funding between projects. Representative Rogers responded that each bill has a section allowing for reallocation and reappropriation.

With regard to the corrections issue, Representative Cotten stated that the funding for a facility in Sutton is listed under "Anchorage" and asked why. Representative Rogers stated that it says "a facility within 50 miles of Anchorage". Representative Cotten asked who will decide where it goes? Representative Meekins responded that the Department of Administration would. Representative Cotten voiced objection to that stating that the department has coveted the Eagle River site for a multi-purpose facility and there is a lot of land still available in that area. He suggested that the committee should specify the Matanuska Valley in lieu of Anchorage.

Representative Cotten asked for an explanation of the \$14 million for the court building in Anchorage. Representative Meekins explained that this is for the first phase minus one million dollars. A total of ten million dollars was appropriated previously to purchase the land and this would provide funding for the foundation and steel.

ART SNOWDEN with the Alaska Court System explained that land was purchased on Fourth Avenue in Anchorage in front of the parking garage. The present parking lot next to the court building would be used for the construction of a building moving the parking onto the new property purchased with part of last years funding. The new property would be utilized in the future for expansion of the courts.

Tape Change 32-57, Side 1)

Representative Cotten MOVED to amend HCS SB 887 (Finance) on page 2, line 4 changing "Anchorage". Representative Meekins OBJECTED. Representative Cotten MOVED to amend HCS SB 887 (Finance) on page 2, line 4 changing "Anchorage" to "Matanuska Valley". There being NO OBJECTION, it was so ordered.

Representative Montgomery MOVED to report out of committee 2d House CS CSSB 42 (Finance) with individual recommendations. There being NO OBJECTION, it was so ordered. 2d House CS CSSB 42 (Finance) was reported out of committee with a "do pass" recommendation.

Representative Montgomery MOVED to report out of committee 2d House CSSB 205 (Finance) with individual recommendations. There being NO OBJECTION, it was so ordered. 2d House CSSB 205 (Finance) was reported out of committee with a "do pass" recommendation.

Representative Montgomery MOVED to report out of committee 2d House CS CSSB 365 (Finance) with individual recommendations. There being NO OBJECTION, it was so ordered. 2d House CS CSSB 365 (Finance) was reported out of committee with a "do pass" recommendation.

Representative Montgomery MOVED to report out of committee House CSSB 876 (Finance) with individual recommendations. There being NO OBJECTION, it was so ordered. House CSSB 876 (Finance) was reported out of committee with a "do pass" recommendation.

Representative Montgomery MOVED to report out of committee House CSSB 887 (Finance) as amended with individual recommendations. There being NO OBJECTION, it was so ordered. House CSSB 887 (Finance) was reported out of committee with a "do pass" recommendation.

Representative Meekins MOVED that a Letter of Intent be included with House CSSB 887 (Finance) which specifies that the facilities in Nome and Bethel are to be regional/multi-purpose facilities. There being NO OBJECTION, it was so ordered.

(Representative Chuckwuk left at this time.)

The next bill to be considered was SB 212.

SB 212

SB 212 - "An Act relating to the Alaska Railroad and providing for an effective date."

Chairman Adams provided an overview of the bill, sponsored by Senator Dankworth, which establishes the Alaska Railroad Authority. He explained that the House Transportation committee has offered several amendments to the bill and the legislation has no fiscal impact.

MARK HICKEY with the Department of Transportation and Public Facilities explained that the legislation would not become effective until acceptance of the transfer by the legislature. In terms of the on-going discussions with regard to the transfer, the Department of Transportation has adequately budgeted for the railroad. Mr. Hickey explained that once the bill is enacted there would be a six month period for negotiation of the closing report in Washington, D.C.

Representative Cotten asked what the department uses as an assessment valuation figure for the railroad? Mr. Hickey responded that the reference introduced in the U.S. House Commerce Committee two weeks ago is 75% of net liquidation value which is a formula methodology currently used in similar legislation. Mr. Hickey explained that they do not have access to the formula so could not provide a specific answer to Representative Cotten's question. Mr. Hickey stated that the issue of property is a difficult one since the connotation of it being liquidated triggers under the Native Claims Act and other legislation the potential for that property not to be part of the arrangement for transfer. The total for the Rolling Star and railroad facilities would be approximately \$15 million not including real property. Since the railroad is a federally owned railroad, there is a question with regard to the liquidation formula and assessment of what would constitute associated real property which could effect the transfer.

(Representative Meekins left at this time.)

J.P. TANGENT testified on behalf of the Alaska State Chamber of Commerce and Anchorage State Chamber of Commerce that the present version of SB 212 has many defects, most significantly that it creates a whole new bureaucracy. Mr. Tangent explained that the State of Alaska should not be in the railroad business since it does not know how to run a railroad and does not need a new bureaucracy at this time. Instead, what is needed is a vehicle to receive the railroad from the U.S. government and put the operation of the system into the hands of well qualified entrepreneurs with the capability and flexibility to run a railroad as a money making proposition. Mr. Tangent stated that they have no problem with the state being the official owner of the railroad but see no virtue in the state being the operator. Mr. Tangent provided the committee with a mark-up version of the bill containing the Chambers recommendations which deletes numerous procedural dictates to the Authority as to how it should run its affairs (copy in original bill file).

Chairman Adams asked Mr. Tangent if they would prefer to see the railroad go to private ownership instead of state ownership? Mr. Tangent responded that he was not sure if he could answer that question; however, feels it is clear that it should go into private operation or third party operation rather than operation by the state.

Representative Montgomery asked Mr. Tangent if he or any members of the Chamber have had any indication from private enterprise indicating an interest in operation of the railroad? Mr. Tangent stated that the impression he has is that there are a couple of companies which are interested and will be happy to supply Representative Montgomery with a more specific answer.

Representative Cotten asked which would be better, to pass this legislation or no legislation this year? Mr. Tangent responded that the bill as it is, is worse than no bill at all. Representative Cotten asked if it would slow efforts in Congress if no bill was passed this year? Mr. Tangent responded that it was his impression that it would not hurt efforts currently being made in Congress.

Representative Bettisworth stated that he had made an effort into checking private enterprise and their interest in taking over the railroad. One of the largest companies, Morrison Knudsen, was not interested in the railroad as it currently exists since there was no faith that it was going to go beyond where it currently is. He explained that most companies with which he had contact provided the same response. Representative Bettisworth reminded members that the state is on record as being opposed to expansion and development and utilization of the resources; all of which is contrary to the viable operation of railway transportation.

In response to a question concerning the proposed Transportation Committee's amendments; Chairman Adams stated that it was his understanding they were to be taken up on the floor and had not been incorporated into the Transportation Committee's committee substitute (See attached -- attachment #1).

Representative Bettisworth MOVED to incorporate the amendments into a Finance committee substitute for SB 212. Chairman Adams OBJECTED and asked if there was anyone wishing to testify on the amendments. Chairman Adams WITHDREW his objection. There being NO OBJECTION, it was so ordered.

Representative Montgomery MOVED to report out of committee a Finance Committee substitute incorporating the approved amendments to SB 212. There being NO OBJECTION, it was so ordered. HCS CSSB 212 (Finance) was reported out of committee "without recommendation".

The next bill to be considered was CSSB 692 (Jud).

CSSB 692 (Jud)

CSSB 692 (Jud) - "An Act relating to the duties of coroners and the coroner's inquest."

ART SNOWDEN with the Alaska Court System explained that the bill contains technical amendments to existing statute and revisions to meet requirements which were established several years ago.

Representative Cotten MOVED to report out of committee CSSB 692 (Jud). There being NO OBJECTION, it was so ordered.

The next bill to be considered was SB 719.

SB 719

SB 719 - "An Act providing that the Department of Education conduct a computer network study; and providing for an effective date."

PAUL BERG with the Department of Education informed members that the state Board of Education endorses the bill which will give an opportunity to develop micro-computer systems around the state.

Representative Montgomery asked if this had been included in the commissioner's budget request to the governor last fall? Mr. Berg responded that he did not have the answer to that question.

Representative Cotten asked what the \$50,000 requested would be used for. Mr. Berg responded that it is for a feasibility study to determine the compatability with existing systems.

Representative Montgomery MOVED to report out of committee SB 719 along with the fiscal note dated April 1, 1982 in the amount of \$50.0. There being NO OBJECTION, it was so ordered. SB 719 was reported out of committee with a "do pass" recommendation.

The next bill to be considered was CSSB 817(Fin).

CSSB 817(Fin)

CSSB 817 (Fin) - "An Act relating to medical assistance for needy persons; and providing for an effective date."

Chairman Adams stated that the bill makes changes in the state's general relief medical program. In light of fiscal constraints, the bill adds two new groups to the list of those eligible for Medicaid -- low income children and low income pregnant women. These two groups are currently eligible for General Relief Medical. Chairman Adams informed committee members that there is a proposed House Finance committee substitute which makes one change adding a new section 4 addressing the Department of Health and Social Service's ability to contract for providing services.

ROD BETIT, Director of Public Assistance with the Department of Health and Social Services explained that the intent of the legislation is to leave the department with greater flexibility to get by with funding levels for FY 83 between medicaid and general relief medical. He stated that they can not afford to maintain a 30-40% growth in those programs with a 15% general fund increase. It will guarantee that the children under General Relief Medical and pregnant women not otherwise coverable by AFDC will be moved under Medicaid and protected against any changes in

the General Relief Medical program. He explained that the department has no problem with the language added in the committee substitute dealing with contract requirements. He explained that the Medicaid and General Relief Medical budgets need to be appropriated as a single rather than separate appropriation in order for the Department to have the full effect of CSSB 817.

Chairman Adams asked if these show up in the operating budget? Mr. Betit explained that they do and the fiscal note is to receive and expend additional federal money. There is no state general fund increase in the bill.

Representative Montgomery MOVED to report out of committee HCS CSSB 817 (Finance) along with the fiscal note dated May 15, 1982 in the amount of \$9,185.2 in federal funds. There being NO OBJECTION, it was so ordered. HCS CSSB 817 (Finance) was reported out of committee with a "do pass" recommendation.

The next bill to be considered was CSSB 252 (Fin).

CSSB 252 (Fin)

CSSB 252 (Fin) - "An Act relating to grants for water supply, sewerage and solid waste facilities; and providing for an effective date."

Chairman Adams began by explaining that the bill increases the percent of state participation in the grants for water supply, sewerage and solid waste facilities. There is a proposed House Finance Committee Substitute which adds a new section 4 dealing with funds for operations and maintenance of such facilities. Chairman Adams explained that the state currently may supplement these costs and the House budget contains \$93 thousand for this purpose and the senate budget contains \$110 thousand with the total cost of the provision expected to be \$535 thousand. Chairman Adams stated that should the bill pass, he would make every effort to see that the final budget reflects the increased costs.

Representative Cotten stated that the water and sewer bond which was just passed out of committee does not put any money into this fund to enable the changing of percentages. He suggested that the free conference committee might consider the possibility of putting money into a fund so there will be adequate funding for projects based on merit and not on politics.

Representative Fuller MOVED AND ASKED UNANIMOUS CONSENT to report out of committee HCS CSSB 252 (Finance). There being NO OBJECTION, it was so ordered. HCS CSSB 252 (Finance) was reported out of committee with a "do pass" recommendation.

ADJOURNMENT

The meeting adjourned at 3:00 p.m.

