

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2828

1	GENERAL FUND MATCH	26,302,300
2	GENERAL FUND	92,340,800
3	INTER-AGENCY RECEIPTS	4,760,000
4	PROGRAM RECEIPTS	977,400
5	TITLE 20	5,289,400
6	TRAINING AND BUILDING FUND	100,800
7	*** TOTAL FUNDING ***	230,365,400
8	HEALTH	
9	FEDERAL RECEIPTS	34,685,100
10	GENERAL FUND MATCH	23,941,300
11	GENERAL FUND	79,290,100
12	INTER-AGENCY RECEIPTS	1,955,700
13	PROGRAM RECEIPTS	137,500
14	*** TOTAL FUNDING ***	140,009,700
15	NATURAL RESOURCE MANAGEMENT	
16	FEDERAL RECEIPTS	11,664,600
17	GENERAL FUND MATCH	1,836,300
18	GENERAL FUND	97,705,900
19	INTER-AGENCY RECEIPTS	5,608,800
20	AGRICULTURAL LOAN FUND	-14,700
21	FISH AND GAME FUND	5,808,700
22	PROGRAM RECEIPTS	10,248,700
23	*** TOTAL FUNDING ***	132,858,300
24	PUBLIC PROTECTION	
25	FEDERAL RECEIPTS	5,217,400
26	GENERAL FUND MATCH	1,713,900

1	INTERNATIONAL AIRPORT REVENUE FUND	17,993,500
2	PROGRAM RECEIPTS	1,643,900
3	*** TOTAL FUNDING ***	240,861,700
4	GENERAL GOVERNMENT	
5	FEDERAL RECEIPTS	2,457,900
6	GENERAL FUND MATCH	1,256,600
7	GENERAL FUND	303,059,500
8	INTER-AGENCY RECEIPTS	26,450,900
9	GENERAL OBLIGATION BONDS	8,000
10	FICA ADMINISTRATION FUND ACCOUNT	83,400
11	PROGRAM RECEIPTS	4,707,700
12	PUBLIC EMPLOYEES RETIREMENT FUND	1,846,700
13	SURPLUS PROPERTY REVOLVING FUND	163,500
14	TEACHERS RETIREMENT SYSTEM FUND	1,501,300
15	*** TOTAL FUNDING ***	341,535,500
16	NEW LEGISLATION	
17	FEDERAL RECEIPTS	8,300
18	GENERAL FUND	47,684,200
19	FISH AND GAME FUND	1,100
20	HIGHWAY FUEL TAX ACCOUNT	2,300
21	HIGHWAY WORKING CAPITAL FUND	15,400
22	INTERNATIONAL AIRPORT REVENUE FUND	5,200
23	PUBLIC EMPLOYEES RETIREMENT FUND	23,600
24	SECOND INJURY FUND RESERVE ACCOUNT	-112,300
25	TEACHERS RETIREMENT SYSTEM FUND	23,600
26	VETERANS REVOLVING LOAN FUND	400
27	*** TOTAL FUNDING ***	47,651,800

1	GENERAL FUND	27,024,800
2	PROGRAM RECEIPTS	900,500
3	SECOND INJURY FUND RESERVE ACCOUNT	1,549,200
4	DISABLED FISHERMANS RESERVE ACCOUNT	1,038,800
5	*** TOTAL FUNDING ***	37,444,600
6	ADMINISTRATION OF JUSTICE	
7	FEDERAL RECEIPTS	1,253,300
8	GENERAL FUND	127,162,300
9	INTER-AGENCY RECEIPTS	10,600
10	PROGRAM RECEIPTS	51,000
11	*** TOTAL FUNDING ***	128,477,200
12	DEVELOPMENT	
13	FEDERAL RECEIPTS	12,707,900
14	GENERAL FUND MATCH	911,100
15	GENERAL FUND	190,364,500
16	INTER-AGENCY RECEIPTS	2,864,300
17	AGRICULTURAL LOAN FUND	359,900
18	PROGRAM RECEIPTS	4,937,600
19	VETERANS REVOLVING LOAN FUND	753,100
20	*** TOTAL FUNDING ***	212,898,400
21	TRANSPORTATION	
22	FEDERAL RECEIPTS	300,000
23	GENERAL FUND	160,384,100
24	INTER-AGENCY RECEIPTS	1,770,900
25	CIP PROJECT FUNDS	42,745,400
26	HIGHWAY WORKING CAPITAL FUND	16,023,900

1	CAPITAL PROJECTS	
2	FEDERAL RECEIPTS	37,277,400
3	GENERAL FUND MATCH	5,247,100
4	GENERAL FUND	759,199,200
5	INTER-AGENCY RECEIPTS	757,700
6	HIGHWAY WORKING CAPITAL FUND	11,278,100
7	INTERNATIONAL AIRPORT REVENUE FUND	23,764,700
8	PROGRAM RECEIPTS	122,500
9	PUBLIC EMPLOYEES RETIREMENT FUND	50,000
10	TEACHERS RETIREMENT SYSTEM FUND	50,000
11	*** TOTAL FUNDING ***	837,746,700
12	***** TOTAL BUDGET *****	3,106,964,900
13	* SEC. 32 EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, THIS ACT TAKES EFFECT IMMEDIATELY IN ACCORDANCE WITH AS 01.10.070(C).	

FCC ON THE BUDGET
(HB 50)

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FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 26, 1981
1:45 p.m.

(Tape FCC 81, # 1, Side 1, 000 - end)
(Tape FCC 81, # 1, Side 2, 000 - 583)

CALL TO ORDER

Chairman Cotten called the meeting to order at 1:45 p.m.

PRESENT

Committee members Representatives Cotten, Rogers and Montgomery; and Senators Sackett, Bennett and Kerttula were present. Also in attendance were Jerry Reinwand from the Governor's Office; Jim Stey from the Division of Budget and Management; and Legislative Finance Fiscal Analysts Jerry Schilz, Bob Grogan, Bob Schroeder, Alison Elgee and Don Fisher.

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 50 (FINANCE) (EFD FAILED)
- An Act appropriating for the operating expenses of the state government.

SENATE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 50 (FINANCE) - An Act making a special appropriation for loans, loan subsidies, and a loan guarantee; amending ch. 50, SLA 1980; appropriating for the operating expenses of the state government; and providing for an effective date.

The purpose of the free conference committee was to resolve differences within the budget categories contained in the above bills. Chairman Cotten stated that the committee would begin with the Health Budget Category.

HEALTH BUDGET CATEGORY

Chairman Cotten stated it was the position of the House members of the committee to go through this category and attempt to identify those areas not agreed upon by the House and Senate.

Senator Bennett stated it was the Senate's position to keep the testimony down to those representing the Governor's Office and the members of the committee.

DEPT. OF HEALTH & SOCIAL SERVICES - NURSING - FIELD NURSING -
page 3

Senator Bennett moved the House figure of \$4970.3. There being no objection, the House figure was ADOPTED.

NURSING - HOME HEALTH SERVICE - page 5

Senator Bennett moved the House/Senate figure of \$428.9. There being no objection, it was ADOPTED.

NURSING - ADMINISTRATION - page 7

Senator Bennett moved the House/Senate figure of \$899.1. There being no objection, it was ADOPTED.

NURSING - EARLY SCREENING - page 9

Senator Bennett moved the House/Senate figure of \$457.3. There being no objection, it was ADOPTED.

CONTRACT SERVICES-MAUNELUK - page 13

Senator Bennett moved the Senate figure of \$993.1. Chairman Cotten objected, and requested that the page be HELD OPEN.

COMMUNICABLE DISEASE CONTROL - TB CONTROL - page 17

Senator Bennett moved the House/Senate figure of \$729.8. There being no objection, it was ADOPTED.

COMMUNICABLE DISEASE CONTROL - VD CONTROL - page 19

Senator Bennett moved the House/Senate figure of \$332.8. There being no objection, it was ADOPTED.

COMMUNICABLE DISEASE CONTROL - IMMUNIZATION - page 21

Senator Bennett moved the House/Senate figure of \$400.5. There being no objection, it was ADOPTED.

COMMUNICABLE DISEASE CONTROL - EPIDEMIOLOGY - page 23

Senator Bennett moved the Governor's figure of \$458.0. Chairman Cotten objected and requested that this page be HELD OPEN.

HEALTH & SAFETY - page 27

Senator Bennett moved the House/Senate figure of \$157.3. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - MATERNAL CHILD HEALTH - page 31

Senator Bennett moved the House/Senate figure of \$815.9. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - HANDICAPPED CHILDREN - page 33

Senator Bennett moved the House/Senate figure of \$1692.1. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - COMMUNICATIVE DISORDERS - page 35

Senator Bennett moved the House/Senate figure of \$712.1. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - CHILD DEVELOPMENT SERVICE - page 37

Senator Bennett moved the House/Senate figure of \$381.9. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - ADMINISTRATION - page 39

Senator Bennett moved the House/Senate figure of \$165.6. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - NUTRITION - page 41

Senator Bennett moved the House/Senate figure of \$1132.9. There being no objection, it was ADOPTED.

CHILD & FAMILY HEALTH - SPECIAL EDUCATION GRANTS - page 43

Senator Bennett moved the Senate figure of \$474.1. Chairman Cotten and Representative Rogers objected, and requested that the page be HELD OPEN.

CHILD & FAMILY HEALTH - DESIGNATED GRANTS - page 45

Chairman Cotten requested that this page be HELD OPEN.

LABORATORIES - REGIONAL LABS - page 49

Senator Bennett moved the Senate figure of \$1482.0. Chairman Cotten objected, and requested that the page be HELD OPEN.

LABORATORIES - ADMINISTRATION - page 51

Senator Bennett moved the House/Senate figure of \$152.5. There being no objection, it was ADOPTED.

PUBLIC HEALTH ADMINISTRATION - ADMINISTRATION - page 55

Senator Bennett moved the Governor's figure of \$1076.9. Representative Montgomery objected. Senator Bennett moved the House/Senate figure of \$1059.5. There being no objection, it was ADOPTED.

PUBLIC HEALTH ADMINISTRATION - HEALTH EDUCATION - page 57

Senator Bennett moved the House/Senate figure of \$155.9. There being no objection, it was ADOPTED.

PUBLIC HEALTH ADMINISTRATION - GRANT TO GAAB - page 59

Senator Bennett moved the Senate figure of \$939.1. Chairman Cotten objected, and stated the language should be changed to "municipality of Anchorage" rather than the "Anchorage area borough". Senator Bennett stated he had no objection to that change. Chairman Cotten moved that the language be changed. There being no objection, it was so ordered. Chairman Cotten requested that the page be HELD OPEN.

PUBLIC HEALTH ADMINISTRATION - ANCHORAGE PROGRAM/HANDICAPPED - page 61

Senator Bennett moved the Senate figure of \$620.9. Chairman Cotten objected and requested that the page be HELD OPEN.

PUBLIC HEALTH ADMINISTRATION - DESIGNATED GRANTS - page 63

Senator Bennett moved the Senate figure of \$396.9. Representative Rogers objected. Senator Kerttula requested that the page be HELD OPEN.

EMERGENCY MEDICAL SERVICES - ADMINISTRATION - page 67

Senator Bennett moved the Senate figure of \$339.8. Chairman Cotten objected and requested that the page be HELD OPEN.

EMERGENCY MEDICAL SERVICES - ADVISORY COUNCIL - page 69

Senator Bennett moved the House/Senate figure of \$31.8. There being no objection, it was ADOPTED.

EMERGENCY MEDICAL SERVICES - GRANTS-REGIONAL COUNCILS - page 71

Senator Bennett moved the House/Senate figure of \$1365.0. There being no objection, it was ADOPTED.

EMERGENCY MEDICAL SERVICES - DESIGNATED GRANTS - page 73

Senator Bennett moved the Senate figure of \$53.6. Chairman Cotten objected and requested that the page be HELD OPEN.

MEDICAID - HOSPITALS - page 77

Senator Bennett moved the House/Senate figure of \$10354.5. There being no objection, it was ADOPTED.

MEDICAID - PHYSICIAN SERVICES - page 79

Senator Bennett moved the House/Senate figure of \$5052.3. There being no objection, it was ADOPTED.

MEDICAID - OTHER SERVICES - page 81

Senator Bennett moved the House/Senate figure of \$1552.0. There being no objection, it was ADOPTED.

MEDICAID - EARLY SCREENING - page 83

Senator Bennett moved the House/Senate figure of \$2717.1. There being no objection, it was ADOPTED.

MEDICAID - NURSING HOMES - page 85

Senator Bennett moved the House/Senate figure of \$19656.0. There being no objection, it was ADOPTED.

MEDICAID - INDIAN HEALTH SERVICE - page 87

Senator Bennett moved the House/Senate figure of \$3410.8. There being no objection, it was ADOPTED.

GENERAL RELIEF MEDICAL - HOSPITALS - page 91

Senator Bennett moved the House/Senate figure of \$3789.4. There being no objection, it was ADOPTED.

GENERAL RELIEF MEDICAL - NURSING HOMES - page 93

Senator Bennett moved the House/Senate figure of \$568.1. There being no objection, it was ADOPTED.

GENERAL RELIEF MEDICAL - PHYSICIANS SERVICES - page 95

Senator Bennett moved the House/Senate figure of \$1528.2. There being no objection, it was ADOPTED.

GENERAL RELIEF MEDICAL - OTHER SERVICES - page 97

Senator Bennett moved the House/Senate figure of \$2399.5. There being no objection, it was ADOPTED.

GENERAL RELIEF MEDICAL - CATASTROPHIC - page 99

Senator Bennett moved the Governor's figure of \$980.2. Representative Rogers objected. Chairman Cotten requested that the page be HELD OPEN.

GENERAL RELIEF MEDICAL - RESIDENTIAL/HOME CARE - page 101

Senator Bennett moved the House/Senate figure of \$166.4. There being no objection, it was ADOPTED.

PUBLIC ASSISTANCE ADMIN/COLL - ADMINISTRATION - page 105

Senator Bennett moved the Senate figure of \$1877.8. Representative Cotten objected and requested that the page be HELD OPEN.

PUBLIC ASSISTANCE ADMIN/COLL - COLLECTION - page 107

Senator Bennett moved the House/Senate figure of \$52.0. There being no objection, it was ADOPTED.

ALCOHOL & DRUG ABUSE - ADMINISTRATION - page 111

Senator Bennett moved the House/Senate figure of \$2426.4. There being no objection, it was ADOPTED.

ALCOHOL & DRUG ABUSE - DRUG ABUSE GRANTS - page 113

Senator Bennett moved the House/Senate figure of \$1299.6. There being no objection, it was ADOPTED.

ALCOHOL & DRUG ABUSE - ALCOHOL ABUSE GRANTS - page 115

Senator Bennett moved the Senate figure of \$12539.0. Representative Rogers objected and Chairman Cotten requested that the page be HELD OPEN.

ALASKA PSYCHIATRIC INSTITUTE - page 121

Senator Bennett moved the Senate figure of \$10777.1. Representative Rogers asked Legislative Finance Fiscal Analyst Jerry Schilz about the Governor's Budget Amendment No. 02-13 for \$169.1. Mr. Schilz stated it was for part of the leasing reconciliation submitted by the Department of Administration to put \$169.1 back into API. He said that state-wide, the cost would come to about \$1.2 million. There being no objection to Senator Bennett's motion, it was ADOPTED.

COMM MH SERVICES - REGIONAL ADMINISTRATION - page 127

Senator Bennett moved the House/Senate figure of \$249.3. There being no objection, it was ADOPTED.

COMMUNITY MENTAL HLTH SERVICES - JUNEAU REGIONAL M H CLINIC - page 131

Senator Bennett moved the House/Senate figure of \$358.5. There being no objection, it was ADOPTED.

COMMUNITY MENTAL HEALTH SVCS - COMMUNITY MENTAL HEALTH GRANTS - page 133

Senator Bennett moved the Senate figure of \$4178.7. Representative Montgomery objected, and Chairman Cotten requested that the page be HELD OPEN.

HARBORVIEW - page 137

Senator Bennett moved the Senate figure of \$6681.0. Representative Rogers objected and asked Mr. Schilz about the GBA for \$793.9. Mr. Schilz stated that this was the leasing reconciliation funding again. The lease costs had been subtracted out. He said that Harborview was owned by DOTPF as

well as steam plants for heating. It was determined that the only difference was the GBA. Representative Rogers removed his objection, and the above figure was ADOPTED.

GOVERNOR'S COUNCIL/HANDICAPPED - page 141

Senator Bennett moved the Senate figure of \$299.1. Chairman Cotten objected and requested that the page be held open. Representative Rogers asked if the Senate Intent regarding use of state funds for lobbying activities could be accepted. Senator Bennett stated that the Senate had tried to insert this intent all the way through. Chairman Cotten stated he thought the House would like to take the Senate's lead on that but would like to examine it a little closer first. The page was HELD OPEN.

COMMUNITY DD SERVICES - CLIENT PROGRAM MANMAGEMENT. - page 145

Senator Bennett moved the House/Senate figure of \$70.4. There being no objection, it was ADOPTED.

COMMUNITY DD SERVICES - COMMUNITY SERVICES - page 147

Senator Bennett moved the Senate figure of \$4321.6. Representative Montgomery objected and Chairman Cotten requested that the page be HELD OPEN.

MENTAL HLTH ADMIN & SUPPORT - CENTRAL OFFICE ADMINISTRATION - page 153

Senator Bennett moved the House/Senate figure of \$687.9. There being no objection, it was ADOPTED.

MENTAL HLTH ADMIN & SUPPORT - MNTL HLTH ADVISORY COUNCIL & LAND BOARD - page 155

Senator Bennett moved the House/Senate figure of \$19.8. There being no objection, it was ADOPTED.

MENTAL HEALTH ADMIN & SUPPORT - SPECIAL PROJECTS & GRANTS - page 157

Senator Bennett moved the House/Senate figure of \$390.0. There being no objection, it was ADOPTED.

INFORMATION SYSTEMS - DATA SERVICES - page 161

Senator Bennett moved the House/Senate figure of \$2433.6. There being no objection, it was ADOPTED.

SHPDA - HEALTH PLANNING & DEVELOPMENT - page 167

Senator Bennett moved the House/Senate figure of \$503.1. There being no objection, it was ADOPTED.

SHPDA - CERTIFICATION & LICENSING - page 169

Senator Bennett moved the House/Senate figure of \$348.9. There being no objection, it was ADOPTED.

SHPDA - ADMINISTRATION - page 171

Senator Bennett moved the House/Senate figure of \$156.9. There being no objection, it was ADOPTED.

SHPDA - STATE HLTH PLANNING COMMITTEE - page 173

Senator Bennett moved the House/Senate figure of \$101.7. There being no objection, it was ADOPTED.

SHPDA - HSA GRANTS - page 175

Senator Bennett moved the House/Senate figure of \$300.0. There being no objection, it was ADOPTED.

SHPDA - HEALTH CLINICS - page 177

Senator Bennett moved the Senate figure of \$740.0. Representative Rogers objected. Chairman Cotten stated that the difference in the figures was that the House made a generic description of health clinics that might need funding while the Senate opted to specify. He requested that the page be HELD OPEN.

SHPDA - HEALTH FACILITIES INVENTORY - page 179

Chairman Cotten asked Mr. Schilz about the GBA for \$700.0. Mr. Schilz stated it had come over in the final days of the close-outs and was for a health clinic facilities inventory. Chairman Cotten stated the House would not entertain a motion at all on this page.

COMMISSIONERS OFFICE - page 183

Senator Bennett moved the House/Senate figure of \$623.3. Chairman Cotten objected and stated that the House may agree with the figure on this page, but not necessarily with the Legislative Intent. He stated that the policy was that if a figure was accepted, the Legislative Intent was not automatically accepted also. The \$623.3 figure was ADOPTED.

ADMINISTRATION (DHSS) - DIRECTORS OFFICE - page 187

Senator Bennett moved the House/Senate figure of \$374.4. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - PERSONNEL - page 189

Senator Bennett moved the House/Senate figure of \$493.8. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - SUPPLY - page 191

Senator Bennett moved the House/Senate figure of \$317.1. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - FINANCE - page 193

Senator Bennett moved the House/Senate figure of \$876.6. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - GRAPHIC ARTS - page 195

Senator Bennett moved the House/Senate figure of \$43.1. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - AUDIT - page 197

Senator Bennett moved the House/Senate figure of \$442.0. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - FRAUD INVESTIGATION - page 199

Senator Bennett moved the House/Senate figure of \$174.0. There being no objection, it was ADOPTED.

ADMINISTRATION (DHSS) - VITAL STATISTICS - page 201

Senator Bennett moved the House/Senate figure of \$384.3. There being no objection, it was ADOPTED.

LEGAL SERVICES - page 205

Senator Bennett moved the Governor/House figure of \$188.8. Senator Sackett objected and requested that the page be held open. Chairman Cotten asked Mr. Schilz how this program worked. Mr. Schilz confirmed that it was so that the Department of Health and Social Services when necessary could contract for legal services with the Attorney General's Office. Senator Sackett stated that about one half of state departments have legal services monies and they contract for legal services through the Department of Administration. For the other half, the Legislature appropriates funds to the Department of Law, which performs the legal services. He stated that for the first time here, a department was creating a separate BRU for legal services. He proposed that the free conference committee return to the traditional method of appropriating funds for legal services, and not separate the funds into a new BRU. The page was HELD OPEN.

ELIGIBILITY SYSTEM - page 209

Senator Bennett moved the House/Senate figure of \$1418.5. There being no objection, it was ADOPTED.

HOLISTIC HEALTH - page 213

Senator Bennett requested that this page be HELD OPEN.

MANAGEMENT AND BUDGET - page 217

Senator Bennett moved the House/Senate figure of \$493.7. There being no objection, it was adopted.

MERCHANT SEAMAN'S HEALTH PROGRAM - page 219

Senator Bennett moved the Senate figure of \$300.0. Chairman Cotten objected and requested that the page be HELD OPEN.

DEBT SERVICE - HEALTH FACILITIES - page 223

Senator Bennett moved the House figure of \$4115.0. Discussion ensued on whether or not to add the debt service figure into the budget or separate it out in all cases. It was decided that the page would be HELD OPEN.

RECESS

The meeting recessed at 2:25 p.m.

CALL TO ORDER

The meeting reconvened at 2:45 p.m., and all members were present.

SOCIAL SERVICES BUDGET CATEGORY

DEPARTMENT OF ADMINISTRATION - LONGEVITY BONUS - page 3

Senator Bennett moved the House/Senate figure of \$21445.6. There being no objection, it was ADOPTED.

PIONEERS HOMES - SITKA - page 7

Senator Bennett moved the House/Senate figure of \$3034.1. There being no objection, it was ADOPTED.

PIONEERS HOMES - FAIRBANKS - page 9

Senator Bennett moved the House/Senate figure of \$2977.4. There being no objection, it was ADOPTED.

PIONEERS HOMES - PALMER - page 11

Senator Bennett moved the House/Senate figure of \$2604.6. There being no objection, it was ADOPTED.

PIONEERS HOMES - KOTZEBUE - page 13

Senator Bennett moved the House/Senate figure of \$793.4. There being no objection, it was ADOPTED.

PIONEERS HOMES - ANCHORAGE - page 15

Senator Bennett moved the House/Senate figure of \$3059.8. There being no objection, it was ADOPTED.

PIONEERS HOMES - CENTRAL OFFICE - page 17

Senator Bennett moved the House/Senate figure of \$301.7. There being no objection, it was ADOPTED.

PIONEERS HOMES - KETCHIKAN - page 19

Senator Bennett moved the House/Senate figure of \$1244.8. There being no objection, it was ADOPTED. Representative Rogers commented on the 39 new employees and thought it was important that this is the area where the Capital Budget "drives" the Operating Budget.

(BEGIN SIDE 2, FCC 81, # 1, Side 2, 000 - 583)

DEPT. OF HEALTH & SOCIAL SERVICES - ASSISTANCE PAYMENTS - AFDC - page 25

Senator Bennett moved the House/Senate figure of \$44270.3. There being no objection, it was ADOPTED.

ASSISTANCE PAYMENTS - AID TO THE BLIND - page 27

Senator Bennett moved the Senate figure of \$155.1. Representative Rogers objected. Chairman Cotten requested that the page be HELD OPEN.

ASSISTANCE PAYMENTS - AID TO THE DISABLED - page 29

Senator Bennett moved the Senate figure of \$5849.4. Representative Rogers objected and requested that the page be HELD OPEN.

ASSISTANCE PAYMENTS - GENERAL RELIEF - page 31

Senator Bennett moved the House/Senate figure of \$900.0. There being no objection, it was ADOPTED.

ENERGY ASSISTANCE PROGRAM - ENERGY ASSISTANCE - page 35

Senator Bennett moved the Senate figure of \$8174.4. Representative Rogers objected and requested that the page be HELD OPEN.

PUBLIC ASSISTANCE ELIGIBILITY - ELIGIBILITY DETERMINATION - page 39

Senator Bennett moved the Senate figure of \$6623.4. Representative Montgomery objected and requested that the page be HELD OPEN.