HFC 82-56, Side 1 #568 to end
82-56, Side 2
82-57, Side 1, #001 to #648

A M E N D M E N T

Offered in the HOUSE

By the Transportation Committee

TO: CSSB 212 (Transportation)

Page 17, lines 3 - 4, following "system and":

Delete all material and insert "negotiation of through-tariffs with providers of intrastate and interstate transportation;"

A M E N D M E N T

Offered in the HOUSE

By the Transportation Committee

TO: CSSB 212 (Transportation)

Delete "the leadership of" in the following places:

Page 6, line 13

Page 11, lines 18 and 19

Page 19, line 11

Page 22, line 7

Page 34, line 17

Page 35, line 24

Page 36, line 27

Page 44, line 26 - page 45, line 2:

Delete all material

Renumber subsequent paragraphs

A M E N D M E N T

Offered in the HOUSE

By the Transportation Committee

TO: CSSB 212(Tresp)

Page 1, line 6:

Delete "Alaska Railroad" and insert "railroads"

Page 45, following line 28:

Insert the following:

* Sec. 5. AS 23.10.420(b) is amended to read:

(b) Except for hostling movements and duties as negotiated for each railroad company, no person operating an Interstate Commerce Commission-regulated railroad offering passenger service in this state may operate an engine or locomotive, regardless of the form of energy used for propulsion, for switching cars or in transfer movements, unless every engine or locomotive is manned by a minimum crew consisting of one locomotive engineer, [ONE LOCOMOTIVE FIREMAN (OR HELPER),] one conductor, and one brakeman [TWO HELPERS].

Renumber subsequent bill sections

Page 48, line 28:

Delete "This Act takes" and insert "Sections 1 - 4 and 6 - 15 of this Act take"

Page 49, following line 4:

Insert the following:

* Sec. 17. EFFECTIVE DATE. Section 5 of this Act takes effect immediately in accordance with AS 01.10.070(c).

A M E N D M E N T

Offered in the HOUSE

By the Transportation Committee

TO: CSSB 212 (Transportation)

Page 44, line 18, following "spouse":

Add "or partner in a meretricious relationship"

HOUSE FINANCE COMMITTEE

May 17, 1982

8:35 a.m.

(Tape HFC 82-57, side 1 #648.)

PRESENT

Members of the Committee in attendance: Representatives Adams, Montgomery, Fuller, Haugen, Bettisworth and Carney. PRESENT TO TESTIFY: Bob Cooksey, National Education Association - Alaska.

SB 693 and SB 735

Chairman Adams called the meeting to order and brought the following bills up for consideration:

CSSB 693 (Fin) -- "An Act changing the termination date of the law giving the supreme court authority over court facilities; and providing for an effective date."

SB 735 -- "An Act relating to organization grants and transitional assistance for municipalities; and providing for an effective date."

Chairman Adams presented proposed Finance Committee Substitute's for the bills -- NEW TITLES:

House CS for CSSB 693 (2d Finance) -- "An Act relating to the numbers of superior court judges; and providing for an effective date."

House CS for SB 735 (Finance) -- "An Act relating to judicial elections; and providing for an effective date."

Chairman Adams reminded the Committee that last week they reported out a Finance CS for SB 693 which upgraded a district court judge in Valdez to the superior court. He advised that section remains in the proposed 2nd Finance CS. He stated the proposed 2nd CS does not reflect the other provisions which related to judicial retention elections. Those provisions are now found in the proposed CS for SB 735.

Chairman Adams advised there is a \$25.2 fiscal note for SB 693.

Representative Haugen MOVED AND ASKED UNANIMOUS CONSENT that HCS CSSB 693 (2d Finance) be reported out of Committee with the \$25.2 fiscal note. There being NO OBJECTION, it was so ordered. The bill was reported out with a "do pass" recommendation.

Chairman Adams advised there is a fiscal note in the amount of \$66.0 that is to accompany the proposed CS for SB 735.

Representative Haugen MOVED AND ASKED UNANIMOUS CONSENT that HCS SB 735 (Finance) be reported out with the fiscal note. There being NO OBJECTION, it was so ordered. HCS SB 735 (Finance) was reported out with a "do pass" recommendation.

SB 320

The next bill to be considered was SB 320.

CSSSSB 320 (HESS) -- "An Act relating to training for employees of borough or city school districts or regional educational attendance areas; and providing for an effective date."

Chairman Adams advised this bill was sponsored by Senator Stimson and it establishes in the statutes a staff development program for employees of school districts and REAA's. He said currently most districts conduct in-service training programs. This legislation would enable statewide coordination of the programs as well as provide a mechanism for long range planning. Chairman Adams said the fiscal note indicates no cost would be incurred during FY 83 as the Department of Education would be developing regulations and assessing the development of a state training program. He said costs for the program would be included in the Department's FY 84 budget.

MR. BOB COOKSEY, National Education Association - Alaska, stated they support this concept. He said they feel this legislation is an opportunity to encourage all districts to enter into the program. He agreed there would be no cost in the first year when they are deciding what to do.

Representative Montgomery said this could be accomplished without a law. He said the Commissioner approves the philosophy, so there is nothing wrong with him including this in his budget. He asked why they need this law. Mr. Cooksey said the law would encourage people to look at this program and make a greater effort. Representative Montgomery asked why they needed a law when the Department of Education could do this on its own. He said it seems to him that this is a real weak thrust.

(Tape change, HFC 82-57, side 2.)

Mr. Cooksey agreed the law doesn't require the districts to participate. He said the districts could do this now if they wanted to. He said without the law, he isn't sure the Department would be that cooperative. He commented the Department would be approving the programs prior to the money request coming to the Legislature. Representative Montgomery said he didn't disagree with the concept, but he thought having a law was foolish.

Representative Carney asked if it was necessary to pass the the bill out of Committee today. Chairman Adams said no. Representative Carney suggested that before the Bill is reported out, they should know what the cost is going to be. He suggested the bill be held in Committee.

Chairman Adams assigned Representatives Carney and Montgomery to a Subcommittee on SB 320.

ADJOURNMENT

The meeting adjourned at 8:45 p.m.

Tape HFC 82-57, side 1 #648 to end
side 2 #001 to #079

HOUSE FINANCE COMMITTEE

May 19, 1982

8:35 a.m.

(Tape HFC 82-57, side 2 #079.)

PRESENT

Members of the Committee in attendance: Representatives Adams, Cuddy, Montgomery, Haugen, Cotten, and Carney. Representative Bettisworth arrived later in the meeting. ALSO PRESENT: John Pugh, Director, Family and Youth Services, Department of Health and Social Services; Theda S. Pittman, Director, Public Offices Commission; Patty Ann Polley, Director, Division of Elections; and Ken Kareen, Director, Division of Personnel, Department of Administration.

SB 89

Chairman Adams called the meeting to order and brought SB 89 up for consideration.

CSSB 89 (Rls) am -- "An Act amending the child protection laws; and providing for an effective date."

Chairman Adams gave a brief explanation of the bill. He advised there is a House Judiciary CS for the bill. He said the fiscal note is zero.

MR. JOHN PUGH, Director, Division of Family and Youth Services, Department of Health and Social Services, testified that the bill was introduced in the last Session of the Legislature by Representative Parr and it was introduced again this Legislative Session by Senator Parr. He said the Department does support the legislation. He said the most important aspect of the legislation they were supporting was the addition of school administrative staff members as well as the individuals involved in day care and foster care, in the reporting of child abuse and neglect. He said this provision has been removed from the House Judiciary Committee Substitute. Mr. Pugh stated the addition of these individuals is very important because in their day to day work they are constantly involved in discovering cases of child abuse and neglect, and if they are not mandated to report, often these kinds of cases will "slip through the cracks." Mr. Pugh said the Department would ask this Committee to consider adding back in the reporting of school administrative staff members and individuals involved in day care and foster care.

Mr. Pugh said the second thing not mentioned in the House Judiciary CS, which is a change from the bill that came over from

the Senate, is on page 1, line 21 and 22 of the bill. He explained "requiring the attention of a practitioner of the healing arts" was removed from the Senate version because many times, particularly in the area of sexual abuse, the abuse will not be reported immediately, so the child does not need medical attention, but does need to be protected from further sexual or physical abuse. He said the Senate bill did remove that requirement, and the Department would recommend the Committee consider going back to the language that came over from the Senate.

Representative Cotten asked what the difference was between sexual abuse and sexual exploitation. Mr. Pugh said sexual exploitation, under the criminal statutes, is where a parent or adult actually utilizes a child in child pornography or other types of sexual activities. He said it is a crime under Alaska statute, but this legislation would make clear that the agency also can be involved in protecting the child and removing him from the parent.

Representative Cotten asked what the Judiciary Committee's rationale was in making these changes. Mr. Pugh said he didn't know. He advised he testified before the Judiciary Committee on the bill prior to the Judiciary CS coming out, but he was not at the meeting where they reported that bill out.

(Representative Bettisworth arrived at this time.)

Chairman Adams requested that the Committee Reports from the HESS and Judiciary committees be read. The HESS Committee recommended that CSSB 89 (RIs) am be adopted with an amendment (on page 2, line 1 delete "administrative staff members" and insert "administrators"). Members signing "do pass" Cato, Malone, Martin and Beirne. The Judiciary Committee recommended the bill be replaced with a House CS for CSSB 89 (Judiciary). O'Connell signed "do pass if not amended"; Anderson and Barnes signed "no recommendation"; Buchhold and Phillips signed "do pass if amended".

Representative Carney asked why there was a Finance Committee referral when the fiscal note on the bill is zero. Mr. Pugh said he didn't know. He commented that there has been no change in the fiscal note, it has been zero all along. Representative Cuddy asked if the bill shouldn't have a fiscal impact. Mr. Pugh said they probably won't take on additional children as a result of this legislation. He explained the bill clarifies the legal position of the Agency.

Mr. Pugh said there is another large section added by the Judiciary Committee, and that is on page 2, starting on line 17, the DUTIES OF PUBLIC AUTHORITIES in 47.17.025. Mr. Pugh said this was requested by the Department of Law, but the request by the Department of Law was "a law enforcement agency shall

immediately notify the Department of the receipt of report of harm to a child from abuse". He said they did not request "abuse or neglect". He said the reason was that the Department feels there are serious abuse cases, both physical abuse and sexual abuse, which have criminal elements to them, particularly in sexual abuse. He said the issue of neglect never arose in that testimony. He said neglect cases would rarely have criminal charges against them, so he suggested that in this section "or neglect" be removed because it is not appropriate for those cases to be referred to the Department of Law. He advised "or neglect" appears on page 2, line 19, 23, 25 and page 3, lines 2, 5 and 8.

Mr. Pugh said the other thing the Judiciary CS does is remove the penalty. He said the majority of state's do have penalties for not reporting, and this was included in the Senate version of the bill and it was confirmed by the House HESS Committee that there be a penalty. He said the Department would recommend that the penalty be placed back into the bill.

Representative Montgomery asked why school administrators were omitted in the Judiciary CS. Mr. Pugh said he didn't know why. In answer to a question from Representative Montgomery, Mr. Pugh said the Judiciary CS wouldn't lessen the responsibility of teachers, but it doesn't add the administrators. He explained the problem is that often-times the policy in school districts is that teachers report to administrators, and sometimes the administrators have not reported it on for various reasons. He said the Senate version of the bill makes it clear that the responsibility is that the administrator has to pass that information on. There was further discussion.

Representative Montgomery asked what Mr. Pugh's recommendation on the bill is. Mr. Pugh said he would recommend accepting the Senate bill, or they could add AS 47.17.025 to that bill. Chairman Adams asked if he would like to accept the bill that came from the Senate and add to it section 47.17.025 of the House Judiciary CS page 2, line 17 through page 3, line 5, deleting the words "or neglect". Mr. Pugh agreed. There was brief discussion.

Representative Cotten moved to accept CSSB 89 (RIs) am, adding to it Section 7 from HCS CSSB 89 (Judiciary) (page 2, line 17, through page 3, line 8) except deleting "or neglect" on page 2, lines 19, 20, 23, 25 and page 3, lines 2, 5 and 8, and that this be incorporated into a Finance CS. He asked for UNANIMOUS CONSENT. There being NO OBJECTION, it was so ordered. House CS for CSSB 89 (Finance) was reported out with a "do pass" recommendation and the zero fiscal note.

SB 167

The next bill to be considered was SB 167.