PUBLIC ASSISTANCE ELIGIBILITY - STAFF DEVELOPMENT - page 41

Senator Bennett moved the Senate figure of \$157.5.
Representative Rogers objected. Chairman Cotten requested that the page be HELD OPEN.

PROGRAM SERVICES - HOMEMAKER SERVICES - page 45

Senator Bennett moved the Senate figure of \$169.7.
Representative Rogers objected. Senator Sackett asked about in the increase in grants and Chairman Cotten stated the increase was to cover homemaker services for children as well as adults. Chairman Cotten requested that the page be HELD OPEN.

PROGRAM SERVICES - DAY CARE - page 47

Senator Bennett moved the House/Senate figure of \$315.5. There being no objection, it was ADOPTED.

PROGRAM SERVICES - YOUTH SERVICES - page 49

Senator Bennett moved the Senate figure of \$1798.6.
Representative Rogers objected. Chairman Cotten stated there appeared to be a lot of different topics under one "umbrella" that the committee should discuss at a later time, and requested that the page be HELD OPEN.

JUVENILE CUSTODY - S. S. FOSTER CARE - page 55

Senator Bennett moved the Senate figure of \$3181.1.
Representative Rogers objected. Chairman Cotten moved that the Legislative Intent adding \$10.0 for the Alaska Foster Parents Association be adopted. Senator Sackett objected. Chairman Cotten requested that the page be HELD OPEN.

JUVENILE CUSTODY - FOSTER CARE PROBATION SERVICES - page 57

Senator Bennett moved the House/Senate figure of \$520.7. There being no objection, it was ADOPTED.

JUVENILE CUSTODY - SOCIAL SERVICES INSTIT. CARE - page 59

Senator Bennett moved the Senate figure of \$7504.2.
Representative Rogers objected. Senator Sackett moved the legislative intent "Children placed in custody of the state are to be placed, to the greatest extent possible, in foster homes. However, when the department finds it absolutely necessary to place a child in an institution the department is to fully utilize the existing beds in one facility in a municipality before utilizing another facility in the same municipality, to the extent practical." Chairman Cotten stated the House had no objection to that, so Legislative INTENT WAS ADOPTED. Chairman Cotten stated the figure on this page would be HELD OPEN.

JUVENILE CUSTODY - INSTIT. CARE PROB. SERVICES - page 61

Representative Rogers moved the same Legislative Intent for this page. There being no objection, the INTENT WAS ADOPTED. Senator Bennett moved the House/Senate figure of \$3491.8. There being no objection, it was ADOPTED.

SOCIAL SERVICES - SOUTHCENTRAL REGION - page 65

Senator Bennett moved the Senate figure of \$2742.7. Representative Rogers objected and stated he wanted more information on positions # 3, 4 & 5. Chairman Cotten requested that the page be HELD OPEN.

SOCIAL SERVICES - NORTHERN REGION - page 67

Senator Bennett moved the Senate figure of \$1423.9. Chairman Cotten objected and requested that the page be HELD OPEN.

SOCIAL SERVICES - SOUTHEASTERN REGION - page 69

Senator Bennett moved the Senate figure of \$483.0. There being no objection, it was ADOPTED.

SOCIAL SERVICES - WESTERN REGION - page 71

Senator Bennett moved the House/Senate figure of \$744.7. There being no objection, it was ADOPTED.

SOCIAL SERVICES - NORTHWESTERN REGION - page 73

Senator Bennett moved the Senate figure of \$555.2. Representative Rogers objected and requested that the page be HELD OPEN.

SOCIAL SERVICES - SOUTHERN REGION - page 75

Senator Bennett moved the House/Senate figure of \$528.7. There being no objection, it was ADOPTED.

SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE - page 79

Senator Bennett moved the House/Senate figure of \$1020.3. There being no objection, it was ADOPTED.

SOCIAL SERVICES ADMINISTRATION - STAFF DEVELOPMENT - page 81

Senator Bennett moved the House/Senate figure of \$375.1. There being no objection, it was ADOPTED.

SOCIAL SERVICES - DESIGNATED GRANTS - page 83

Senator Bennett moved the Senate figure of \$251.7. Representative Rogers objected. It was determined that the crisis center would be in Anchorage, and Chairman Cotten requested that the page be HELD OPEN.

CONTRACT SERVICES - MAUNELUK - page 85

Senator Bennett moved the Senate figure of \$1055.1. Representative Rogers objected. Chairman Cotten asked about the intent language and Senator Sackett stated it was not intent language, just explanation. Chairman Cotten asked if the Senate had just reduced the appropriation requested by the Governor and Senator Sackett stated yes, that these were all just transferred in. Representative Rogers added that all the villages had been transferred out of their separate places and were being put into one spot. Chairman Cotten requested that the page be HELD OPEN.

WORK INCENTIVE (WIN) - page 89

Senator Bennett moved the House/Senate figure of \$849.7. There being no objection, it was ADOPTED.

ADULT AND AGING SERVICES - ADMINISTRATION - page 93

Senator Bennett moved the House/Senate figure of \$1029.5. There being no objection, it was ADOPTED.

ADULT AND AGING SERVICES - ADULT SERVICES - page 95

Senator Bennett moved the House/Senate figure of \$4168.5. Chairman Cotten objected and requested that the page be held open. Representative Rogers asked if \$66.1 in the Grants and Claims line item on page 94-A had been dropped out. Mr. Schilz stated it was an error on his part. The \$66.1 was not for Domestic Violence, but was for Homemaker Services and should have gone to Mauneluk. The \$1950.4 on page 94 should have \$66.1 added to it and the \$4168.5 on page 95 should have \$66.1 subtracted from it. So the Grants and Claims line item on page 95 should be \$3393.5. The page was HELD OPEN.

ADULT ON AGING SERVICES - DOMESTIC VIOLENCE - page 97

Chairman Cotten stated the House would probably request a hold on this page also. He said that the differences in the allocations of funds in the line items would require some discussion. The page was HELD OPEN.

AGING GRANTS - page 105

Senator Bennett moved the Senate figure of \$7709.3. Representative Rogers objected and requested that this page be HELD OPEN.

OLD AGE ASSISTANCE PAYMENT - OLD AGE ASSISTANCE - page 109

Senator Bennett moved the Senate figure of \$5025.1. Chairman Cotten objected and requested that the page be HELD OPEN.

QUALITY CONTROL - page 113

Senator Bennett moved the House/Senate figure of \$629.8. There being no objection, it was ADOPTED.

TITLE XX OFFSET - page 117

Chairman Cotten asked Mr. Schilz to explain this component. Mr. Schilz stated that the State generally funds the social services and the federal government comes in with a lump sum offset for the General Fund to pick up part of the social services costs. So this was a change in the source of funds that would reduce the General Fund and increase federal receipts. Senator Bennett moved \$-5289.4. There being no objection, it was ADOPTED.

DEPT. OF LABOR - EMPLOYMENT SECURITY - EMPLOYMENT SERVICES - page 121

Senator Bennett moved the Senate figure of \$9878.9. Representative Rogers objected. The difference was the Employment Security Specialist in Petersburg. Chairman Cotten requested that the page be HELD OPEN.

EMPLOYMENT SECURITY - UNEMPLOYMENT INSURANCE - page 123

Senator Bennett moved the Senate figure of \$11459.0. Chairman Cotten objected. Senator Sackett asked that Mr. Schilz explain the GBA. Mr. Schilz stated this was another amendment on the leasing reconciliation that came in after the House had already closed their budget. There was a statewide leasing that added \$1.2 million to the total budget. Chairman Cotten removed his objection, and the Senate figure was ADOPTED.

EMPLOYMENT SECURITY - FRAUD INVESTIGATION - page 125

Senator Bennett moved the House/Senate figure of \$487.8. There being no objection, it was ADOPTED.

EMPLOYMENT SECURITY - CETA SERVICES - page 127

Senator Bennett moved the House/Senate figure of \$881.9. There being no objection, it was ADOPTED.

EMPLOYMENT SECURITY - ESO DIRECTORS OFFICE - page 131

Senator Bennett moved the House/Senate figure of \$295.0. There being no objection, it was ADOPTED.

EMPLOYMENT SECURITY - DATA PROCESSING - page 137

Senator Bennett moved the House/Senate figure of \$2250.3. There being no objection, it was ADOPTED.

EMPLOYMENT SECURITY - WIN (DOL) - page 139

Senator Bennett moved the House/Senate figure of \$1809.3. There being no objection, it was ADOPTED.

COMMISSIONER'S OFFICE (LABOR) - page 143

Representative Rogers stated he would like to check on the Travel line item on this page and requested that it be HELD OPEN.

ADMINISTRATIVE SERVICES - MANAGEMENT SERVICES - page 147

Senator Bennett moved the House/Senate figure of \$2497.4. There being no objection, it was ADOPTED.

ADMINISTRATIVE SERVICES - LABOR MKT INFORMATION - page 149

Senator Bennett moved the House/Senate figure of \$667.6. There being no objection, it was ADOPTED.

ADMINISTRATIVE SERVICES - RESEARCH CONTRACTS - page 151

Senator Bennett moved the House/Senate figure of \$481.4. There being no objection, it was ADOPTED.

ADMINISTRATIVE SERVICES - DESIGNATED GRANTS - page 153

Senator Bennett moved the Senate figure of \$254.8. Chairman Cotten objected and requested that the page be HELD OPEN.

ALASKA PLAN - page 157

Senator Bennett asked that this page be HELD OPEN.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS - SENIOR CITIZENS TAX RELIEF - HOMEOWNERS' PROPERTY TAX EXEMPTION - page 161

Senator Bennett moved the House/Senate figure of \$22664.4. Representative Rogers objected and stated that with the passage of SB 125, the figure should be reduced to \$2054.5. Chairman Cotten requested that information be provided on this subject and requested that this page be HELD OPEN.

SENIOR CITIZENS TAX RELIEF - RENTERS' EQUIVALENCY, REBATE - page 163

Senator Bennett moved the House/Senate figure of \$388.6. Representative Rogers objected for the same reason as on page 161, and stated the figure should be \$190.5. Chairman Cotten requested that the page be HELD OPEN.

SENIOR CITIZENS TAX RELIEF - WATER & SEWER ASSESSMENTS DEFE - page 165

Senator Bennett moved the House/Senate figure of \$100.0. There being no objection, it was ADOPTED.

SENIOR CITIZENS TAX RELIEF - MOTOR VEHICLE EXEMPTION - page 167

Senator Bennett moved the House/Senate figure of \$100.0. There being no objection, it was ADOPTED.

CHILD ASSISTANCE - DAY CARE - page 171

Senator Bennett moved the House/Senate figure of \$4242.5. There being no objection, it was ADOPTED. Representative Rogers requested that the INTENT LANGUAGE BE HELD.

CHILD ASSISTANCE - HEAD START GRANTS - page 173

Senator Bennett moved the House/Senate figure of \$2400.0. There being no objection, it was ADOPTED. Representative Rogers moved the Senate Intent language. Senator Bennett objected. Chairman Cotten requested that the INTENT LANGUAGE BE HELD.

CHILD ASSISTANCE - DESIGNATED GRANTS - page 175

Senator Bennett moved the Senate figure of \$577.0. Chairman Cotten requested that the page be HELD OPEN.

CETA - CLASSROOM TRAINING - page 179

Senator Bennett moved the House/Senate figure of \$1968.5. There being no objection, it was ADOPTED.

CETA - ON THE JOB TRAINING - page 181

Senator Bennett moved the House/Senate figure of \$796.5. There being no objection, it was ADOPTED. Chairman Cotten asked if there was new information concerning the CETA funds, and Mr. Schilz stated he had no new information but thought there was a GBA pending. Mr. Stey stated that it would be about two weeks before a decision was made on that. Chairman Cotten asked that Mr. Stey keep the Legislative Finance Fiscal Analysts advised of the matter.

Chairman Cotten stated it would be the same for pages 179, 181, 183 and 185.

CETA - SERVICES AND ADMINISTRATION - page 189

Senator Bennett moved the House/Senate figure of \$4232.8. There being no objection, it was ADOPTED.

SENIOR CITIZEN HOUSING DEVELOPMENT - page 193

Senator Bennett moved the House/Senate figure of \$72.3. Chairman Cotten stated this page might have to be reopened later and requested that it be HELD OPEN.

CITIZEN PARTICIPATION PROJECT - page 197

Senator Bennett moved the House/Senate figure of \$106.7. There being no objection, it was ADOPTED.

STATE BOND COMMITTEE - DEBT SERVICES - PIONEERS HOMES - page 201

Senator Bennett moved the House figure of \$2481.8. Chairman Cotten stated that he would like to leave the question of debt service open and requested that the page be HELD OPEN.

STATE BOND COMMITTEE - DEBT SERVICE - SENIOR CITIZEN HOUSING - page 203

Senator Bennett stated this was the same on debt service. The page was HELD OPEN.

ADJOURNMENT

The meeting adjourned at 3:30 p.m. Chairman Cotten stated the committee would reconvene the following day at 8:00 a.m.

(Tape FCC 81, # 1, Side 1, 000 - end)
(Tape FCC 81, # 1, Side 2, 000 - 583)

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 27, 1981
8:35 a.m.

{Tape FCC 81-1, Side 2, #583}

PRESENT

Chairman Cotten called the meeting to order at 8:35 a.m. All members of the Committee were present (Representatives Cotten, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett). Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Alison Elgee, Fiscal Analyst, Division of Legislative Finance.

Chairman Cotten advised the Committee would begin the EDUCATION BUDGET closeouts.

EDUCATION BUDGET CATEGORY

DEPARTMENT OF ADMINISTRATION--Teacher Retirement, Regular IRS State, p 3: Senator Bennett moved the House/Senate figure of \$22,041.5. There was no objection.

DEPARTMENT OF EDUCATION--Foundation Program Components, p 7-21: Chairman Cotten requested this entire program be HELD OPEN. There was no objection.

Financial Support-Districts, Pupil Transportation, p 25: Senator Bennett moved the House/Senate figure. There was discussion on contract bidding. Representative Montgomery indicated the problem was when there was a single-source bidder. Senator Sackett requested this be HELD OPEN until further information could be obtained from the Department on the bidding process with regard to how the criteria is developed for the ceiling. There was no objection. He suggested this matter, as well as COLA, could be handled with INTENT.

Financial Support-Districts, Student Lunch Program, p 27: Senator Bennett moved the House/Senate figure of \$6,000.0. There was no objection. Chairman Cotten requested information from Ron Lehr on how the cutbacks in federal receipts will affect this program. Mr. Lehr indicated he would try to have that information ready this week.

Financial Support-Districts, p 29-37: Senator Bennett moved the House/Senate figures for the following, without objection:

Tobacco Tax Distribution - \$2,500.0
Federal Programs - \$14,756.2
Tuition Students - \$3,700.0

Boarding Home Grants - \$1,000.0
State Contract Programs - \$25,355.5

Financial Support-Districts, Kotzebue Technical Center, p 41:
Senator Bennett moved the House/Senate figure of \$1,000.0.
Representative Rogers objected. He explained the House has placed this under Contractual and has also included some lapse INTENT; while the Senate has placed this in Grants. Senator Sackett requested this be HELD OPEN. There was no objection.

Financial Support-Districts, NW Arctic REAA Postsecondary, p 43:
Senator Bennett moved the House/Senate figure. Representative Rogers requested this be HELD OPEN. He stated the concept of placing grades 13-14 within the local school district involves more than the budget and merits further discussion as to the impact this will have on the students. There was no objection.

Financial Support-Districts, p 45-47: Senator Bennett moved the Senate figures for the following:

Sabbatical Leaves
Designated Grants

Chairman Cotten objected and requested these be HELD OPEN. There was no objection.

Financial Support-Other, Debt Retirement-Local, p 51: Senator Bennett moved the House/Senate figure of \$40,093.9. There was no objection. Chairman Cotten pointed out the House is currently working on a bill (HB 279) that would increase this upward to 100%.

Financial Support-Other, Fine Arts Camps, p 53: Senator Bennett moved the House/Senate figure of \$106.0. There was no objection.

Financial Support-Other, Regional Resource Centers, p 57:
Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

Financial Support-Other, RSVP, p 59: Senator Bennett moved the House/Senate figure of \$724.0. There was no objection.

Administrative Program Support, Administrative Services, p 67:
Senator Bennett moved the House/Senate figure of \$836.8. There was no objection.

Administrative Program Support, Finance & Management Services, p 69: Senator Bennett moved the House/Senate figure of \$870.2. There was no objection. Chairman Cotten requested this be HELD OPEN pending INTENT only from Representative Rogers. There was no objection.

Administrative Program Support, Department Overhead Expenses, p 71: Senator Bennett moved the House/Senate figure of \$411.9. There was no objection.

K-12 Education Program Support, p 75-81: Senator Bennett moved the House/Senate figures for the following, without objection:

Educational Program - \$737.0
Career & Vocational Education - \$1,001.7
Special Education - \$517.6
Federal Programs Administration - \$836.9

K-12 Education Program Support, Education Program Development/Designated Grants, p 83-85: Senator Bennett moved the Senate figures. Chairman Cotten objected and requested these be HELD OPEN. There was no objection.

Executive Administration, Commissioner, p 89: Senator Bennett moved the House/Senate figure of \$719.6. Senator Sackett moved the Senate INTENT on CIP positions. During discussion, Alison Elgee explained CIP positions have never before been shown as budgeted positions. There was further discussion on the Senate lobbying INTENT. Chairman Cotten requested this be HELD OPEN. There was no objection.

Executive Administration, Planning Info & Research, p 91: Senator Bennett moved the Senate figure. Representative Rogers objected and requested this be HELD OPEN. There was no objection.

Executive Administration, Project ETA, p 93: Senator Bennett moved the House/Senate figure of \$1,248.9. There was no objection.

Executive Administration, Instructional Television, p 95: Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection. Representative Rogers explained the House has placed Capital '82 here, while the Senate put it under Public Broadcasting.

Executive Administration, Designated Grants, p 97: Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

Boards, Commissions & Associations, p 101-105: Senator Bennett moved the House/Senate figures for the following, without objection:

State Board of Education - \$125.2
Other Commissions & Associations-Support - \$108.7
Professional Teaching Practice - \$105.6

Boards, Commissions & Associations, Designated Grants, p 107: Senator Bennett moved the House/Senate figure of \$475.0. There was no objection. Chairman Cotten requested this be HELD OPEN for INTENT only. There was no objection.

Adult & Postsecondary Support, Adult Basic Education, p 111: Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

Adult & Postsecondary Support, p 113-119: Senator Bennett moved the House/Senate figures for the following, without objection:

Fire Service Training - \$148.9
Adult Vocational Education - \$122.7
CETA Voc Ed Grants - \$226.8
Grants Administration - \$804.0

Adult & Postsecondary Support, Youth Employment Services, p 121: Senator Bennett moved the House/Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

Adult & Postsecondary Support, Designated Grants, p 123: Senator Bennett moved the Senate figure. Representative Rogers objected and requested this be HELD OPEN. There was no objection.

Student Financial Aid, p 127-131: Senator Bennett moved the House/Senate figures for the following, without objection:

Scholarship Loan Program - \$19,500.0
WICHE-Student Exchange Program - \$1,218.8
Student Incentive Grant Program - \$428.0

Alaska Postsecondary Commission, Scholarship Loan Administration, p 135: Senator Bennett moved the Senate figure of \$1,254.5. Representative Rogers objected and moved to amend the figure to \$1,174.5 (House). Senator Kerttula objected and requested this be HELD OPEN. There was no objection.

Alaska Postsecondary Commission, Administration, p 137: Senator Bennett moved the House/Senate figure of \$64.3. There was no objection.

Alaska Postsecondary Commission, General Administration, p 139: Senator Bennett moved the Senate figure. Chairman Cotten objected. Representative Rogers requested this be HELD OPEN. There was no objection.

Seward Skill Center, p 143: Senator Bennett moved the House/Senate figure of \$3,976.6. There was no objection.

Vocational Rehabilitation, p 147-165: Senator Bennett moved the House/Senate figures for the following, without objection:

Counseling & Placement - \$2,735.5

Services to Clients - \$2,689.5

Administration - \$687.1

Specialized Facilities - \$425.5

State Supported Facilities - \$48.0

Disability Determination - \$1,349.2

Employment of the Handicapped - \$183.5 Senator Sackett moved the House/Senate INTENT. There was no objection.

Independent Living Rehabilitation - \$555.0

Designated Grants - \$87.8 Representative Rogers moved the House/Senate INTENT. There was no objection.

Alaska Historical Commission, p 169: Senator Bennett moved the House/Senate figure of \$535.2. There was no objection. Senator Sackett moved the Senate INTENT. Chairman Cotten stated he would like to address all lobbying INTENT as a separate item.

Alaska Arts Council, Administration & Support, p 173: Senator Bennett moved the Senate figure. Chairman Cotten and Senator Sackett objected. Chairman Cotten moved the House figure. Senator Bennett seconded the motion. Senator Sackett objected and requested this be HELD OPEN. There was no objection.

Alaska Arts Council, Designated Grants, p 179: Senator Bennett moved the Senate figure. Representative Montgomery objected and requested this be HELD OPEN. There was no objection.

Public Broadcasting Commission, p 183: Senator Bennett moved the Senate figure. Representatives Montgomery and Rogers objected and requested this be HELD OPEN. There was no objection.

Museums, p 187: Senator Bennett moved the Senate figure. Representative Montgomery objected and requested this be HELD OPEN. There was no objection.

(Representative Rogers left the meeting.)

Museums, Designated Grants, p 189: Senator Bennett moved the Senate figure. Representative Cotten objected and requested this be HELD OPEN.

(Representative Rogers returned to the meeting.)

State Library, Regular Operations, p 193: Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

State Library, Blue Book, p 195: Senator Bennett moved the House/Senate figure of 19.7. There was no objection.

State Library, Designated Grants, p 197: Senator Bennett moved the Senate figure. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

MUNICIPAL GRANTS (AS 37.05.315)--Fairbanks North Star Borough, Resource Education Project, p 201: Senator Bennett moved the House/Senate figure of 134.4. There was no objection.

STATE BOND COMMITTEE--Debt Service, p 205-207: Senator Bennett moved the Senate figures. Chairman Cotten and Representative Rogers objected and requested these be HELD OPEN. There was no objection.

ADJOURNMENT

Senator Bennett moved the Committee adjourn until 1:15 p.m. this afternoon. There was no objection. Chairman Cotten announced the Committee would address the TRANSPORTATION BUDGET at that time. The meeting adjourned at 9:25 a.m.

Tape FCC 81-1, Side 2, #558 - End
FCC 81-2, Side 1, #601 - #623

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 27, 1981
1:25 p.m.

FCC-81, #2, Side 1 (624-end)
FCC-81, #2, Side 2 (000-end)
FCC-81, #3, Side 1 (000-437)

CALL TO ORDER

The meeting was convened at approximately 1:25 p.m.

PRESENT

Present were House committee members Cotten, Rogers, and Montgomery, and Senate members Bennett, Sackett, and Kerttula. Also attending were Senator Arliss Sturgulewski; Director of Legislative Finance Jay Hogan; Director of Budget and Management Ron Lehr; Deputy Director of Budget and Management, Jim Stey; and Legislative Finance fiscal analysts Elmer Lindstrom and Bob Schroeder.

COMMITTEE POLICY, PROPOSED ADDITIONS TO THE BUDGET

Attesting to confusion generated by the placing of anonymous slips of paper containing funding requests upon the meeting table, committee members established a policy requiring that all items to be considered for inclusion in the budget bear a member's name before presentation to committee. Items not complying with this policy will not be considered.

TRANSPORTATION

The committee commenced the following review and close-out of Transportation programs.

DEPARTMENT OF PUBLIC SAFETY

BUREAU OF VEHICLE ENFORCEMENT, p. 3

Senator Bennett moved for adoption of the Senate total of 1259.5. Representative Rogers objected, moving instead that the program remain OPEN for later consideration. The project was held OPEN.

DEPARTMENT OF TRANSPORTATION

ADMINISTRATION - COMMISSIONER'S OFFICE, p. 7

Jay Hogan directed committee attention to intent relating to the program, advising that the first paragraph stresses need for Department review of Legislative Audit recommendations as

well as need for long-range capital planning and regional organizational structure. The second paragraph requires that CIP positions be budgeted next year. Representative Cotten attested to problems resulting from lack of Department inclusion of CIP's within its budget and the use of general funds to continue these positions when the capital project is completed. Jay Hogan provided a recap of CIP positions and their funding sources, advising that approximately 70 have become general fund positions while approximately 1,500 remain funded by capital improvement project funds. Representative Cotten moved to adopt Senate intent relating to Legislative Audit recommendations. No objection having been raised, the intent language was adopted. He further moved to withhold adoption of intent requiring budgeting of CIP positions until a later time. Senator Bennett moved for adoption of the House figure of 885.1. No objection having been raised, the figure was adopted.