SSSB 167 (Rules) am -- "An Act relating to election campaigns and to the composition and responsibilities of the Alaska Public Offices Commission; and providing for an effective date."

Chairman Adams gave the following explanation of the bill.

SB 167, sponsored by Senator Kelly, revises a number of sections of statutes which deal with state election campaigns, regulation of lobbying and public officers and employees. Some of these changes include requiring candidates to report only those expenditures and contributions which exceed \$250 instead of \$100, and increasing the contribution limit from \$1000 to \$2000. It also makes a number of changes in reporting requirements.

The House State Affairs Committee adopted a CS which rewrites the Senate version, abolishes the APOC and transfers the responsibility for regulation of conflict of interest and lobbying to the Commissioner of Administration. Other APOC responsibilities would be transferred to the Director of Elections.

The House Judiciary also adopted a CS which makes technical changes to the State Affairs version.

The Senate version has no fiscal impact. Fiscal notes for the House State Affairs version indicate that the Division of Elections would need \$155.6 for FY 83 while the Department of Administration would need \$173.6.

MS. THEDA PITTMAN, Director, Alaska Public Offices Commission presented testimony opposing the House CS. (See attachment #1.) She said the Commission would ask for adoption of CS for SB 167 (Rules) am.

Ms. Pitman said it is ironical, when looking at the list of amendments to campaign disclosure, that some items were developed by the Public Offices Commission to reduce the burden of disclosure without impacting the effect. She said the plan to abolish the Commission doesn't have the support of Patty Ann Polley. She said the Division of Elections is not thrilled with the idea of having to cope with campaign disclosure requirements. She said the Department of Administration can speak for themselves. She advised the Governor was very clear when he reviewed the first work of the budget about what he thought of the effect of abolishing the Commission by reducing the budget. She said the League of Women Voters is on record with letters to the House, talking about the importance of an independent citizen commission.

Ms. Pitman said she didn't think the critics of the Public Offices Commission were really talking about money.

Ms. Pitman said there was a person who two or three years ago was fond of saying "wow, the APOC spent more money than all the candidates put together". She said the election that person was talking about was a municipal election year, in which there were no major controversial elections, and the vast amount of money he was talking about was less than \$400,000. She commented further.

Ms. Pitman said their workload is substantial. She said if you look at it in terms of reducing the budget, you will be looking at reducing the assistance people get. She said the assistance falls into the category of people who have to comply, and people who don't. In terms of volume of material, and the kinds of things the three existing disclosure laws deal with, Ms. Pitman said, the population of municipal candidates is steady at about 350. She said the size of municipal campaigns isn't steady -- last year it was around \$1.4 million. She said the number of political groups ranges from 150 to 300. In 1980, she said there were 175 state candidates for 50 legislative seats, and they spent about \$2 million. She advised that at the end of 1981, the State candidates, including the early starters in the Gubernatorial race and some of the legislative candidates, filed reports of \$1 million. She said it is possible they will have a \$10 million election this year in the state. In addition, she said, there is the lobbying population. She advised there were 300 registered lobbyists last year with 260 employers. She said the "conflict of interest population" is something over 600 state conflict of interest forms and about 1800 municipal forms coming from 100 communities. She said in addition there are the people who are not required to file but need information to confirm that fact. She said she didn't think their budget request was an outrageous amount of money given the numbers of people, and the complexity of the issues.

Ms. Pitman said in discussing changes to the disclosure law there has been, on the one hand, statements that the Commission isn't tough enough and there haven't been enough people thrown in jail; and on the other hand, statements that people are being harrassed and intimidated. Ms. Pitman said people aren't being harrassed for the sake of harrassment. She said the Commission does remind people when they are overdue with requirements to file certain information. She said it is perhaps intimidating to know one is in the position where the failure to do something has a potential criminal violation. She said a substantial portion of the Commission's responsibility is to take steps to review matters to make sure that people aren't "hailed up on criminal charges" for an innocent mistake. She said she thinks they do that quite well.

Ms. Pitman said she has also heard the comment that the Commission tries things in the press. In response she said they are all aware that the Commission has no control over what the press considers newsworthy. She said it is true that while a potential violation is being investigated that is considered

newsworthy. She said 95% of the people filing them on time and with no major errors or omissions, that isn't considered newsworthy. She said there isn't much the Commission can do about that. She commented that it was unfortunate that the people who comply on time don't get more credit for doing so.

Ms. Pitman said one of the best things that could happen would be if people got credit for complying with the disclosure laws, or took more pride in the fact that they did so. She said the Commission will continue to encourage people to be aware that is what disclosure is about.

Representative Cotten asked if she thought it was wise to make major changes to a campaign laws right before an election. He asked if it would be better to have an effective date that would take place after the upcoming election. Also, he referred to page 12 and 13 of the Senate bill, and he asked what happens if he refused to make a complete statement in the judgment of the Superior Court right now; could his election be voided? Ms. Pitman said not by the Superior Court, but by the Supreme Court. Representative Cotten said this Legislation was making it easier to void an election after a person has been elected. Ms. Pitman said page 12, section 27, where it substitutes Superior for Supreme Court, is what is in the law at present. She said the Supreme Court asked for the change to Superior Court because the Supreme Court is not a trial body. She said what they did in the Marshall case was appoint a special master to review the facts. Representative Cotten asked what the Marshall case was. Ms. Pitman said Joe Marshall was a municipal candidate in Fairbanks who did not file any information before the election, did have campaign contributions and expenditures, and the Commission after a hearing, petitioned the Supreme Court to review that matter. She said the Supreme Court did declare Mr. Marshall's election void. Subsequently, both the Assembly and the City Council appointed him to fill a vacancy which had been created.

Ms. Pitman said the Supreme Court wanted it to go back to Superior Court, because the Superior Court would be the one to do the fact finding file. She advised Section 27 is the one that Senator Kelly's Memo (attached) referred to that needs to come out because it was subsequently replaced on the Floor of the Senate by Section 29 on page 12. She explained that Section 29 requires that a person be convicted first. She commented further.

In answer to Representative Cotten's question regarding making changes in an election year, Ms. Pitman said the Commission was hopeful that the changes could have been accomplished earlier in the Session. She said the "devil and the deep blue sea of the matter" is that in an off year it has been very hard to get anyone interested in an APOC bill at all; hence the effort to get some changes this year. She said an effective date that is later is perhaps fairer. She said an early effective date is most

disruptive to the people who haven't run for office before. Representative Cotten pointed out there is an immediate effective date in the Senate version of the bill. Ms. Pitman said she understands that. She commented further.

PATTY ANN POLLEY, Director, Division of Elections, testified that the Division of Elections would prefer to see the Senate version of the Bill passed. She said they feel they have enough responsibility to accomplish in terms of 1982 with reapportionment and the new election code to be implemented. She said they have concerns about implementing the House versions of the bills prior to the 1982 election.

Chairman Adams commented he thought \$100.0 was more than sufficient for the APOC to operate their group.

Representative Montgomery MOVED to report out HCS CSSB 167 (State Affairs). Representative Cotten OBJECTED. The Question was called for. IN FAVOR: 5; OPPOSED: 2 (Cotten, Cuddy). The MOTION carried. HCS CSSB 167 (SA) was reported out without recommendation. Chairman Adams advised the bill was to be reported out with the two fiscal notes.

SB 193

The next bill to be considered was SB 193.

CSSB 193 (Jud) am -- "An Act amending state personnel laws; and providing for an effective date."

Chairman Adams gave a brief explanation of the bill. There is a House Judiciary CS and a fiscal note in the amount of \$71.8.

MR. KEN KAREEN, Director, Division of Personnel, advised SB 193 had its beginnings with the Legislative Blue Ribbon Commission. He said the Bill has been amended through the various Committees. He commented that had objection to some of the earlier provisions of the bill; however, the bill has been amended to the point that they feel it would be an improvement to the present act. He said they could certainly administer and live under this bill.

Representative Cotten commented that over the years they have heard problems about the personnel system and bureaucrats complaining they can't hire the people they want to, it takes too long to get someone on the list and through the system. He asked if this bill addressed that subject. Mr. Kareen said it does in only one regard. He said it does make provisions for local hire preferences which they don't have under their current act. In answer to a question from Representative Cotten, Mr. Kareen said they envisioned this being used in the most distant areas, not tied into the metropolitan areas. He said they would rank, in non-professional jobs, residents of that area first. He said as the bill stands it enables this to be done, but it would require

the personnel board to enact rules to define and carry it out. He commented that lack of responsiveness was largely a problem of staffing and mechanical processing of applications. He said in the past nine months, the timing has gone from 48 days to 13.

(Tape change, HFC 82-58, side 1.)

Representative Carney asked why they needed the State personnel system, why couldn't they use Job Service? Mr. Kareen said their requirements go beyond what Job Service provides. He said Job Service refers people based on what the employer says they need on a first come, first serve basis. He said there is no ranking. Also he said, federal regulations prohibit Job Service from doing some of the things they do in the state personnel system, such as giving preference to Alaska residents in hiring.

Chairman Adams asked if the Blue Ribbon Commission would work with the attorney being hired to rewrite the current personnel rules and draft changes to the Personnel Act. Mr. Kareen said he could not speak for the Commission. He said the bill provides for public hearings and dissemination of the drafts, so he has no doubt that the Blue Ribbon Commission will see them and have an opportunity to comment.

Representative Cotten asked if this bill made any changes to the definition of veteran. Mr. Kareen said the only substantive change is that it increases the length of service from 90 to 181 days. There was brief discussion.

Representative Cotten asked if the Department supported the House Committee Substitute. Mr. Kareen said that was correct.

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT to report out HCS CSSB 193 (Judiciary) with the \$71.8 fiscal note. There being NO OBJECTION, it was so ordered. The bill was reported out without recommendation. (Cotten signing "do pass"; Adams, Haugen, Bettisworth, Carney and Montgomery signing "no recommendation"; and Cuddy signing "do not pass".)

ANNOUNCEMENTS

Chairman Adams said the only additional bill to come before the Committee will be a supplemental bill (SB 744); otherwise, he said, the House Finance Committee is temporarily shut down.

ADJOURNMENT

The meeting adjourned at 9:23 a.m.

Tape HFC 82-57, side 2 #079 to end
HFC 82-58, side 1 #001 to #161

STATE OF ALASKA

ALASKA PUBLIC OFFICES COMMISSION

JAY S. HAMMOND, GOVERNOR

REPLY TO:

☒ 610 C STREET, SUITE 211
ANCHORAGE, ALASKA 99501-3598
(907) 276-4176

☐ JUNEAU BRANCH OFFICE
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JUNEAU, ALASKA 99811-0222
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May 18, 1982

House Finance Committee

Re: CSSB 167(R1s) am/HCS CSSB 167(SA)/HCS CSSB 167(Jud)

The Alaska Public Offices Commission opposes the provisions of the House Committee Substitutes for Senate Bill 167 which abolish the Commission, assigning Campaign Disclosure to the Director of Elections and Conflict of Interest plus Regulation of Lobbying to the Commissioner of Administration. The Commission believes that the net effect of such a transfer would be to dilute the effectiveness of Alaska's disclosure laws by assignment to agencies with substantial workloads which are materially different from the duties of a disclosure agency.

The Commission, as organized presently, is committed solely to the process of disclosure including assisting those who are required to file as well as providing public access to the information on file. The suggestion has been made by those who initiated the plan to abolish the Commission that to do so will result in greater efficiency for candidates as well as a savings cost to the State. That statement overlooks two facts: State candidates will still have to deal with two entities since Conflict of Interest is to be administered by the Commissioner of Administration and budget reductions will bring reduced service in public accessibility and in assistance to those subject to the laws.

Attachment #1

-763-

5/19/82

CSSB 167 as approved by the Senate contains numerous constructive amendments to the Campaign Disclosure Law. A substantial number of those amendments were formulated in 1981, with additional items developed and advocated by the Commission this year. The list dated February 15, 1982, summarizes those amendments and the Commission asks that you adopt CSSB 167 (RLS)(am). The Commission believes that such an action holds the best hope for seeing that the amendments on the attached list are accomplished.