ADMINISTRATION - INTERNAL REVIEW, p. 9

Senator Bennett moved for adoption of the Senate total. Representative Cotten objected. Representative Rogers moved instead for adoption of the House figure of 611.4 advising that that amount represents elimination of the two requested positions rather than 3/4 funding. Senate members concurred in the House funding, thus adopting the House figure of 611.4.

ADMINISTRATION - INTERNAL REVIEW CIP, p. 11

Senator Bennett moved for adoption of the House total of 76.2. No objection having been raised, the figure was adopted.

ADMINISTRATION - ADMINISTRATIVE SERVICES, p. 13

Senator Bennett moved for adoption of the Senate total. Representative Cotten objected, moving instead that the program remain OPEN for later consideration.

ADMINISTRATION - ADMINISTRATIVE SERVICES CIP, p. 15

Senator Bennett moved for adoption of the House total of 43.7. No objection having been raised, the figure was adopted.

ADMINISTRATION - FINANCIAL MANAGEMENT, p. 17

Senator Bennett moved for adoption of the Senate total of 4753.5. Representative Cotten objected, moving instead that the program remain OPEN for further consideration.

ADMINISTRATION - FINANCIAL MANAGEMENT CIP, p. 19

Senator Bennett moved for adoption of the House total of 84.5. No objection having been raised, the figure was adopted.

M & O ADMIN & SUPPORT - ADMINISTRATION, p. 23

Senator Bennett moved for adoption of the House total of 501.5. No objection having been raised, the figure was adopted.

M & O ADMIN & SUPPORT - SAFETY & SECURITY, p. 25

Co-chairman Bennett moved for adoption of the House total. Representative Cotten objected, requesting instead that the program remain OPEN for later action.

M & O ADMIN & SUPPORT - AIRPORT LEASING, p. 27

Senator Bennett moved for adoption of the House total of 811.9. No objection having been raised, the figure was adopted.

M & O ADMIN & SUPPORT - STATE EQUIPMENT FLEET, p. 29

Senator Bennett moved for adoption of the House figure 494.5. No objection having been raised, the figure was adopted.

CENTRAL REGION M & O - AIRPORTS, p. 33

Senators Bennett and Kerttula requested that this program remain OPEN pending later consideration.

CENTRAL REGION M & O - HIGHWAYS, p. 38

Senator Bennett requested that the program remain OPEN for later consideration.

CENTRAL REGION M & O - FACILITIES, p. 37

Senator Bennett moved for adoption of the House figure of 2781.3. No objection having been raised, the House total was adopted.

CENTRAL REGION M & O - EQUIPMENT FLEET, p. 39

Senator Bennett moved for adoption of the House total of 5354.8. No objection having been raised, the House figure was adopted.

CENTRAL REGION M & O - ADMINISTRATION, p. 41

Senator Bennett moved for adoption of the House total of 1065.9. No objection having been raised, the figure was adopted.

INTERIOR REGION M & O - AIRPORTS, p. 45

Senator Bennett moved for adoption of the House total of 2118.2. No objection having been raised, the figure was adopted.

INTERIOR REGION M & O - HIGHWAYS, p. 47

Jay Hogan advised that differences between House and Senate funding represent the fact that the House permitted only 3/4 funding. Senator Bennett moved for adoption of the Senate total of 11862.3. Representative Cotten objected, requesting instead that the program remain OPEN for later consideration.

INTERIOR REGION M & O - FACILITIES, p. 49

Representative Cotten requested that this program remain OPEN for later consideration.

INTERIOR REGION M & O - EQUIPMENT FLEET, p. 51

Senator Bennett moved for adoption of the House total of 4174.0. No objection having been raised, the figure was adopted.

INTERIOR REGION M & O - ADMINISTRATION, p. 53

Senator Bennett moved for adoption of the House total of 801.3. No objection having been raised, the figure was adopted.

DALTON HIGHWAY M & O - ROAD MAINTENANCE, p. 57

Senator Bennett moved for adoption of the House total of 5842.8. No objection having been raised, the figure was adopted.

DALTON HIGHWAY M & O - FACILITIES, p. 59

Senator Bennett moved for adoption of the House total of 1579.3. Representative Rogers advised that although the above amount is acceptable at this time, the program may have to be opened later for further additions. No further objection having been voiced, the House figure was tentatively adopted.

DALTON HIGHWAY M & O - EQUIPMENT FLEET, p. 61

Senator Bennett moved for adoption of the House total of 1521.7. No objection having been raised, the figure was adopted.

SOUTHEAST REGION M & O - AIRPORTS, p. 65

Senator Bennett moved for adoption of the House total of 413.3. No objection having been raised, the figure was adopted.

SOUTHEAST REGION M & D - HIGHWAYS, p. 67

Senator Bennett moved for adoption of the Senate total of 6323.8. Representative Cotten objected, requesting that the program be held OPEN for later action. The program was held OPEN.

SOUTHEAST REGION M & D - FACILITIES, p. 69

Senator Bennett moved that the House total of 4277.7 be adopted. No objection having been raised, the House figure was adopted.

SOUTHEAST REGION M & D - EQUIPMENT FLEET, p. 71

Senator Bennett moved for adoption of the Senate total of 1702.9. No objection having been raised, the figure was adopted.

SOUTHEAST REGION M & D - ADMINISTRATION, p. 73

Senator Bennett moved for adoption of the House total of 380.7. No objection having been raised, the figure was adopted.

WESTERN REGION M & D - AIRPORTS, p. 77

Senator Bennett moved for adoption of the House total of 2301.2. No objection having been raised, the figure was adopted.

WESTERN REGION M & D - HIGHWAYS, p. 79

Senator Bennett moved for adoption of the Senate total of 1828.0. Representative Cotten objected, moving instead that the program remain OPEN for later action. The program was held OPEN.

WESTERN REGION M & D - FACILITIES, 81

Senator Bennett moved for adoption of the Senate total. Representative Cotten objected, moving instead for adoption of the House total of 698.2. No objection to the House figure having been raised, it was adopted by committee.

WESTERN REGION M & D - EQUIPMENT FLEET, p. 83

Senator Bennett moved for adoption of the House figure of 750.3. No objection having been raised, the figure was adopted.

WESTERN REGION M & O - ADMINISTRATION, p. 85

Senator Bennett moved for adoption of the House total of 347.7. No objection having been raised, the figure was adopted.

SOUTHCENTRAL REGION M & O - AIRPORTS, p. 89

Senator Bennett moved for adoption of the House total of 737.3. No objection having been raised, the figure was adopted. Senator Kerttula moved that the program remain OPEN for the drafting of intent language relating to the DOT planning and design study at Valdez. Jay Hogan was directed by committee to draft appropriate language. The program was thus held OPEN.

SOUTHCENTRAL REGION M & O - HIGHWAYS, p. 91

Senator Bennett moved for adoption of the House total of 6551.7. No objection having been raised, the figure was adopted.

SOUTHCENTRAL REGION M & O - FACILITIES, p. 93

Senator Bennett moved for adoption of the House total of 2431.0. Representative Rogers objected, moving instead that the program remain OPEN for later action. The program was thus held OPEN.

SOUTHCENTRAL REGION M & O - EQUIPMENT FLEET, p. 95

Senator Bennett moved for adoption of the House total of 2392.4. No objection having been raised, the figure was adopted.

SOUTHCENTRAL REGION M & O - ADMINISTRATION, p. 97

Senator Bennett moved for adoption of the House total of 425.5. No objection having been raised, the figure was adopted.

ANCHORAGE INT. AIRPORT- FIELD MAINTENANCE, p. 101

Senator Bennett moved for adoption of the House total of 2235.5. No objection having been raised, the figure was adopted.

ANCHORAGE INT AIRPORT - BUILDING MAINTENANCE, p. 103

Senator Bennett moved for adoption of the House total of 2242.2. No objection having been raised, the figure was adopted.

ANCHORAGE INT AIRPORT - SECURITY, p. 105

Senator Bennett moved for adoption of the House total of 3067.1. Representative Cotten raised questions concerning security at the airport and was informed by Jay Hogan that rather than hire additional state employees, security has been contracted to a private firm. The House figure was adopted by committee.

ANCHORAGE INT AIRPORT - CUSTODIAL, p. 107

Senator Bennett moved for adoption of the House total of 1790.8. No objection having been raised, the figure was adopted.

ANCHORAGE INT AIRPORT - ADMINISTRATION, p. 109

Senator Bennett moved for adoption of the House total of 1718.5. No objection having been raised, the figure was adopted by committee.

ANCHORAGE INT AIRPORT - EQUIPMENT, p. 111

Senator Bennett moved for adoption of the House total of 971.9. No objection having been raised, the figure was adopted.

FAIRBANKS INT AIRPORT - FIELD MAINTENANCE, p. 115

Senator Bennett moved for adoption of the House total of 1149.5. No objection having been raised, the figure was adopted.

FAIRBANKS INT AIRPORT - BUILDING MAINTENANCE, p. 117

Senator Bennett moved for adoption of the House total of 1005.1. No objection having been raised, the figure was adopted.

FAIRBANKS INT AIRPORT - SECURITY, p. 119

Senator Bennett moved for adoption of the House total of 2377.6. Representative Rogers attested to problems surrounding downgrades in shift and supervisory positions. He advised he did not wish the program held open at this time but might wish to return to it later. No further objection to House funding having been raised, the House figure was adopted.

FAIRBANKS INT AIRPORT - CUSTODIAL, p. 121

Senator Bennett moved for adoption of the House total of 341.2. No objection having been raised, the figure was adopted.

FAIRBANKS INT AIRPORT - ADMINISTRATION, p. 123

Senator Bennett moved for adoption of the House total of 562.5. No objection having been raised, the figure was adopted.

MARINE TRANSPORTATION - SOUTHEAST VESSEL OPERATIONS, p. 127

Senator Bennett moved for adoption of the House total of 34709.5. Representative Cotten raised questions concerning the expected life of the state "fleet." Jay Hogan advised that a ship's economic life is 20 years. Most of the vessels in the ferry system came on line in 1965 and should be replaced in 1985. However, most of Alaska's vessels have been "stretched." Mr. Hogan stated that he did not know how the stretching process might affect a ship's life. He added that while the COLUMBIA cost \$23 million to construct and replacement of her engines will cost approximately \$7 million, it would cost \$40 million to replace her. He added that program receipts generated by the ferry system (program receipts and concession moneys) go into the general fund. Representative Rogers suggested alternative methods for handling program receipts--methods which would reflect more accurately amounts generated by the ferry system. Representative Cotten requested that Jay Hogan research and prepare a memo regarding the handling of program receipts and report back to committee. No objection to the House figure having been raised, the figure was adopted by committee.

MARINE TRANSPORTATION - SOUTHEAST VESSEL OVERHAUL, p. 129

Senator Bennett moved for adoption of the House total of 5506.7. No objection having been raised, the figure was adopted.

MARINE TRANSPORTATION - SOUTHEAST SHORE FACILITIES, p. 131

Senator Bennett moved for adoption of the House total of 2189.8. No objection having been raised, the figure was adopted.

MARINE TRANSPORTATION - SOUTHWEST VESSEL OPERATIONS, p. 133

Commenting on problems regarding the Governor's request for general funds, Senator Bennett moved to hold this program OPEN pending later discussion.

MARINE TRANSPORTATION - SOUTHWEST VESSEL OVERHAUL, p. 135

Senator Bennett moved for adoption of the House total of 1065.0. No objection having been raised, the figure was adopted.

MARTINE TRANSPORTATION - SOUTHWEST SHORE FACILITIES, p. 137

Senator Bennett moved for adoption of the House total of 625.8. No objection having been raised, the figure was adopted.

MARINE TRANSPORTATION - ADMINISTRATION, p. 139

Jay Hogan directed committee attention to Senate intent regarding use of flex time to maintain phone coverage during the noon hour. Representative Rogers advised of need to add language regarding additional phone lines to assist with reservations. The above intent was adopted by committee. Senator Bennett moved to adopt total funding of 2146.6 which includes additional data processing equipment to assist with reservations. Representative Cotten requested that the program remain OPEN pending inquiry into reservation problems. No objection having been raised, the program was held OPEN.