ALASKA PUBLIC OFFICES COMMISSION
CHECKLIST OF CSSB 167(R1s) am
CHANGES IN AS 15.13, CAMPAIGN DISCLOSURE

- Sec. 16 -- increasing the maximum annual contribution from \$1,000 to \$2,000;
- Sec. 7 - 9 -- raising the threshold at which a contributor's name must be reported to over \$250;
- Sec. 7 - 9 -- allowing expenditures of \$250 or less to be reported as a lump sum on each report;
- Sec. 1 -- exempting candidates for service area boards from campaign disclosure requirements;
- Sec. 7 -- allowing deputy treasurers, as well as treasurers and candidates, to certify reports;
- Sec. 12 -- allowing candidates who plan to accept no more than \$250 in total contributions and to spend no more than \$250 to file one Campaign Exemption Report;
- Sec. 17 -- allowing contributions which exceed \$100 in cash to be accepted if receipted;
- Sec. 18 - 20 -- allowing candidates to use a "short form" of identification on political communications, i.e., "paid for by Pat Candidate;"
- Sec. 21 - 30 -- allowing expenditures before filing;
- Sec. 22 -- establishing January 10 as the due date for Year-end Reports;
- Sec. 23 -- deleting the requirement to report expenditures on 24 Hour Reports as well as changing such to "48 hour" reports;
- Sec. 26 -- specifying which violations of AS 15.13 may result in criminal penalties;
- Sec. 31 -- eliminating the requirement to record and report contributions returned within 72 hours;
- Sec. 35 -- deleting the requirement that suppliers of services file reports;
- Sec. 34 -- restoring the four-year statute of limitations for AS 15.13;
- Sec. 13 -- requiring that APOC hearing process regulations be promulgated;
- Sec. 6 -- prohibiting new regulations from taking effect later than 30 days before the filing deadline.

ALASKA STATE SENATE

SENATOR TIM KELLY, CHAIRMAN
SENATOR ED DANKWORTH, VICE-CHAIRMAN
SENATOR JALMAR KERTTULA
SENATOR ROBERT ZIEGLER
SENATOR FRANK FERGUSON



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RULES COMMITTEE

TO: Representative Metcalfe
Chair, House State Affairs

FROM: Senator Kelly *OK*
Chair, Senate Rules Committee

DATE: March 17, 1982

Subject: CSSB 167 (Rules) am - AS 15.13.120(b)

I would like to bring to your attention an error in the above bill concerning the Alaska Public Office Commission. Section 27 was inserted by amendment #1 on the floor of the Senate, and then repealed in Amendment #5. It appears as section 27, and as repealed in section 35.

This is a drafting error in the bill, and requires no action by your committee. However, Legal Services should be alerted as to the problem and take care of it by excluding Section 27 from the bill. If your committee does prepare a CS, please include a copy of this memo to drafting. If not, the error will be taken care of by the revisor of statutes at a later date.

Thank you for your attention to this matter.

HOUSE FINANCE COMMITTEE

May 25, 1982

8:35 a.m.

(Tape HFC 82-58, Side 1, #79)

PRESENT

Members of the committee in attendance: Representatives Adams, Cuddy, Montgomery, Fuller, Hurlbert, Chuckwuk, Meekins, Cotten, Bettisworth, and Haugen. Representative Carney was not in attendance at the meeting.

ALSO PRESENT: Jay Hogan, Director, Legislative Finance; Alison Elgee, Fiscal Analyst, Legislative Finance; Alison Farnan, Fiscal Analyst, Legislative Finance; Bob Schroeder, Fiscal Analyst, Legislative Finance; Bob Grogan, Fiscal Analyst, Legislative Finance; Elmer Lindstrom, Fiscal Analyst, Legislative Finance; and Steven Pennoyer, Director, Division of Commercial Fisheries, Department of Fish and Game.

Chairman Adams called the meeting to order and informed committee members that they would proceed with a Sectional Review of SCS CSHB 643 (Finance). Following a request made by members during an informal meeting of the Finance Committee on May 21, 1982; backup information had been compiled for review by the full committee. Chairman Adams informed members that backup information for the following sections was not available for today's meeting; however, the information will be forthcoming for review by the committee: Sections 16 through 20; Section 29, Section 40, Sections 92 through 94. Chairman Adams informed members that it was his intent to proceed page by page through the legislation with members noting those sections which they require backup information for further review.

SCS CSHB 643 (Finance)

SCS CSHB 643 (Finance) - "An Act repealing, amending, making, and extending lapse dates on appropriations; and providing for an effective date."

Page 1

Representative Meekins asked for additional information concerning Section 1 and Section 2. BOB GROGAN, Fiscal Analyst with the Legislative Finance Division explained that he had not received anything from the Department of Fish and Game therefore did not have any details at this time. The committee requested that the Department be contacted and a representative meet with the committee to explain Sections 1 and 2. Chairman Adams

informed members that they would return to page 1 when a representative from the Department arrived.

Page 2

Representative Meekins asked for an explanation of the decreased funding to the Matanuska-Susitna Borough as outlined in Section 8. ALISON ELGEE, Fiscal Analyst with the Legislative Finance Division explained that under ch. 104 a total of \$6,200,300 was appropriated to the Borough for the Iditarod school which was destroyed by fire. The \$6,200,300 was an estimate of the cost of reconstruction. While awaiting settlement by the insurance company, the state appropriated the funds for reconstruction. Following settlement, the funds would return to the state. The money has been encumbered by the Department of Administration and is in the state treasury. The funding in the amount of \$2,820,300 as listed in the bill is the difference between the cost of reconstruction and amount of insurance settlement. Representative Meekins stated that the clause "if the borough subrogates its right to all proceeds from insurance on the school to the state" would place the school in a precarious position since the cost of reconstruction could exceed the \$2,820,300 and the insurance settlement would not then be available to the district. Chairman Adams asked Ms. Elgee to investigate to see if this situation could arise to determine if changes should be made to Section 8.

Representative Montgomery asked if there was a relationship between Section 9 and 10 with Section 8? Representative Cotten responded that they do not tie in. Representative Meekins responded that not only is Section 9 and 10 a new appropriation but when you want funding for a new school and school related equipment, bonds are issued. He stated that there is a statute which allows for 80% reimbursement so if the legislature is going to deviate from process by providing funding for one district, they should do it for all districts.

(Representative Fuller left at this time.)

Representative Cuddy referred to Section 14 and asked if there is to be a direct relationship in other areas of the bill? He stated that if there is no relationship with regard to where the money comes from and where it is going, then it would seem that there should be a reappropriation. Representative Cotten responded that HB 543 is a new capital and operating bill and is a reallocation and reappropriation of projects with the bulk coming from hydro projects appropriated last year. Representative Meekins agreed with Representative Cotten's comment and stated that in the past there has been a direct correlation between projects that have been reappropriated for other things. He stated that this bill is different from other transfer bills.

Page 3

Representative Meekins requested that Sections 16 through 20 be held for discussion awaiting the receipt of backup information.

Page 6

Representative Cotten referred to Section 27. He wondered why the funds, which are for a health care delivery system, are to be appropriated to the Department of Community and Regional Affairs instead of the Department of Health and Social Services?

Page 7

Representative Montgomery asked that Section 38 be noted.

Representative Meekins asked that Section 40 be held awaiting the receipt of backup information and commented that there should be a Form 35 which would provide specifics with regard to projects.

Page 8

Representative Cotten referred to Section 46 and asked if this was a usual situation when there is a budget overrun? ALISON ELGEE, Fiscal Analyst with the Legislative Finance Division responded that the appropriation is to cover capital construction shortfalls. She responded that she did not know the source of the original appropriation, that there were several sources. She stated that the Department did feel that this amount was adequate to complete the project.

Page 10

With regard to Section 65, Representative Cotten asked who will receive the appropriation?

Representative Cotten requested backup information for Sections 69 and 70.

Representative Meekins asked for backup information for Section 72. Representative Cotten responded that he had requested that backup information earlier. He stated that there are a lot of people who do not currently have power however, this only addresses eight people who will be receiving assistance. Representative Meekins stated that he would like the names of the individuals and requested that Section 72 be held for further discussion.

With regard to Section 73, BOB SCHROEDER, fiscal analyst with the Legislative Finance Division explained that it is the deletion of money from a previous capital appropriation for the Bethel jail. He explained that in the current bond bill, it considers the amount deleted in Section 73 and requests an additional amount to

provide for a regional facility. Mr. Schroeder explained that should the deletion be accepted, the facility would be three million dollars short for completion, even with the bond funding.

Page 11

In reference to Section 74, Representative Meekins explained that Bethel does need a new jail and the appropriation was made for \$3.4 million several years ago. The city had some land problems so consequently by the time they straightened out the land situation, inflation had increased the cost of the jail obstructing the city from building the type of facility which they desired with the amount of funding available. As a result, the Bond Committee decided that the City should have the amount that inflation had eroded as well as increasing the appropriation to provide for a multi-purpose regional correctional facility. Representative Meekins explained the benefits of this type of a regional facility. Representative Meekins stated that he had talked with the governor and he felt there should be a multi-purpose regional correctional facility in Bethel and should the bill get to him with this repealer included, he would veto the repeal.

Representative Cuddy asked what the cost per resident as included in Sections 76 and 77 will be? He requested copies of the backup information.

Representative Meekins had to leave the meeting at this time and requested that additional information be provided for Sections 140, 214, 220, and 259.

Page 12

Chairman Adams indicated that he had a question concerning Section 84 and stated that it would be held awaiting additional backup information.

Page 14

Representative Montgomery asked why Section 94 did not indicate a dollar amount? JAY HOGAN, Director of the Division of Legislative Finance responded that it is a matter of drafting style and that in this case they are repealing the entire amount of the appropriation. Mr. Hogan stated that when the bill passed out of Senate Finance, the Division made sure that the full repealers are only left on items where the full appropriation was made. The total amount under Section 94 is \$400,000.

Representative Cuddy requested backup information for Sections 96 and 97.

Page 15

Representative Cuddy requested backup information for Sections 98 through 103.

Representative Cotten requested backup information for Section 107.

In reference to Section 110, Representative Montgomery stated that this is to a REAA district and questioned why one school district is receiving a supplement to their operating budget. Alison Elgee, fiscal analyst, responded that this is a high school vocational program and normally the program should be funded by the foundation formula funding which goes to each district.

(Tape Change, HFC 82-58, Side 2)

Representative Cotten asked for additional information on Section 112 and Section 113 concerning the means of development of the figures.

Page 17

(Representative Bettisworth arrived at this time.)

Representative Cotten asked what "life safety upgrade" means as referenced in Section 118. Alison Elgee, fiscal analyst, responded that it is a phrase the department uses for code violations. Representative Cotten stated that he would still like to know what this entails.

(Representative Haugen arrived at this time.)

Page 1 (continued)

Chairman Adams indicated that a representative from the Department of Fish and Game was present to explain Sections 1 and 2 on page 1 of the bill. Representative Chuckwuk commented that HB 643 was referred to Resources and Finance and brought up on the floor and expressed concern with what the committee was doing having a member of the department re-explain for a member simply because he was not present at other meetings. Representative Chuckwuk felt that the committee was scrutinizing the bill more than necessary and it was repetitious. Chairman Adams responded that the committee wished to publically air some of the areas which were of concern.

STEVE PENNOYER, Director of the Division of Commercial Fisheries with the Department of Fish and Game, commented on page 1, Section 1 and Section 2. He explained that the bill reappropriates \$125,000 from a capital allocation given to the Department last year for statewide fisheries studies and combines with another new \$125,000 to fund a study in Bristol Bay on infra-structure, product development, etcetera. Mr. Pennoyer

explained that the statewide fisheries studies were for three specific projects, one of which was in Bristol Bay. The original project proposal was for \$300,000 for research studies specifically related to the major changes in production over the past few years in sockeye salmon runs to suggest ways to manage and hold it at the historical three million catch per year level. He explained that the funding was committed and the project started. The bill would transfer \$125,000 from Section 1 and Section 2 for a total of \$250,000 which would be appropriated under Section 4 of the bill for a Bristol Bay development study.