MARINE TRANSPORTATION - MARINE TRANS CIP PROGRAM, p. 141

Jay Hogan advised that the program represents part of the CIP personal services budget never before budgeted. Positions giving rise to this funding do not appear on the new positions list, but are included in the total listing of state employees. Senator Bennett moved for adoption of the House total of 53.0. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - ADMINISTRATION & SUPPORT, p. 145

Senator Bennett moved for adoption of the House total of 415.2. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - DESIGN, p. 147

Senator Bennett moved for adoption of the House total of 627.6. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - CONSTRUCTION, p. 149

Senator Bennett moved for adoption of the House total of 1572.8. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - CIP INDIRECT COSTS, p. 151

Jay Hogan directed committee attention to identical intent in both House and Senate budgets dealing with general fund support for CIP program costs. Representative Rogers moved for adoption of intent language. Mr. Hogan suggested including the language in the free conference version of the bill but not in the printed version. He stressed need for

ability to provide information to the administration, but that the above information does not necessarily have to be "in budget detail information form." Advising that like intent is included on pages 170, 188, and 200, he again suggested that the language appear only in the free conference but not the printed version of the budget. Senator Sackett moved for adoption of Mr. Hogan's suggestion, allowing committee intent language in this instance to become "alternate intent." Representative Rogers attested to the fact that under the above arrangement the language would continue to represent legislative intent but would become merely a "lower form of intent." Mr. Rogers concurred in Senator Sackett's motion to publish the language in the free conference version of the bill but not in the version which "goes to the floor." The intent language, together with its method of publication, was thus adopted by committee.

Senator Bennett next moved for adoption of the House total of 3653.4. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - DEPUTY COMM CIP PROGRAM, p. 153

Senator Bennett moved for adoption of the House and Senate total of 212.9. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - HEADQUARTERS CIP PROGRAM, p. 155

Senator Bennett moved for adoption of the House total of 4,144.0. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - CENTRAL REGION CIP PROGRAM, p. 157

Senator Bennett moved for adoption of the House total of 12326.3. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - INTERIOR REGION CIP PROGRAM, p. 159

Senator Bennett moved for adoption of the House total of 9955.6. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - SOUTHEAST REGION CIP PROGRAM, p. 161

Senator Bennett moved for adoption of the House total of 4316.8. No objection having been voiced, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - WESTERN REGION CIP PROGRAM,
p. 163

Senator Bennett moved for adoption of the House total of 970.9. No objection having been raised, the figure was adopted.

HIGHWAY DESIGN & CONSTRUCTION - SOUTHCENTRAL REGION CIP
PRDG, p. 165

Senator Bennett moved to adopt the House total of 4728.6. No objection having been raised, the figure was adopted.

RIGHT OF WAY - OPERATIONS, p. 169

Senator Bennett moved for adoption of the House total of 776.9. Representative Rogers objected, directing committee attention to intent language dealing with general funding of CIP programs contained on page 170. Mr. Rogers acknowledged that the intent language is the same as earlier adopted for page 150, but requested that the program remain OPEN for later discussion. Senator Kerttula advised of problems and complaints he had received indicating that right-of-way acquisition is "holding up highway projects." Representative Rogers concurred, stating that he had also received complaints that DOT strives to comply with federal regulation requirements even on state highway projects. The program was held OPEN for later consideration.

RIGHT OF WAY - CIP INDIRECT COSTS, p. 171

Senator Bennett moved for adoption of the House total of 557.0. No objection having been raised, the figure was adopted.

AVIATION DESIGN & CONSTRUCTION - DIRECTOR, p. 175

Senator Bennett moved for adoption of the House total of 187.5. No objection having been raised, the figure was adopted.

AVIATION DESIGN & CONSTRUCTION - DESIGN, p. 177

Senator Bennett moved for adoption of the House total of 447.2. No objection having been raised, the figure was adopted.

AVIATION DESIGN & CONSTRUCTION - CONSTRUCTION, p. 179

Senator Bennett moved for adoption of the House total of 522.2. No objection having been raised, the figure was adopted. Directing committee attention to intent language relating to general fund support for CIP programs, Representative Rogers requested that the language be held for consideration at a later time. No objection having been

raised, adoption of the intent language was held OPEN for later discussion.

AVIATION DESIGN & CONSTRUCTION - CIP INDIRECT COSTS, p. 181

Senator Bennett moved for adoption of the House total of 58.0. No objection having been raised, the figure was adopted.

AVIATION DESIGN & CONSTRUCTION - AVIATION CIP PROGRAM, p. 183

Senator Bennett moved for adoption of the House total of 4536.5. No objection having been raised, the figure was adopted.

HARBOR DESIGN & CONSTRUCTION - OPERATIONS, p. 187

Senator Bennett moved for adoption of the Senate figure of 477.1. Representative Cotten objected, moving instead that the program remain OPEN for later discussion. The program remained OPEN. Directing committee attention to intent language relating to general fund support of CIP programs, Representative Rogers requested that adoption of the intent be held for later consideration. No objection having been raised, the intent was not adopted at this time.

HARBOR DESIGN & CONSTRUCTION - CIP INDIRECT COSTS, p. 189

Senator Bennett moved for adoption of the House total of 209.0. No objection having been raised, the figure was adopted.

HARBOR DESIGN & CONSTRUCTION - HARBOR CIP PROGRAM, 191

Senator Bennett moved for adoption of the House total of 739.4. No objection having been raised, the figure was adopted.

FACILITIES DESIGN & CONST - ADMINISTRATION, p. 195

Senator Bennett moved for adoption of the House total of 616.8. No objection having been raised, the figure was adopted.

FACILITIES DESIGN & CONST - DESIGN, p. 197

Senator Bennett moved for adoption of the House total of 271.8. No objection having been raised, the figure was adopted.

FACILITIES DESIGN & CONST - CONSTRUCTION, p. 199

Senator Bennett moved for adoption of the House total of 226.9. No objection having been raised, the figure was adopted. Directing committee attention to legislative intent

dealing with general fund support for CIP programs set forth on the following page, Representative Rogers requested that adoption of such language be considered at a later time. No objection having been raised, adoption of the intent language was held in abeyance.

FACILITIES DESIGN & CONST - CIP INDIRECT COSTS, p. 201

Senator Bennett moved for adoption of the House total of 478.5. No objection having been voiced, the figure was adopted.

FACILITIES DESIGN & CONST - CENTRAL CIP PROGRAM, p. 203

Senator Bennett moved for adoption of the House total of 1548.8. No objection having been raised, the figure was adopted.

FACILITIES DESIGN & CONST - INTERIOR CIP PROGRAM, p. 205

Senator Bennett moved to adopt the House total of 659.5. No objection having been raised, the figure was adopted.

FACILITIES DESIGN & CONST - SOUTHEAST CIP PROGRAM, p. 207

Senator Bennett moved for adoption of the House total 581.0. No objection having been raised, the figure was adopted.

PLANNING & PROGRAMMING - ADMINISTRATION, p. 211

Senator Bennett moved for adoption of the Senate total of 7525.2. Representative Cotten objected. Senator Bennett moved to hold this program as well as Debt Service OPEN for later discussion. Jay Hogan directed committee attention to intent language for this program proposed by the House and Senate which would direct DOT to follow legislative audit recommendations, develop a regional structure for administration of CIP projects, and presentation of the FY 82 budget in a project budget format. He advised of need for a current project status report (the legislature's #1 priority need from DOT) as well as calculation of life cycle costs currently called for in the budgeting of capital projects (#2 priority). Senator Sturgulewski spoke briefly to creation of CIP positions within the department, advising that last year 144 positions were requested in the budget while 27 CIP positions which were not requested were also filled. In March the department created an additional 41 positions. She advised that she had inquired into the situation and following receipt of a response would recommend that the free conference committee follow the House approach to funding the program. No further action was taken on this program at this time, and it remained OPEN for later consideration.

RECESS

Senator Bennett moved to recess the meeting at approximately 2:45
p.m.

FCC-81, #2, Side 1 (624-end)
FCC-81, #2, Side 2 (000-end)
FCC-81, #3, Side 1 (000-437)

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 28, 1981
8:20 a.m.

(Tape FCC 81, # 3, Side 1, 438 - end)
(Tape FCC 81, # 3, Side 2, 000 - end)
(Tape FCC 81, # 4, Side 1, 000 - 137)

CALL TO ORDER

Chairman Cotten called the meeting to order at 8:20 a.m.

PRESENT

Chairman Cotten and Representatives Rogers and Montgomery, and Senators Sackett, Bennett and Kerttula were present. Also in attendance were Director of Division of Budget and Management Ron Lehr; and Legislative Finance Fiscal Analyst Bob Schroeder.

PUBLIC PROTECTION BUDGET CATEGORY

DEPARTMENT OF LAW - OFFICE OF CONSUMER PROTECTION - page 3

Senator Bennett moved the Senate figure of \$625.3. Representative Rogers objected and moved the House figure of \$658.3. Senator Bennett objected. Representative Rogers requested that the page be HELD OPEN.

The committee discussed the approach it should take with regard to this budget category. Representative Rogers stated that the Senate had imposed a 5% cut on virtually every component while the House had either held to the Governor's figure or had made an amendment. He thought that the issue should be settled before going further into the category. Senator Sackett agreed that the differences in philosophy should be settled. Senator Kerttula agreed, stating that there was no "wedging" possible in the budget.

Chairman Cotten stated there were some areas that varied from the 5% change. They were OSHA, Weights & Measures and in Occupational Licensing, and seemed to vary significantly beyond the 5%. He thought those areas should be discussed first.

Representative Rogers questioned the validity of the 5% cut in the offices having a small number of people. Their productivity would be hindered to a greater degree than in a larger office. He thought that for offices with fewer than 10 full-time positions, a lower than 5% cut should be considered. He also questioned the effect of the Governor taking a vacancy assessment and then the legislature cutting each budget 5% beyond that. Mr.

Schroeder confirmed that there were areas with significant cuts in addition to the 5%.

Senator Sackett stated that he felt the committee should look at the whole category and consider each BRU - he did not think it would be responsible to take a 5% cut across the board. Senator Bennett stated that he had not received any directives to put the money back in the budget, and Chairman Cotten stated he had not either. Chairman Cotten said there was probably a break point where components could stand a reduction of perhaps 2.5% to 5% overall. Mr. Schroeder agreed with that, depending on what the Governor had already deducted.

Chairman Cotten stated that after a 5% cut (excepting OSHA, WTS & MSRS, OCCUP LIC. & DEBT SVC), there would only be a savings of about \$1 million, so he thought the committee could devise a standard cut. Representative Rogers stated this budget category had a very low increase over last years budget and he was not advocating the 5% overall cut. He said he had received some letters asking that funding be restored.

Senator Sackett asked Ron Lehr to respond. Mr. Lehr stated that all agencies subjected to the 5% cut were "very upset about it". He said that most of them have a 3 - 5% vacancy right now, which with the cut translates into 7 - 10% and 2, 3, or 4 positions. He said that in the past, they had utilized a staggered vacancy assessment, depending on the size of the agency, limiting it to no more than 3 - 5%. Above that, agencies would have to start laying people off. Senator Sackett asked what the Governor's position was. Mr. Lehr stated the Governor would like to have the funding back. Chairman Cotten asked to see the list showing the breakdown Mr. Lehr had mentioned for the staggered formula.

Representative Rogers suggested effecting the 5% cut in Travel, Contractual, Commodities, etc., but bring Personal Services to a 5% vacancy rate. So, it would be a 5% vacancy which would mean anywhere from no cut up to a 5% cut. Senator Sackett felt that might not be a bad compromise. Mr. Lehr stated that would not be a bad way to go.

Senator Bennett asked what the cash difference would be between the two proposals and Mr. Schroeder stated it would take him awhile to arrive at the figures. Chairman Cotten asked Mr. Schroeder to work with the administration on this and have the figures ready when the budget was brought up later.

Representative Rogers stated he thought it would be a good idea to go ahead and look at the pages that would differ from that tentative compromise. Chairman Cotten agreed, and there were no objections.

DEPARTMENT OF LABOR - OCCUPATIONAL SAFETY - OCCUP. SAF. & HEALTH
- page 18

Chairman Cotten stated that the Senate had cut the General Fund contribution in half, and he would like to bring it up to the House level. Senator Bennett stated that was not the Senate intent. Senator Ferguson stated it was thought that the program could still serve its purpose with the Senate figure. Chairman Cotten asked Mr. Schroeder if the Senate figure were adopted, would the state be out of compliance. Mr. Schroeder stated that the state would be out of compliance, but in other states that have done this, the federal government has not filled the gap. Chairman Cotten requested that this page be HELD OPEN.

(BEGIN NEW SIDE, FCC 81, # 3, Side 2, 000 - end)

DEPARTMENT OF LABOR - SECOND INJURY FUND - page 23

Representative Rogers discussed the insurance and premiums. He recommended that the administration of the fund come from the General Fund. He added that processing claims quickly was part of making the system work well, and recommended the two new Worker Compensation Officer positions. He brought up HB 94 and explained how it would effect the Second Injury Fund. He stated that presently, the Second Injury Fund is bankrupt. Discussion continued on the ramifications of this fund. It was decided that the page would be HELD OPEN.