Page 18

Representative Cotten commented that the recently approved corrections bond package includes funding as outlined in Sections 126 and 127.

Page 19

Representative Montgomery requested additional backup information for Section 129.

Page 20

Representative Meekins, Montgomery and Cotten requested additional backup information for Section 140.

There was discussion by members concerning the method of review being used by the committee.

MEETING

Chairman Adams informed members that there would be a meeting at 8:30 a.m. on Wednesday, May 26, 1982, to complete the review of the bill beginning with page 21. There will be a bill session following Wednesday's floor session.

ADJOURNMENT

The meeting adjourned at 9:30 a.m.

Tape HFC 82-58, Side 1, #79 to end
82-58, Side 2, #001 to #357

HOUSE FINANCE COMMITTEE

May 26, 1982

8:35 a.m.

(Tape HFC 82-58, side 2 #360.)

PRESENT

All Members of the Committee were present except Representative Cuddy. (Representatives Carney, Hurlbert, Meekins and Fuller arrived later in the meeting.) ALSO PRESENT: Representative Phillips; Dr. Rabeua, Division of Public Health, Department of Health and Social Services; Steve Hole, Department of Education; Mark Wittow, Department of Natural Resources; Bob Price, Department of Law; Mike Scott, Aide to Senator Ferguson; and J. H. Hogan, Director, and Fiscal Analysts Alison Elgee, Bob Schroeder, Alison Farnan, Elmer Lindstrom and Bob Grogan, Legislative Finance Division.

HB 643

Chairman Adams called the meeting to order. The Committee continued their review of the Senate CS for CS for HB 643 (Fin).

SCS CSHB 643 (Finance) -- "An Act repealing, amending, making, and extending lapse dates on appropriations; and providing for an effective date."

Chairman Adams advised a question was raised yesterday regarding Sec. 27. DR. RABEUA, Department of Health and Social Services, testified that the Department would recommend that this section be appropriated to the Department of Health and Social Services rather than the Department of Community and Regional Affairs. He said their Department already provides funding for health projects in the Yukon-Kuskokwim area, and it would be easier to administer if the appropriation was to the Department of Health and Social Services.

ALISON ELGEE, Fiscal Analyst, Legislative Finance Division, advised a question was raised yesterday regarding Sec. B as to whether this language would be adequate in covering the cost of school reconstruction if they left in the sentence "if the borough subrogates its right to all proceeds from insurance on the school to the state." She advised she checked with the Borough Comptroller, and this reallocation is based on the assumption that they would retain the insurance proceeds. She said that in order to not create problems for the borough, they should eliminate this sentence from the section.

Representative Cotten stated he has received a letter from the borough comptroller saying they have already returned \$3.9 million. He commented when this was originally brought up, the plan was for them to receive the money and return it to the State. Ms. Elgee commented the insurance proceeds will make up about one-half of the amount they need to rebuild the school. There was further discussion.

Representative Cotten said he thought section 8 should be deleted completely, and Sec. 9 and Sec. 10 should be put in the capital budget.

Chairman Adams asked if it was correct that the discussion last year was that once the insurance money was collected, the remaining money would return to the general fund. Ms. Elgee said that was correct. She commented that if this section were to be eliminated from the bill they would use the money to reconstruct the school.

Chairman Adams said he would recommend on the floor that this section be deleted from the bill.

Chairman Adams advised he has received back-up information on Sec. 18, 19 and 20.

(Representative Carney arrived at this time.)

Chairman Adams asked if Representative Cotten still had questions on Sec. 40. Representative Cotten said he was curious as to how they arrived at the number and who would do the work on the project. Chairman Adams said he would continue to hold this section open.

(Representative Hurlbert arrived at this time.)

Representative Montgomery said he had questions on Sec. 46. MR. STEVE HOLE, Department of Education, stated he checked with the school district and the correct number should be \$396,110. He said that is the aggregate of cost over-runs for four projects.

Chairman Adams advised he has received back-up information for Sec. 55.

Chairman Adams advised he will continue to hold Secs. 72, 73 and 74 open until Representative Meekins indicates he has answers to his questions. Representative Cotten said he also had questions on Sec. 72. He said they have been trying to find out who the home-owners are, but haven't been able to. He formally requested that the Chairman find out who these home-owners are.

(Representative Meekins arrived at this time.)

Representative Cotten pointed out the project in Sec. 78 is a cost overrun according to the Form 35 he has. He said it appears this is not a new project, but a cost over-run.

There were no further questions on pages 12, 13, 14 or 15.

Page 16

Regarding Sec. 110, Representative Montgomery said he maintained his point that unless this is for a cost over-run these funds should be taken out of the operating budget. He said the same situation exists with regard to Sec. 112.

Page 17

Regarding Sec. 118, Representative Cotten said it has been brought to his attention that they do not have a swimming pool. Representative Montgomery asked if "life safety" pertained to building safety. Mr. Hole said one of the highest priority items of the Department was the category of life safety as it relates to the status of the actual school. He said life safety relates to meeting building codes, etc.

Representative Montgomery asked if the Department has prepared a list of the more needed projects. Mr. Hole said that was included in their FY 83 budget request. He explained that those requests given to them from the REAA's were included in their list to the Governor. He said some of those were included in the budget, some are in the bond bills, and some are in this bill. Representative Montgomery asked if this section duplicated any other request. Mr. Hole said not to his knowledge. Representative Montgomery asked if there were requests that were not included in the capital budget, bond bill or here. Mr. Hole said that is correct. Representative Montgomery commented he doesn't see any consistency.

Representative Meekins said he has questions on Sec. 121 and Sec. 131. He said they appear to be very similar, if not for the same thing. Representative Cotten commented that one amends a 1980 Session Law and the other amends a 1981 Session Law. Representative Meekins commented he has seen legislation where they go from a larger number to a smaller number retroactively, but it doesn't seem proper to go back and change a number to a higher figure.

(Representative Fuller arrived at this time.)

J. H. HOGAN, Director, Legislative Finance, said they are capital projects so he supposed they could do this, but he agreed that the normal situation would be to create a new capital budget appropriation. Representative Cotten said it is probably legal even though it is unusual.

Page 18

Representative Meekins said he has a question on the courts and trial courts. He asked if the reduction was because there was surplus money. BOB SCHROEDER, Fiscal Analyst, Legislative Finance Division, explained the ASHA payments budgeted by the Court System appear to have been double budgeted. He said the Department of Administration doesn't need this money to pay the ASHA rent for the Court System.

Regarding Sec. 124, Representative Chuckwuk said he thinks it should be be "Newhalen" instead of "Nondalton". He said he will check into this.

Page 19

Representative Montgomery said he will check the back-up information to see if it answers his questions on Sec. 129.

Page 20

Chairman Adams advised there are people present to explain the situation Sec. 140 addresses. MARK WITTOW, Department of Natural Resources, testified that in 1977 and 1978 the Legislature passed a law which allowed lease holders of state lands who had their property reassessed after the pipeline boom in Anchorage to have some relief from the mandated five year reappraisal. He advised that last year that date was extended back to July 1974. He said this appropriation has to do with someone who held a lease and the land was later transferred to the Municipality of Anchorage. He said the person purchased the lease from the Municipality. Therefore, Mr. Wittow said, the 1977 and 1981 law couldn't apply, nor could the fiscal note accompanying the bill.

Representative Cotten said they made the law retroactive to July 1974. He asked when the person purchased the property. Mr. Wittow said in 1979. He said in 1981 the Legislature extended the date back to 1974, before that it was January 1975.

Representative Cotten asked what the retroactive date had to do with the purchase of the land.

(Tape change, HCC 82-59, side 1.)

BOB PRICE, Department of Law, said he thinks this individual purchased the piece of property based upon the earlier appraisal which he had prior to the authorization for a reconversion, and therefore he purchased it at a greater price than he would have purchased it if this law which passed last year had been in effect at the time of the purchase.

Representative Cotten said he was operating under the conditions of law at the moment when he purchased it. Mr. Price agreed.

Representative Cotten said the Legislature later passed a law, and this person would like to take advantage of that. Mr. Price agreed.

Representative Meekins said his question is whether or not the law had passed and been in effect at the time the person purchased the land from the municipality, the problem was the way it was constructed, his appraisal date was in the wrong place. He said it was state land, it became municipal land, and they sold it to the lessee. Mr. Wittow said the conversion bill passed in 1977 and technical amendments were made to it in 1978. He said at that time it applied only to reappraisals made after January 1975, and then in 1981 the date was extended back to July 1974, so at the time the property was transferred to the Municipality and purchased, January 1975 was the date. Representative Meekins said the conversion law was in effect, but the date was 1975. Mr. Wittow agreed.

Representative Meekins asked if he knew the conditions and terms of the agreement. Mr. Wittow said he believes it was based on reappraised value. He said it was reappraised in the latter half of 1974. He said he didn't know the exact terms. Representative Meekins said if he had an appraisal in 1974, if the conversion law had not applied there would have been five years of normal appreciation, but since the conversion law did apply, at least a couple of the years would have been at the legal maximum of 10%. He asked if that was correct. Mr. Wittow said he didn't think the conversion law applied because his reappraisal occurred prior to the date of the leases that were affected by the conversion law.

Representative Montgomery said the purchase was made and terms were known by the purchaser and seller, has anything occurred legally that the State has an obligation to refund money to the purchaser? Mr. Price said the State has no legal obligation in the sense that if the State were sued by the individual. He said the State would have no legal obligation to readjust a purchase price which he entered into with the Municipality of Anchorage. He said if the Legislature wants to enact legislation, however, to correct what could be construed as an inequity, they have the authority to do so.

Representative Montgomery said there is no legal reason to enter into this purchase. He said a purchase was made, conditions were met by both groups, and there is no legal reason why this money should be paid. Mr. Price said the State has no legal obligation to enact this appropriation.

Representative Montgomery said, in case the State wished to be benevolent and make this money payment, is it possible that other claims could be made on the same basis. Mr. Price said if there are other ones there, they should certainly be considered on the same basis so there would be equal treatment of any other

applicants. Representative Montgomery said that his concern. He said isn't it a possibility that there might be other cases. Mr. Price said it is possible, but he has no information on that.

Representative Montgomery asked if the legal department had a recommendation as to the payment or nonpayment of the \$400,000. Mr. Price said he had no recommendation. He said the State is not legally obligated to enact this appropriation.

Representative Carney said he would submit that not only is the State not legally obligated, they are not morally obligated in anyway. He said this gentleman simply failed to get the very, very good deal that he got on some other property.

Representative Carney commented this figure (in sec. 140) represents the magnitude of the undervaluation of the land that was disposed of. He said those properties were appraised at 1973 values and sold at the price. He said this gentlemen bought one piece, of the three or four pieces he owns, at the fair market value, the rest he got for practically nothing. He said it would be a real outrage if they were to pay it.

Representative Chuckwuk commented on the retroactive aspect of the legislation.

Representative Cotten referred to Secs. 141 and 142, and said the back-up information he has shows the upgrade isn't necessary anymore. There was brief discussion. Chairman Adams said he would hold Secs. 141 and 142 open.

Page 22

Representative Cotten requested additional information on Sec. 149. Representative Meekins said Secs. 147, 148, 149 and 150 appear to be amendments to appropriation bills. He asked what they are and why there were being reduced. ALISON FARNAN, Fiscal Analyst, Legislative Finance Division, explained this applies to a supplemental appropriation so they can continue the General Relief Medical Program at its present level through the remaining fiscal year. She said these have already been passed on HB 549 (Chapter 44). Representative Meekins asked if these sections are duplicating what was passed in HB 549. Ms. Farnan said yes. Representative Meekins said didn't need to include it in here then. Ms. Farnan agreed. Representative Meekins commented on the General Relief Medical program.