DEPARTMENT OF LABOR - ADMINISTRATION OF WORKER'S COMPENSATION - page 25

Representative Rogers discussed the differences between the House and Senate figures. It was decided that the page would be HELD OPEN.

DEPT. OF COMMERCE AND ECONOMIC DEVELOPMENT - INSURANCE DIVISION - page 39

Representative Rogers stated that the House felt that the Market Analyst position would be the most appropriate. It was decided that this page would be HELD OPEN.

DEPT. OF COMMERCE & ECONOMIC DEVELOPMENT - WEIGHTS & MEASURES - page 31

Chairman Cotten discussed the differences between the House and Senate figures. Mr. Schroeder stated that the department did put on a Mobile Home Inspector about one month earlier by Revised Program, with the anticipation that the Legislature would fund the program. Mr. Lehr stated that a Clerk Typist and a Mobile Home Inspector were created by RP in November. He said that last year the Legislature had passed a law (Chapter 104) and gave the money to DOTPF. Since that was the wrong agency, the money was RSA'd over to the Dept. of Commerce & Econ. Development, and based upon that RSA Commerce created the new positions. So, in effect these two new positions were already budgeted for. Senator Sackett stated he did not like how they were created, but he thought they should be put back in. Senator Bennett gave his

approval to reinstate the two positions. Chairman Cotten moved that the two positions be allowed, and that the 5% problem be resolved when the committee did the rest of the budget. There being no objection, it was so ordered and the Clerk Typist III and the Mobile Home Inspector were accepted.

DEPT. OF COMMERCE & ECON. DEV. - OCCUPATIONAL LICENSING -
ADMINISTRATION - page 45

Representative Rogers stated that the main thing here was putting files and records on the state data system. He continued to discuss the differences between the House and Senate figures. Senator Sackett asked Mr. Lehr for an explanation. Senator Sackett said "they want a Rolles Royce when a Mercedes would do". Representative Rogers thought the committee should take the House figure and take 5% from the total. Discussion continued and it was decided that the page would be HELD OPEN.

DEPT. OF COMMERCE & ECON. DEV. - OCCUPATIONAL LICENSING - REAL
ESTATE COMMISSION - page 51

Representative Rogers discussed the differences between the House and Senate figures. Senator Bennett moved the Governor's figure of \$303.7. There being no objection, it was ADOPTED.

DEPT. OF COMM. & ECON. DEV. - ADMINISTRATION & SUPPORT - page 53

Representative Rogers stated this department was one of the most centralized in the state, with 97% of the department either in Anchorage or Juneau. He thought it was too centralized. Senator Bennett moved positions # 1 and 2. Mr. Schroeder stated that historically the vacancy has been 5%. Representative Rogers moved the following figures: Personal Services \$626.5; Travel \$26.6; Contractual \$110.5; Commodities \$14.9; Equipment \$.7. He said this would include the GSA with the two positions. He said the House wanted the Senate figure without the 5% cut as they had already been cut 5%. The total was \$779.2 and would allow no new positions. Only 17 positions were authorized. There being no objection, it was ADOPTED.

DEPT. OF MILITARY AFFAIRS - DISASTER PLANNING & CONTROL -
RADIOLOGICAL PROGRAM - page 69

Chairman Cotten moved the House/Senate figure of \$51.6. There being no objection, it was ADOPTED.

DISASTER PLANNING & CONTROL - CITY PARTICIPATION - page 71

Chairman Cotten moved the House/Senate figure of \$130.0. There being no objection, it was ADOPTED.

DISASTER PLANNING & CONTROL - FLOOD CONTROL - page 73

Chairman Cotten stated this was where they would go back into the 5% reductions. Senator Bennett stated Mr. Schroeder would come

back with the adjusted figures later on. Mr. Schroeder stated that there were no personal services involved on this page. Chairman Cotten moved the Senate figure of \$73.4. There being no objection, it was ADOPTED.

DEPT. OF MILITARY AFFAIRS - DISASTER PLANNING & CONTROL -
TRAINING - page 75

Chairman Cotten moved the Senate figure of \$19.0. It was determined that there were no Personal Services involved. There being no objection, it was ADOPTED.

DEPT. OF MILITARY AFFAIRS - DISASTER PLANNING & CONTROL -
DISASTER RELIEF ACT - page 77

Representative Rogers moved the House figure of \$53.7 for 1.3 positions. There being no objection, it was ADOPTED.

DEPT. OF MIL. AFFAIRS - ALASKA NATIONAL GUARD - FEDERAL ARMORIES
- page 87

Senator Bennett moved the House figure of \$1201.7. There being no objection, it was ADOPTED.

DEPT. OF MIL. AFFAIRS - ALASKA NATIONAL GUARD - ARMY TRAINING
SUPPORT - page 89

Senator Bennett moved the House figure of \$618.4. There being no objection, it was ADOPTED.

DEPT. OF MIL. AFFAIRS - ALASKA NATIONAL GUARD - AIR TRAINING
SUPPORT - page 91

Senator Bennett moved the Governor's figure of \$908.0. There being no objection, it was ADOPTED.

DEPT. OF MIL. AFFAIRS - ALASKA NATIONAL GUARD - RETENTION &
RETIREMENT - page 93

Senator Bennett moved the Governor's figure of \$1206.6. There being no objection, it was ADOPTED.

DEPT. OF PUBLIC SAFETY - FIRE SAFETY - page 99

Senator Bennett moved the Senate figure of \$1011.1. This page would involve a percentage adjustment at a later time. There being no objection, it was ADOPTED.

DEPT. OF PUBLIC SAFETY - HIGHWAY SAFETY PLANNING AGENCY - page
101

Senator Kerttula stated the intent would be changed on this page and requested that the page be HELD OPEN.

DEPT. OF PUBLIC SAFETY - DRIVER VEHICLE SERVICES - DRIVER SERVICES - page 105

Chairman Cotten moved the Senate figure of \$738.9. There being no objection, it was ADOPTED.

DEPT. OF PUBLIC SAFETY - DRIVER VEHICLE SERVICES - VEHICLE SERVICES - page 107

Senator Sackett moved the House figure of \$419.8. There being no objection, it was ADOPTED.

DEPT. OF PUBLIC SAFETY - DRIVER VEHICLE SERVICES - FIELD OPERATIONS - page 109

Senator Bennett moved the Senate figure of \$3650.8. Representative Rogers objected. Senator Bennett moved the Governor's figure of \$3839.5. Representative Rogers objected. Senator Bennett moved the House figure of \$3887.8. There being no objection, it was ADOPTED. Senator Sackett moved that the GBA remain in the House Contractual line item, and there being no objection, it was so ordered.

DEPT. OF PUBLIC SAFETY - DRIVER VEHICLE SERVICES - ADMINISTRATION - page 111

Senator Bennett moved the Senate figure of \$660.4. There being no objection, it was ADOPTED.

DEPT. OF ENVIRON. CONSV. - COMMISSIONER'S OFFICE - ANIMAL INDUSTRY - page 115

Chairman Cotten requested that the page be HELD OPEN.

(BEGIN NEW TAPE, FCC 81, # 4, Side 1, 000 - 137)

DEPT. OF ENVIRON. CONSV. - COMMISSIONER'S OFFICE - SEAFOOD INDUSTRY - page 117

Mr. Schroeder stated that the Dillingham and the Dutch Harbor positions were the ones mentioned in the fiscal note. Representative Rogers moved the House figure of \$687.8, and then removed his motion and requested that the page be HELD OPEN.

DEPT. OF ENVIRON. CONSV. - COMMISSIONER'S OFFICE - ADMINISTRATION - page 121

Representative Rogers asked that the intent on this page be held open for later consideration. There being no objection, the INTENT WAS HELD OPEN. Senator Bennett moved the House figure of \$196.6. There being no objection, it was ADOPTED.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS - FIRE PREVENTION - TASK FORCE - page 125

Chairman Cotten moved the House/Senate figure of \$145.5. There being no objection, it was ADOPTED.

DEBT SERVICE - pages 127, 129 and 131

These three pages were HELD OPEN.

Senator Bennett requested that Mr. Schroeder prepare for the afternoon meeting the adjusted figures. All offices with less than 10 people would not receive the 5% cut, and all offices with over 10 people would receive the 5% cut. Representative Rogers added there would be no vacancy assessment for those with fewer than 10 positions, and those with over 10 positions would receive a total vacancy assessment of 5%. Chairman Cotten stated that in some cases, the Governor had already applied the 5% vacancy assessment. Sackett stated it was 2 to 3 = 6, and up to 5 = 10. Chairman Cotten thought Mr. Schroeder should just come back with a recommendation for a formula. Mr. Schroeder stated his understanding was that the committee wanted basically the following: components with 6 or less positions would not net more than 2 or 3%, and components with 7 - 10 positions would get a 5% net. Components with over 10 positions could be reduced according to their historical vacancy rate. It was decided that the committee would reconvene at 1:15 p.m.

RECESS

The meeting recessed at 9:30 a.m.

(FCC 81, # 3, Side 1, 438 - end)
(FCC 81, # 3, Side 2, 000 - end)
(FCC 81, # 4, Side 1, 000 - 137)

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 28, 1981
1:40 p.m.

(FCC 81, # 4, Side 1, 137 - end)
(FCC 81, # 4, Side 2, 000 - 586)

CALL TO ORDER

The meeting was reconvened at 1:40 p.m. and all members were present. The committee continued with consideration of the Public Protection Budget Category.

PUBLIC PROTECTION BUDGET CATEGORY

Mr. Schroeder stated the only way he could come up with a comprehensive solution was to go through component by component and take into consideration what the Governor had already deducted for vacancy factor and compare that to the various actions by the House and Senate. He stated he would go through page by page with his recommendations.

DEPARTMENT OF LAW - OFFICE OF CONSUMER PROTECTION - page 3

Mr. Schroeder stated the agency had already budgeted 2.5% for vacancy. The House had not adjusted that figure and the Senate took 5% on top. He recommended that no more than a net of 5% as there were 13 full-time people. If the committee used 5%, he recommended that the Personal Services figure be \$518,700. Representative Rogers moved the above for a total of \$638.9. There being no objection it was ADOPTED.

DEPARTMENT OF REVENUE - ALCOHOLIC BEVERAGE CONTROL BOARD - page 5

Mr. Schroeder stated the agency had budgeted 3%. He stated if the committee took 5%, the add-back would be approximately \$13.1. He recommended a Personal Services figure of \$414.6. Representative Rogers moved the above, and a total figure of \$524.7. There being no objection, it was ADOPTED.

DEPT. OF LABOR - OCCUPATIONAL SAFETY - OCCUP. SAF. & HEALTH -
page 19

Mr. Schroeder stated the agency had already taken out 3.4%, so a 5% reduction would be a reduction of \$25.6 below the House level. Chairman Cotten requested that the page be HELD OPEN.

DEPT. OF LABOR - FISHERMENS FUND - page 21

Mr. Schroeder stated no Personal Services had been deducted. Chairman Cotten moved the Senate figure of \$1038.8. There being no objection, it was ADOPTED.

DEPARTMENT OF LABOR - SECOND INJURY FUND - page 23

Representative Rogers requested that this page be HELD OPEN.

DEPT. OF LABOR - ADMIN. OF WORKERS COMPENSATION - page 25

Representative Rogers requested that this page be HELD OPEN.

DEPT. OF LABOR - WAGE & HOUR ADMIN. - page 27

Mr. Schroeder stated a net 5% vacancy factor would result in \$647.9 for Personal Services and a total of \$774.4, using Senate figures in all other line items. Representative Rogers moved the figures. There being no objection, it was ADOPTED.

DEPT. OF LABOR - MECHANICAL INSPECTION - page 29

Mr. Schroeder stated a net 5% vacancy factor would result in \$758.3 in Personal Services, and with Senate figures in all other line items the total would be \$995.3. If House figures in all other line items were used, the total would be \$1027.8. Chairman Cotten moved \$995.3. There being no objection, it was ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - WEIGHTS & MEASURES - page 31

The committee had earlier agreed to add a Clerk Typist and a Mobile Home Inspector. Mr. Schroeder stated with that adjustment and with a 5% vacancy factor, the total would be \$887.4. Personal Services - \$640.7; Travel - \$95.3; Contractual - \$136.5; Commodities - \$11.5; Equipment - \$3.4; with 18 full-time positions. Chairman Cotten and Senator Bennett moved the figures. There being no objection, they were ADOPTED.