(Representative Carney left at this time.)

Page 23

Representative Montgomery said he has questions on Secs. 156 and 157. Ms. Elgee said this appropriation is being considered in the Education bond package. She said the information they have shows funding for Diomedes is insufficient and an additional

\$600,000 is being requested on the basis that these appropriations will not be eliminated. In answer to a question from Representative Montgomery, Ms. Elgee said section 156 would eliminate \$1.932 million. In addition, she said there is an appropriation in Sec. 163 of the bill which is \$1 million for the Diomed High School. She said the total cost of the project is somewhere around \$4.8 million, and the additional \$600,000 in the bond bills would bring the appropriation up to that amount if these appropriations remain intact. Representative Meekins said the point is that in this bill those appropriations are not to remain intact. He commented on the Diomed school and the bond package. He said this is the same situation as the Bethel Jail.

Representative Cotten said he has received a letter from the State Board of Education suggesting these sections be removed from the bill.

Page 25

There were no questions on this page.

Page 26

Representative Meekins said he has questions on Sec. 179. He asked if that appropriation is in addition to the amount in the operating budget for Chuckchi Community College. Chairman Adams said he does have back-up on this section. Ms. Elgee said this is in addition to their operating budget. She said the same is true for Sec. 183. She said both these would be rolled into their base for the operating budget in the future.

Representative Cotten said Sec. 176 looks like an operating expense. He said these would probably be better placed in the operating budget.

Representative Cotten asked what Sec. 181 was for. MIKE SCOTT, Aide to Senator Ferguson, said the appropriation is to the City of Kotzebue, and it will be a pass through. He said the Governor has said no designated grants, so these funds are to go to the City and they will put it out to bid.

Page 27

Representative Montgomery commented Sec. 188 also seems to be for operating expenses of the University. There was brief discussion.

(Representative Hurlbert left at this time.)

Page 28

Representative Montgomery said Sec. 195 appears to be an extension of the Northwest REAA appropriation. He said it seems

they should already be funded through the allocation of funds in the Foundation Program. Mr. Scott said this was funded last year by the Legislature as a separate appropriation. He said it was not rolled into the school district's budget, so they requested a one time appropriation again. He said this is not covered under the Foundation Program. He said they don't receive enough bilingual money to fund this program.

Representative Montgomery asked if Sec. 197 is for cost overruns. Representative Cotten said the back-up information he has indicates this is to complete the final phase of building construction. Representative Montgomery removed his objection to this section.

Page 29

Representative Meekins asked what Sec. 205 was for. Mr. Scott said this proposal was requested by the Tlingit/Haida Central Council. He said they will take local arts people and train them in the art of traditional weaving.

Representative Montgomery said he didn't see any reason for Sec. 207. Representative Cotten said apparently they spent \$24,000 from the Governor's contingency fund transferring generators to Unalakleet. Representative Montgomery said that is what contingency funds are supposed to be used for.

Representative Haugen asked what Sec. 210 was. Mr. Scott said the proposal was submitted by Sealaska Heritage Foundation. He explained this past spring there was a celebration of the major clans in Southeast for the first time in history. He said the request is to put the pictures taken into film format and distribute it throughout the State as a documentary on their history. Representative Meekins questioned the amount for the project. Mr. Scott will provide the budget information.

Representative Montgomery suggested Sec. 211 would normally be included in the University budget. There was brief discussion.

Page 30

Representative Meekins said he had questions on Secs. 214 and 215.

Chairman Adams stated they would recess at this time and continue after the floor session.

ADJOURNMENT

The meeting recessed at 9:35 a.m.

Tape HFC 82-58, side 2 #360 to end
HFC 82-59, side 1 #001 to #605

HOUSE FINANCE COMMITTEE

May 26, 1982

6:35 p.m.

(Tape HFC 82-59, Side 1, #605)

PRESENT

Members of the committee in attendance: Representatives Adams, Carney, Chuckwuk, Montgomery, Cotten, Hurlbert, Cuddy, Meekins, Bettisworth, Haugen and Fuller.

ALSO PRESENT: Representative Fanning; Bob Haag, Alaska State Firefighters Association; Marilou Madden, Department of Education and Elmer Lindstrom, Fiscal Analyst, Legislative Finance Division.

Chairman Adams informed members that they would complete the review of SCS CSHB 643 (Finance) and consider SB 121; SB 320; SB 649; SB 705 and SB 706. The first bill to be considered was SB 121.

CSSB 121 (Rules)

CSSB 121 (Rules) - "An Act relating to teachers', judicial, national guard, and public employees systems; and to group insurance for public employees and persons retired under those retirement systems; creating the Public Employees' and Teachers' Disability Review Board; and providing for an effective date."

Chairman Adams provided an overview of the bill and informed committee members that there is a proposed House Finance CS which makes several additions to the Senate version of the bill. These include adding provisions relating to the number of credited service allowed for retirement under the Teachers' Retirement System. The amendments delete the maximum of 15 years for combined outside, military and Alaska BIA service. Chairman Adams stated that the bill will enable all Alaska BIA service to be credited toward retirement and that these provisions are the same as those in SB 101 which the committee has already reported out. Chairman Adams stated that another change will enable state employees, upon termination, to withdraw funds deposited in their supplemental benefits account. These provisions are similar to those included in HB 639 which was previously reported out of House Finance. There is a fiscal note by the Division of Retirement and Benefits which indicates that the cost will be \$234.2 in FY 83 of which \$175.3 are general funds.

BOB HAAG, representing the 15 chapters of the Alaska State Firefighters Association, testified in favor of the bill and proposed committee substitute. He explained that the bill would correct an oversight in statute by adding the word "firemen" and provide an opportunity for approximately six fire service employees to add credited service for the period after January 1, 1961 if they were vested in the system as of July 1, 1980.

(Representative Fuller arrived at this time.)

Representative Cotten MOVED to report out of committee HCS CSSB 121 (Finance) with the fiscal note dated May 20, 1982 in the amount of \$234.2. There being NO OBJECTION, it was so ordered. HCS CSSB 121 (Finance) was reported out of committee with "no recommendation".

The next bill to be considered was SCS CSHB 643 (Finance).

SCS CSHB 643 (Finance)

SCS CSHB 643 (Finance) - "An Act repealing, amending, making, and extending lapse dates on appropriations; and providing for an effective date."

REPRESENTATIVE FANNING testified before the committee that he was opposed to the combination of capital and operating expenses as contained within the legislation. He presented the committee with a listing of projects which he felt were inappropriate expenditures of state funds (see attached, attachment #1. He felt that the projects were wasteful and did not have proper justification. He complemented the Finance Committee for having an open session for discussion on the bill. In addition to the listing of projects which Representative Fanning felt should be deleted, he provided the committee with a proposed amendment for discussion during Free Conference (see attached, attachment #2).

(Tape Change, 82-59, Side 2)

(Representative Chuckwuk arrived at this time.)

Representative Meekins responded that he had the same problems with the bill as outlined by Representative Fanning. He noted that because of the way the bill was put together, it is difficult to know what the appropriations are for. Although the backup which was available was in most cases well documented; Representative Meekins felt that the bill did not accurately reflect the methods in which the funding would be transferred and the recipient of the funding. Representative Meekins discussed Sections 214, 215 and 249 and his reasons for opposition.

Representative Chuckwuk asked Representative Fanning to reiterate the reasons for his opposition to the bill and the method whereby it was produced. Representative Fanning responded that many of

the projects did not appear in the bill as it came out of the House. He stated that many projects which had been deleted were put back in by the senate, as well as additional projects, with limited public input. Representative Fanning was displeased that many of the projects contained within the bill were clearly operating and capital expenses. He felt that the language used in describing the projects was very vague although the majority of the backup was specific. Representative Fanning stated that he was not saying that he endorsed the bill but his interest is in seeing that the money is spent appropriately.

Representative Chuckwuk discussed previous precedents which he felt had been set in relationship to the method which was utilized in compilation of the bill. He stated that he was not endorsing the practice; however noting that it has been used in the past. There was further discussion.

Chairman Adams continued the review of the bill beginning with page 35.

Page 35

Representative Meekins referred to Section 240 and asked if this is a cooperative or privately owned? ELMER LINDSTROM, fiscal analyst with Legislative Finance responded that it is a profit-making corporation which has have the authority to enter into this type of loan process.

Page 37

Representative Cotten referred to Section 263 and asked if the Administration made the request for the \$250,000 for a long-term energy plan? ELMER LINDSTROM responded that it was originally included in the governor's capital budget request and that this is the third year this request has been included. He stated that it is a contractual line item from the operating budget.

Page 38

Representative Cotten discussed Section 265 noting that the loans and grants were unspecified. He felt that the legislature should at least be able to determine who would be the recipient of grants and objected to the Section.

Chairman Adams informed members that they would meet at 8:30 a.m. on Thursday, May 27, to complete a summation which will be presented to the House.

CSSS SB 320 (Hess)

CSSS SB 320 (Hess) - "An Act relating to training for employees of borough and city school districts or regional educational attendance areas; and providing for an effective date."

Representative Montgomery stated that it was felt one of the major purposes of having a session like this would be for teacher orientation and that this should be in the scope of the individual district and sponsored by the local school board. A proposed finance committee substitute was drafted which in addition to a local board being the sponsor of teacher orientation, a majority of the members of the staff development training committee would consist of parents of children enrolled in schools in the district or attendance area. Representative Montgomery stated that there should be no cost. It would be the responsibility of the individual district.

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT to report out of committee HCS CSSSSB 320 (Finance). There being NO OBJECTION, it was so ordered. HCS CSSSSB 320 (Finance) was reported out of committee with "no recommendation".

CSSB 649 (Rules) am

CSSB 649 (Rules) am - "An Act relating to state support for education; and providing for an effective date."

Chairman Adams provided an overview of the bill.

MARILOU MADDEN with the Department of Education explained that the original estimates which were included in the bill in senate finance were taken from the initial estimates by school districts. Once the districts did understand that there was a move to change from the foundation program to per ADM they submitted revised estimates for their FY 83 school year. Those estimates were taken into consideration by Senate Rules and the ADM figures were changed. Ms. Madden explained that the bulk of the ADM changes took place in the REAA's. She stated that there were some slight changes in city and borough ADM's due to increased special education enrollments.

Representative Carney asked what were the amounts of increases? Ms. Madden explained that in the REAA's there were 18 which would increase and in the city and boroughs there were 6 or 7.

In response to a question from Representative Cotten concerning the study to be done, Representative Montgomery stated that the governor and the department had recommended \$560,000 for a study for the funding. The senate budgeted the total amount in their operating budget and the House has budgeted half of that amount. Representative Montgomery stated that for the next two years this

will reimburse the school districts on a per student ADM until the funding method is revised. There was further discussion.

Representative Montgomery MOVED to report out of committee HCS CSSB 649 (Hess). There being NO OBJECTION, it was so ordered. HCS CSSB 649 (Hess) was reported out of committee with a "do pass" recommendation.

CSSB 705 (SA)

CSSB 705 (SA) - "An Act making a special appropriation to the Department of Military Affairs for construction of the Alaska Veterans Memorial at Byers Lake in Denali State Park; and providing for an effective date."

Chairman Adams provided an overview of the bill and the proposed finance committee substitute.

Representative Fuller MOVED to report out of committee HCS CSSB 705 (Finance). There being NO OBJECTION, it was so ordered. HCS CSSB 705 (Finance) was reported out of committee with a "do pass" recommendation.

CSSB 706 (SA)

CSSB 706 (SA) - "An Act making a special appropriation to the Department of Natural Resources for construction of a permanent park ranger and caretaker facility for the Alaska Veterans Memorial at Byers Lake in Denali State Park; and providing for an effective date."

Chairman Adams provided an overview of the bill and proposed Finance committee substitute.

Representative Fuller MOVED to report out of committee CSSB 706 (State Affairs). Representative Bettisworth OBJECTED.

Representative Bettisworth MOVED to amend line 14 after "facility" deleting "for the Alaska Veterans Memorial". He explained that he supports the memorial but not a ranger whose sole responsibility would be to supervise the memorial. There being NO OBJECTION, it was so ordered.

Representative Bettisworth MOVED to amend line 8 after "facility" deleting "for the Alaska Veterans Memorial". There being NO OBJECTION, it was so ordered.

Representative Fuller MOVED to report out of committee CSSB 706 (State Affairs) as amended. HCS CSSB 706 (Finance) was reported out of committee with a "do pass" recommendation.

ADJOURNMENT

The meeting adjourned at 7:30 p.m.

Tape HFC 82-59, Side 1, #605 to end
82-59, Side 2, #001 to end
82-60, Side 1, #001 to #160

- Page 2, Sec. 14. \$150,000 to the City of Fairbanks for payment as a grant for the planning phase of a community center.
- Page 3, Sec. 15. \$50,000 to the U of A, Fairbanks, for tour guides, signs and descriptive materials for the musk-ox farm and biological research area.
- Page 5, Sec. 21. (28) Demonstration projects of rural waste heat recapture - \$500,000; (29) Kotzebue geothermal engineering feasibility and equipment - \$60,000; (30) Unalaska geothermal engineering feasibility and equipment - \$100,000.
- Page 6, Sec. 27. \$730,00 to the Department of Community and Regional Affairs for a contract in the Yukon-Kuskokwim region for upgrading the health care delivery system for the 54 villages in the region.
- Page 6, Sec. 28. \$55,000 to the City of Atmautluak for fire protection equipment.
- Page 6, Sec. 29. \$200,00 to the City of Newtok for erosion control assessment.
- Page 7, Sec. 30. \$75,000 to the City of Napakiak for a dump truck.
- Page 7, Sec. 31. \$25,000 to the Dept. of Community and Regional Affairs for payment as a grant to Kalskag for a recreation area.
- Page 7, Sec. 32. \$78,00 to the City of Bethel for a prematernal home.
- Page 7, Sec. 35. \$130,000 to the City of Manokotak for a tractor.
- Page 7, Sec. 36. \$20,000 to the City of Manokotak for a tractor winch.
- Page 7, Sec. 38. \$5,000 to the City of Dillingham for beaver roundup planning.
- Page 7, Sec. 40. \$1,553,300 to the Department of Community and Regional Affairs for a contract in the Yukon-Kuskokwim area for a regionwide needs assessment and land management programs in the 54 villages in the Yukon-Kuskokwim area.
- Page 8, Sec. 51. \$185,000 to the City of Togiak for purchase of a grader and dump truck.
- Page 9, Sec. 55. \$158,600 to the Dept. of Community and Regional Affairs for a contract in the Bristol Bay region for a herring processing feasibility study in that region.
- Page 9, Sec. 56. \$350,000 to the City of Aleknagik for a municipal building.
- Page 9, Sec. 60. \$210,00 to Koliganek for heavy equipment.
- Page 9, Sec. 61. \$31,300 to the City of Bethel for a center for young people.
- Page 9, Sec. 62. \$20,000 to the City of Bethel for a professional assistance team for the chronically handicapped program.

- Page 10, Sec. 67. \$10,000 to the City of Platinum for a village council office.
- Page 10, Sec. 69. \$441,800 to the Dept. of Community & Regional Affairs for a contract in the Bristol Bay region for a ground and shellfish feasibility study.
- Page 10, Sec. 70. \$35,000 to Kipnuk for a dry dock feasibility study.
- Page 11, Sec. 76. \$300,000 to the AK Public Broadcasting Commission for construction of a radio station and acquisition of radio broadcasting equipment in Galena.
- Page 11, Sec. 77. \$45,000 to the AK Public Broadcasting Commission for the operation of the local radio station in Galena.
- Page 11, Sec. 79. \$30,000 to the Dept. of Community & Regional Affairs for the research, preparation, and printing of Athabascan culture educational materials.
- Page 11, Sec. 82. \$133,400 to the City of Togiak for a Yupik translator and interpreter program.
- Page 14, Sec. 95. \$100,00 to the Dept. of Community and Regional Affairs to provide local government assistance in planning and management in the Middle Kuskokwim region.
- Page 14, Sec. 96. \$100,000 to the Dept. of Community and Regional Affairs for analysis of the impact and regional development on rural residents of the Upper Tanana region.
- Page 15, Sec. 99. \$100,000 to the Dept. of Community & Regional Affairs for minority employment assistance programs in the Fairbanks area.
- Page 15, Sec. 101. \$250,000 to the Dept. of Education for Athabascan heritage curriculum development.
- Page 15, Sec. 103. \$150,00 to the Dept. of Education for payment to the Yukon-Koyukuk Regional Educational Attendance Area for a Koyukon language project.
- Page 15, Sec. 107. \$80,000 to the City of McGrath for a regional socioeconomic impact study.
- Page 16, Sec. 111. \$25,000 to the Dept. of Community and Regional Affairs for purchase of agricultural equipment for villages of the Middle Yukon region.
- Page 16, Sec. 115. \$75,000 to the City of Allaket for the acquisition of heavy equipment.
- Page 16, Sec. 116. \$30,000 to the Dept. of Community and Regional Affairs for payment as a grant to the village of Bettles for acquisition of a dump truck.

Page 18, Sec. 128. \$100,000 to the Dept. of Public Safety for landscaping and completion of the Tok Tourist Center.

Page 20, Sec. 140. \$400,00 to the Municipality of Anchorage for the refund of disputed lease payments and the reduction of disputed purchase obligations on state land conveyed to the municipality and subsequently sold to a former lessee of the state land.

Page 21, Sec. 142. \$3,168,900 for Latouche Harbor.

Page 26, Sec. 174. \$112,000 to the University of Alaska, Anchorage, Center for Alcohol and Addiction Studies, for a study of dry villages.

Page 26, Sec. 178. \$100,000 to the City of Kotzebue for the local government assistance program.

Page 26, Sec. 182. \$125,000 to the division of legislative finance for the Regional Educational Attendance Area Budget Oversight Committee for a study on regional educational attendance area school district facility operations and maintenance costs.

Page 27, Sec. 186. \$250,000 to the North Slope Borough for whale research.

Page 27, Sec. 190. \$54,000 to the City of Nome for an elder's conference.

Page 28, Sec. 194. \$82,000 to the City of Nome for the child enrichment program.

Page 28, Sec. 200. \$100,00 to the City of Nome for a cemetery and morgue.

Page 29, Sec. 205. \$22,000 to the City and Borough of Juneau for a traditional weaving program.

Page 29, Sec. 206. \$200,000 to the AK Public Broadcasting Commission for the Unalakleet radio station staffing and miscellaneous equipment.

Page 29, Sec. 207. \$24,000 to the Office of the Governor for the contingency fund.

Page 29, Sec. 209. \$150,000 to the City of Nome for energy efficient residential project construction.

Page 29, Sec. 210. \$280,000 to the City and Borough of Juneau for the documentation and distribution of film footage of Celebration '82.

Page 32, Sec. 230. \$220,000 to the U of A for the Homer red meat center.

Page 35, Sec. 240. \$4,000,000 to the Alaska Power Authority for a loan to Alaska Electric Light and Power Company for upgrading transmission and distribution lines.

Page 35, Sec. 245. \$6,350,000 to the Dept. of Commerce and Economic Development, fisheries enhancement loans program, for hydroelectric project related hatchery projects.

- Page 36, Sec. 247. \$250,000 to the Alaska Power Authority for a study to determine the feasibility of using North Slope natural gas for the generation of electricity for the railbelt area.
- Page 36, Sec. 248. \$250,000 to the Legislative Affairs Agency for the Senate Advisory Council to conduct a study to determine the feasibility of a natural gas pipeline from Prudhoe Bay to tidewater.
- Page 37, Sec. 255. \$95,000 to the City of Angoon for purchase of a front-end loader for road and garbage dump maintenance.
- Page 37, Sec. 256. \$70,000 to the City of Hoonah for a bulldozer for road maintenance.
- Page 37, Sec. 259. \$1,000,000 to the Dept. of Administration for trooper housing.
- Page 37, Sec. 263. \$3,120,000 to the Division of energy and power development in the Dept. of Commerce and Economic Development for: 1) long-term energy plan; 2) wind cost effectiveness study; 3) weatherization program.
- Page 38, Sec. 266. \$150,000 to the City of Delta Junction for construction or reconstruction of a tourist center.

AMENDMENT

OFFERED IN THE HOUSE:

By: _____

To: SCS CS HOUSE BILL No. 643 (Finance)

SENATE BILL No. _____

PAGE: _____ LINE: _____

Page 30, Line 10

After "Leasing and Facilities 23,888,700 (22,888,700)"

add the following intent language:

"The additional funds will be used to continue the planning and property acquisition for the Anchorage Office Complex."

Page 31, Line 8

After "Financial and Related Systems 5,000,000 (3,700,000)"

add the following intent language:

"The additional funds will be used for the continued development of Statewide accounting systems."

Page 37, line 13

After "for" delete "trooper housing." and insert the following:

"housing for State Trooper, Department of Fish and Game, and Department of Transportation and Public Facilities employees at King Salmon."

HOUSE FINANCE COMMITTEE

May 27, 1982

8:34 a.m.

(Tape HFC 82-60, side 1 #161.)

PRESENT

Members of the Committee in attendance: Representatives Adams, Haugen, Montgomery, Cuddy, Bettisworth and Cotten. ALSO PRESENT: J. H. Hogan, Director, and Fiscal Analysts Elmer Lindstrom, Alison Elgee, Alison Farnan, Bob Schroeder, Bob Grogan and Garrey Peska, Legislative Finance Division.

HB 643

Chairman Adams called the meeting to order and brought Senate CS CSHB 643 (Finance) up for consideration.

SCS CSHB 643 (Finance) -- "An Act repealing, amending, making, and extending lapse dates on appropriations; and providing for an effective date."

Chairman Adams presented a Memorandum listing those sections that Committee members had indicated they either wanted further information on or recommended be changed or deleted (see attachment #1). The Committee reviewed the listing and made the following changes:

Page 7, Section 40. Representative Cotten said there were several other studies in the bill that he would also want noted. He said he didn't have any particular objection to this study, it is just a larger amount than some of the others.

Page 8, Section 46. Representative Montgomery requested this be shown as being for capital cost over-runs.

Page 9, Section 54. The Department of Health and Social Services suggested this section be appropriated to the Department of Health and Social Services instead of Community and Regional Affairs.

Page 12, Sec. 84. Chairman Adams removed his objection to this section. He stated he has received the back-up information he requested.

Page 16, Sections 110 and 112. Representative Montgomery stated he maintained his objection. Representative Cotten said he has three pages of items that are operating expenses

which were included in this bill. He requested that these be noted.

Page 18, Sec. 124. This objection was removed as Nondalton is correct.

Page 20, Sec. 140. Chairman Adams noted that Representatives Cotten and Meekins also expressed concern over this section.

Page 20, Sections 141 and 142. Representative Cotten requested that he be given the total number of dollars that have been put into Latouche Island projects. Chairman Adams said he would see that that information is provided.

Page 22, Sections 147, 148, 149, 150. These sections were included in HB 549.

Page 30, Section 217. Chairman Adams noted that this section would be more appropriate as a capital allocation.

Representative Cotten presented three pages of operating budget items (see attachment #2) and a list of studies (see attachment #3) that are included in the bill.

MR. ELMER LINDSTROM, Fiscal Analyst, Legislative Finance Division, pointed out the Department of Community & Regional Affairs has prepared a fiscal note in the amount of \$164.5.

Representative Montgomery MOVED AND ASKED UNANIMOUS CONSENT that SCS CSHB 643 (Finance) be reported out of Committee with individual recommendations, accompanied by a Memorandum to the Speaker of the House listing those areas of concern raised by the Committee, including the two lists presented by Representative Cotten. He further moved that the fiscal note be attached so that if the House does not concur in the Senate's amendments this information would be available to the Conference Committee appointed to review the bill. Representative Cuddy OBJECTED. The Question was called for: IN FAVOR: (4) Adams, Haugen, Montgomery, Bettisworth; OPPOSED: (2) Cuddy, Cotten. The Motion CARRIED. SCS CSHB 643 (Finance) was reported out with individual recommendations.

ADJOURNMENT

The meeting adjourned at 8:50 a.m.

Tape HFC 82-60, side 1 #161 to 412



Official Business

Alaska State Legislature

House of Representatives

Committee on Finance

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

DATE: May 26, 1982

TO: Representative Al Adams, Chairman
House Finance Committee

FROM: Becky Fritz, Secretary
House Finance Committee

SUBJ: Senate CS CSHB 643 (Fin)

Following is a list of those sections that Committee members have requested be held for further information or have recommended changes be made to:

Page 2

Sec. 8. The Committee's recommendation was that this Sec. be deleted and that this Secs. 9 and 10 be considered in the Capital Budget.

Page 6

Sec. 27. The Department of Health & Social Services suggested this section be appropriated to the Dept. of Health and Social Services instead of Community & Regional Affairs.

Page 7

Sec. 40. Held at the request of Rep. Cotten to find out how they arrived at the number and who would do the work on the project.

Page 8

Sec. 46. The Department of Education indicated the correct number should be \$396,110 instead of \$421,000.

Page 10

Sec. 72. Held at the request of Reps. Meekins & Cotten for additional information.

Sec. 73 & 74. The fiscal analyst indicated there was a recommendation in the bond bill for additional funds for this project.

Page 12

Sec. 84. Held at the request of Rep. Adams for additional backup information.

Page 16

Sec. 110. Rep. Montgomery recommended this be taken out and included as part of the operating budget.

Sec. 112. Rep. Montgomery recommended this be taken out and included as part of the operating budget.

Page 18

Sec. 124. Rep. Chuckwuk indicated this should be "Newhalen" instead of "Nondalton".

Page 20

Sec. 140. Reps. Montgomery & Carney expressed concern.

Sec. 141 & 142. Held at the request of Rep. Cotten for additional information.

Page 22

Secs. 147, 148, 149 & 150. The Fiscal Analyst indicated these sections weren't necessary as they were included in HB 649 which has already passed and become law (Chapter 44).

Page 23

Secs. 156 & 157. The fiscal analyst indicated there was a recommendation in the bond bill for additional funds for this project.

Page 24

Sec. 163. Same as previous sections.

Page 26

Sec. 176. Rep. Montgomery recommended this be included as part of the operating budget.

Page 28

Sec. 195. Rep. Montgomery suggested this be included as an operating budget item.

Page 29

Sec. 207. Rep. Montgomery objected to the appropriation.

Page 30

Secs. 214 & 215. Rep. Meekins objected, stating this was "bad public policy".

Page 37

Sec. 263. The fiscal analyst noted that line 28 (\$250,000) is a contractual line item from the operating budget.

Page 38

Sec. 265. Rep. Cotten indicated these were unspecified grants & loans with no control over who will receive the funds.

Attached are Rep. Fanning's recommended changes to the bill.

AMENDMENT

OFFERED IN THE HOUSE:

By: _____

To: SCS CS HOUSE BILL No. 643 (Finance)

SENATE BILL No. _____

PAGE: _____ LINE: _____

Page 30, Line 10

After "Leasing and Facilities 23,888,700 (22,888,700)"

add the following intent language:

"The additional funds will be used to continue the planning and property acquisition for the Anchorage Office Complex."

Page 31, Line 8

After "Financial and Related Systems 5,000,000 (3,700,000)"

add the following intent language:

"The additional funds will be used for the continued development of Statewide accounting systems."

Page 37, line 13

After "for" delete "trooper housing." and insert the following:

"housing for State Trooper, Department of Fish and Game, and Department of Transportation and Public Facilities employees at King Salmon."

REPRESENTATIVE FANNING RECOMMENDED THAT THESE BE DELETED.

- Page 2, Sec. 14. \$150,000 to the City of Fairbanks for payment as a grant for the planning phase of a community center.
- Page 3, Sec. 15. \$50,000 to the U of A, Fairbanks, for tour guides, signs and descriptive materials for the musk-ox farm and biological research area.
- Page 5, Sec. 21. (28) Demonstration projects of rural waste heat recapture - \$500,000; (29) Kotzebue geothermal engineering feasibility and equipment - \$60,000; (30) Unalaska geothermal engineering feasibility and equipment - \$100,000.
- Page 6, Sec. 27. \$730,00 to the Department of Community and Regional Affairs for a contract in the Yukon-Kuskokwim region for upgrading the health care delivery system for the 54 villages in the region.
- Page 6, Sec. 28. \$55,000 to the City of Atmautluak for fire protection equipment.
- Page 6, Sec. 29. \$200,00 to the City of Newtok for erosion control assessment.
- Page 7, Sec. 30. \$75,000 to the City of Napakiak for a dump truck.
- Page 7, Sec. 31. \$25,000 to the Dept. of Community and Regional Affairs for payment as a grant to Kalskag for a recreation area.
- Page 7, Sec. 32. \$78,00 to the City of Bethel for a prematernal home.
- Page 7, Sec. 35. \$130,000 to the City of Manokotak for a tractor.
- Page 7, Sec. 36. \$20,000 to the City of Manokotak for a tractor winch.
- Page 7, Sec. 38. \$5,000 to the City of Dillingham for beaver roundup planning.
- Page 7, Sec. 40. \$1,553,300 to the Department of Community and Regional Affairs for a contract in the Yukon-Kuskokwim area for a regionwide needs assessment and land management programs in the 54 villages in the Yukon-Kuskokwim area.
- Page 8, Sec. 51. \$185,000 to the City of Togiak for purchase of a grader and dump truck.
- Page 9, Sec. 55. \$158,600 to the Dept. of Community and Regional Affairs for a contract in the Bristol Bay region for a herring processing feasibility study in that region.
- Page 9, Sec. 56. \$350,000 to the City of Aleknagik for a municipal building.
- Page 9, Sec. 60. \$210,00 to Koliganek for heavy equipment.
- Page 9, Sec. 61. \$31,300 to the City of Bethel for a center for young people.
- Page 9, Sec. 62. \$20,000 to the City of Bethel for a professional assistance team for the chronically handicapped program.

- Page 10, Sec. 67. \$10,000 to the City of Platinum for a village council office.
- Page 10, Sec. 69. \$441,800 to the Dept. of Community & Regional Affairs for a contract in the Bristol Bay region for a ground and shellfish feasibility study.
- Page 10, Sec. 70. \$35,000 to Kipnuk for a dry dock feasibility study.
- Page 11, Sec. 76. \$300,000 to the AK Public Broadcasting Commission for construction of a radio station and acquisition of radio broadcasting equipment in Galena.
- Page 11, Sec. 77. \$45,000 to the AK Public Broadcasting Commission for the operation of the local radio station in Galena.
- Page 11, Sec. 79. \$30,000 to the Dept. of Community & Regional Affairs for the research, preparation, and printing of Athabascan culture educational materials.
- Page 11, Sec. 82. \$133,400 to the City of Togiak for a Yupik translator and interpreter program.
- Page 14, Sec. 95. \$100,00 to the Dept. of Community and Regional Affairs to provide local government assistance in planning and management in the Middle Kuskokwim region.
- Page 14, Sec. 96. \$100,000 to the Dept. of Community and Regional Affairs for analysis of the impact and regional development on rural residents of the Upper Tanana region.
- Page 15, Sec. 99. \$100,000 to the Dept. of Community & Regional Affairs for minority employment assistance programs in the Fairbanks area.
- Page 15, Sec. 101. \$250,000 to the Dept. of Education for Athabascan heritage curriculum development.
- Page 15, Sec. 103. \$150,00 to the Dept. of Education for payment to the Yukon-Koyukuk Regional Educational Attendance Area for a Koyukon language project.
- Page 15, Sec. 107. \$80,000 to the City of McGrath for a regional socioeconomic impact study.
- Page 16, Sec. 111. \$25,000 to the Dept. of Community and Regional Affairs for purchase of agricultural equipment for villages of the Middle Yukon region.
- Page 16, Sec. 115. \$75,000 to the City of Allaket for the acquisition of heavy equipment.
- Page 16, Sec. 116. \$30,000 to the Dept. of Community and Regional Affairs for payment as a grant to the village of Bettles for acquisition of a dump truck.

Page 18, Sec. 128. \$100,000 to the Dept. of Public Safety for landscaping and completion of the Tok Tourist Center.

Page 20, Sec. 140. \$400,00 to the Municipality of Anchorage for the refund of disputed lease payments and the reduction of disputed purchase obligations on state land conveyed to the municipality and subsequently sold to a former lessee of the state land.

Page 21, Sec. 142. \$3,168,900 for Latouche Harbor.

Page 26, Sec. 174. \$112,000 to the University of Alaska, Anchorage, Center for Alcohol and Addiction Studies, for a study of dry villages.

Page 26, Sec. 178. \$100,000 to the City of Kotzebue for the local government assistance program.

Page 26, Sec. 182. \$125,000 to the division of legislative finance for the Regional Educational Attendance Area Budget Oversight Committee for a study on regional educational attendance area school district facility operations and maintenance costs.

Page 27, Sec. 186. \$250,000 to the North Slope Borough for whale research.

Page 27, Sec. 190. \$54,000 to the City of Nome for an elder's conference.

Page 28, Sec. 194. \$82,000 to the City of Nome for the child enrichment program.

Page 28, Sec. 200. \$100,00 to the City of Nome for a cemetery and morgue.

Page 29, Sec. 205. \$22,000 to the City and Borough of Juneau for a traditional weaving program.

Page 29, Sec. 206. \$200,000 to the AK Public Broadcasting Commission for the Unalakleet radio station staffing and miscellaneous equipment.

Page 29, Sec. 207. \$24,000 to the Office of the Governor for the contingency fund.

Page 29, Sec. 209. \$150,000 to the City of Nome for energy efficient residential project construction.

Page 29, Sec. 210. \$280,000 to the City and Borough of Juneau for the documentation and distribution of film footage of Celebration '82.

Page 32, Sec. 230. \$220,000 to the U of A for the Homer red meat center.

Page 35, Sec. 240. \$4,000,000 to the Alaska Power Authority for a loan to Alaska Electric Light and Power Company for upgrading transmission and distribution lines.

Page 35, Sec. 245. \$6,350,000 to the Dept. of Commerce and Economic Development, fisheries enhancement loans program, for hydroelectric project related hatchery projects.

- Page 36, Sec. 247. \$250,000 to the Alaska Power Authority for a study to determine the feasibility of using North Slope natural gas for the generation of electricity for the railbelt area.
- Page 36, Sec. 248. \$250,000 to the Legislative Affairs Agency for the Senate Advisory Council to conduct a study to determine the feasibility of a natural gas pipeline from Prudhoe Bay to tidewater.
- Page 37, Sec. 255. \$95,000 to the City of Angoon for purchase of a front-end loader for road and garbage dump maintenance.
- Page 37, Sec. 256. \$70,000 to the City of Hoonah for a bulldozer for road maintenance.
- Page 37, Sec. 259. \$1,000,000 to the Dept. of Administration for trooper housing.
- Page 37, Sec. 263. \$3,120,000 to the Division of energy and power development in the Dept. of Commerce and Economic Development for: 1) long-term energy plan; 2) wind cost effectiveness study; 3) weatherization program.
- Page 38, Sec. 266. \$150,000 to the City of Delta Junction for construction or reconstruction of a tourist center.