DEPT. OF COMMERCE & ECONOMIC DEV. - BANKING SECURITIES & CORP - CORPORATIONS - page 35

Mr. Schroeder stated the total was \$225.1 and Personal Services would be \$151.9 with the 5% vacancy factor. There being no objection, the figures were ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - BANKING, SECURITIES & CORP. - FINANCIAL INSTITUTIONS - page 37

Mr. Schroeder stated that the adjustment would make Personal Services \$757.3 and \$1004.4 would be the total figure. Chairman Cotten moved the figures. There being no objection, the figures were ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - INSURANCE DIVISION - page 39

Mr. Schroeder stated the 5% vacancy factor would make Personal Services \$649.5 and the total would be \$892.3. Senator Bennett moved the figures. There being no objection, they were ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - OCCUPATIONAL LICENSING -
ADMINISTRATION - page 45

Mr. Schroeder stated the 5% vacancy factor would make Personal Services \$484.6 and the total would be \$691.0. Representative Rogers moved the House figure with the Contractual line item cut 5% to \$221.9, so that the total would then become \$735.2 with \$484.6 in Personal Services. He said that would be full funding minus 5% on Contractual and accept the Senate numbers on Travel and Commodities. The figures would be \$484.6 in Personal Services; \$21.2 in Travel; \$221.9 in Contractual; \$7.5 in Commodities; and total of \$735.2. Chairman Cotten moved the figures. There being no objection, they were ADOPTED.

DEPT. OF COMMERCE & ECONOMIC DEV. - OCCUPATIONAL LICENSING -
LICENSING BOARDS - page 47

Mr. Schroeder stated there were no Personal Services involved here. The committee discussed the figures. Senator Bennett moved the Senate figure of \$169.5. There being no objection, it was ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - OCCUPATIONAL LICENSING -
INVESTIGATIONS - page 49

Mr. Schroeder stated the 5% vacancy adjustment would result in \$268.1 in Personal Services, and \$501.6 would be the total. The rest would be Senate figures. There being no objection, the figures were ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - ADMIN. & SUPPORT - page 53

Representative Rogers stated that the intent for these page was still open, but the figure had been closed at \$779.2.

DEPT. OF COMMERCE & ECON. DEV. - REGULATORY COMM - AK. TRANS.
COMM. - page 57

Mr. Schroeder stated the Senate figure had a 5% factor in already. The committee discussed the possibility of zeroing the component. Senator Bennett moved the Senate figure of \$1480.0. Chairman Cotten objected and requested that the page be HELD OPEN. Senator Sackett asked Mr. Lehr why the Governor had not recommended a vacancy factor. Mr. Lehr stated that an allocation of money was given them and they chose to do it this way without requesting a vacancy factor. The page was HELD OPEN.

DEPT. OF COMMERCE & ECONOMIC DEV. - REGULATORY COMMISSIONS -
ALASKA PIPELINE COMMISSION - page 59

Mr. Schroeder stated the Personal Services figure would become \$458.9 and the total would be \$569.2. Representative Rogers asked if there was enough money in SB 113 to continue the suits through the end of the next fiscal year. Mr. Lehr answered there would be and there would not be a short-fall situation. Representative Rogers moved the figures. Chairman Cotten moved the figures. There being no objection, they were ADOPTED.

DEPT. OF COMMERCE & ECON. DEV. - REGULATORY COMM. - AK PUBLIC UTILITIES COMMISSION - PAGE 61

Mr. Schroeder stated the Personal Services figure would become \$1669.2 and the total would be \$2022.1. There being no objection, the figures were ADOPTED.

DEPT. OF MILITARY AFFAIRS - SEARCH & RESCUE - page 63

Senator Bennett stated the Senate would agree to the House figure of \$551.0. There being no objection, it was ADOPTED.

DEPT. OF MILITARY AFFAIRS - DISASTER PLANNING & CONTROL - CIVIL PREPAREDNESS - page 67

Mr. Schroeder stated that Personal Services would become \$663.1 and the total would be \$771.0. There being no objection, the figures were ADOPTED.

DEPT. OF MILITARY AFFAIRS - ALASKA NATIONAL GUARD - OFFICE OF ADJUTANT GENERAL - page 83

After discussion, it was determined that 5% applied to the Senate figures would make Personal Services \$900.1 and the total \$1222.8. Chairman Cotten moved the figures, not to include the new clerk position in Anchorage. There being no objection, the figures were ADOPTED.

DEPT. OF MILITARY AFFAIRS - ALASKA NATIONAL GUARD - STATE ARMORIES - page 85

Mr. Schroeder stated that Personal Services would become \$432.8 and the total would be \$990.8. Senator Bennett moved the figures. There being no objection, the figures were ADOPTED.

DEPT. OF MILITARY AFFAIRS - ALASKA NATIONAL GUARD - ALASKA STATE MILITIA - page 97

Mr. Schroeder explained that they wanted to create a new component for an auxiliary militia to fill in when the National Guard was called up for duty. It had been the opinion of both sub-committees that this was a responsibility of the local police forces. Representative Montgomery moved the -0- figure. There being no objection, it was ADOPTED.

DEPT. OF ENVIRON. CONSERV. - COMMISSIONERS OFFICE - ANIMAL INDUSTRY - page 115

Mr. Schroeder stated that with the 5% vacancy factor, Personal Services would become \$503.4 and the total would be \$591.4. Representative Rogers moved the figures. There being no objection, the figures were ADOPTED.

DEPT. OF ENVIRON. CONSERV. - COMMISSIONERS OFFICE - SEAFOOD INDUSTRY - page 117

Mr. Schroeder stated that with the 5% factor, Personal Services would become \$494.3 and the total would be \$675.0. There being no objection, the figures were ADOPTED. Senator Kerttula stated some intent might be needed on these pages as there was some concern that the positions now listed would not show up on the computer run.

The committee discussed which pages now remained OPEN in the Public Protection Budget Category, and then decided to go on to the Administration of Justice Budget Category.

ADMINISTRATION OF JUSTICE BUDGET CATEGORY

Representative Rogers stated there were many areas where the House and the Senate had the same numbers for Personal Services, and where both had cut 5%.

OFFICE OF THE GOVERNOR - STATUS OF WOMEN COMMISSION - page 3

Representative Rogers stated he strongly felt that the Governor's figure for Personal Services for \$155.8 be adopted. Chairman Cotten moved the Governor's figure plus \$60.0 in Miscellaneous for a Regional Conference. Mr. Schroeder was provided with the back-up for the Free Conference Committee Report. There being no objection to Chairman Cotten's motion, it was ADOPTED.

OFFICE OF THE GOVERNOR - HUMAN RIGHTS COMMISSION - page 5

Senator Bennett moved the House/Senate figure of \$1204.2. Representative Rogers moved that the Governor's Personal Services line item and the other House/Senate figures be adopted. Senator Bennett objected. Representative Rogers stated the Governor's Personal Services figure was a 9% cut and the House/Senate PS figure was a 14% cut. Representative Montgomery and Chairman Cotten also objected. Mr. Schroeder explained the positions. Chairman Cotten asked where the money had come for the new positions. Mr. Lehr stated it was federal funds. Representative Rogers stated that a 9% vacancy rate was pretty high, so going to a 14% rate with the back-log the agency has seemed wrong. Chairman Cotten requested that Mr. Lehr varify the funding and back-up for all the positions, and requested that the page be HELD OPEN.

(BEGIN NEW SIDE, FCC 81, # 4, Side 2, 000 - 586)

DEPT. OF ADMINISTRATION - PUBLIC DEFENDER - FIRST JUDICIAL DISTRICT - page 9

Mr. Schroeder stated that the vacancy rate in the Governor's request was 7%, and the House/Senate came in with 9%. Discussion ensued on the differences in the figures. Senator Bennett moved the House/Senate figure of \$370.0. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - PUBLIC DEFENDER - SECOND JUDICIAL DISTRICT - page 11

Senator Bennett moved the Senate figure of \$397.2. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - PUBLIC DEFENDER - THIRD JUDICIAL DISTRICT - page 13

Senator Bennett moved the Senate figure of \$1436.3. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - PUBLIC DEFENDER - FOURTH JUDICIAL DISTRICT - page 15

Chairman Cotten moved the House figure of \$862.9. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - PUBLIC DEFENDER - ADMIN & SUPPORT - page 17

Senator Bennett moved the Senate figure. Chairman Cotten asked if there was a vacancy factor to begin with. Mr. Schroeder stated that the combination of all give components was 4%. On this page, there was a 7% vacancy factor, so with the legislative adjustment, it would be a 12% vacancy factor for three employees. Chairman Cotten objected and moved the Governor's figure for Personal Services and House/Senate figures for the other line items for a total of \$162.9. This would allow the cuts, but would put the vacancy factor back to 7%. There being no objection, it was ADOPTED.

DEPARTMENT OF LAW - PROSECUTION - FIRST JUDICIAL DISTRICT - page 21

Senator Bennett moved the House/Senate figure of \$688.1. Mr. Schroeder made a statement about the prosecuting attorney and how Sitka was serviced from Juneau. He stated that the Attorney V operating in Sitka would be independent, whereas the positions in Bethel and Fairbanks would be subordinate positions to more senior ones already there. Representative Rogers stated the Attorney V wanted to move to Sitka. Mr. Schroeder stated the Secretary for the Attorney V in Sitka would probably be recruited in Sitka. There being no objections to Senator Bennett's motion, it was ADOPTED.

DEPT. OF LAW - PROSECUTION - SECOND JUDICIAL DISTRICT - page 23

Mr. Schroeder stated the Personal Services underfunding was 2.6%. He stated he did not have a net effect for the 5% cut as he did with the Public Protection Budget Category. Senator Bennett moved the Senate figure of \$460.7. There being no objection, it was ADOPTED. DEPT. OF LAW - PROSECUTION - THIRD JUDICIAL DISTRICT - page 25

Senator Bennett moved the Senate figure of \$2568.6. Chairman Cotten objected. Representative Rogers stated the difference was the Senate approved a new Attorney III in Valdez. There being no objection, it was ADOPTED.

DEPT. OF LAW - PROSECUTION - FOURTH JUDICIAL DISTRICT - page 27

Senator Bennett moved the House/Senate figure of \$1084.5. There being no objection, it was ADOPTED.

DEPT. OF LAW - PROSECUTION - ADMIN & SUPPORT - page 29

Senator Bennett moved the House figure of \$457.2. Chairman Cotten objected and moved the Senate figure of \$457.2. There being no objection, it was ADOPTED.

DEPT. OF LAW - PROSECUTION - CRIMINAL APPEALS & SPECIAL PRO - page 31

Senator Bennett moved \$861.4. Chairman Cotten objected for discussion. Senator Bennett stated this was adding on the Governor's Personal Services figure to the other House/Senate figures. Chairman Cotten moved the Senate figure. Senator Bennett objected and requested that the page be HELD OPEN.

DEPT. OF LAW - PROSECUTION - PRE TRIAL DIVERSION - page 33

Senator Bennett moved the House figure of \$532.4. There being no objection, it was ADOPTED.

DEPT. OF LAW - CRIMINAL JUSTICE PLAN. AGENCY - page 37

Senator Bennett moved the Governor's figure of \$708.1. There being no objection, it was ADOPTED.

DEPT. OF LAW - CRIMINAL JUSTICE PLAN. AGENCY - PAGE 39

Senator Bennett moved the House/Senate figure of \$300.0. There being no objection, it was ADOPTED.

DEPT. OF LAW - CRIMINAL JUSTICE PLAN. AGENCY - PLANNING - page 41

Representative Rogers requested that this page be HELD OPEN. Chairman Cotten stated there had been a lot of discussion on this in House Finance, and also requested that the page be HELD OPEN.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - PALMER CORR. CENTER - page 45

Chairman Cotten commented on the Governor's figure. Senator Bennett moved the House figure of \$1552.4. Senator Kerttula stated there were 130 inmates and only 26 staff and they were asking for the full 29 positions which was the Governor's figure. After further discussion Senator Bennett removed his earlier motion and moved the Governor's figure of \$1694.1. There being no objection, it was ADOPTED.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - JUNEAU CORR. CENTER - page 49

Chairman Cotten moved the Governor's figure of \$2474.3. There being no objection, it was ADOPTED.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - FAIRBANKS CORRECTION CENTER - page 51

Senator Bennett moved the Governor's figure of \$3157.5 plus \$60.0 in Miscellaneous for services and supplies. Senator Sackett stated that the program connected with the UA was a very good one. Chairman Cotten objected, requested further information, and requested that the page be HELD OPEN.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - KETCHIKAN CORRECTION CENTER - page 53

Chairman Cotten moved the Governor's figure of \$917.6. There being no objection, it was ADOPTED.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - ANCHORAGE ANNEX CORRECTION CENTER - page 55

Chairman Cotten moved the Governor's figure of \$1930.0. There being no objection, it was ADOPTED.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - EAGLE RIVER CORRECTION CENTER - page 57

Chairman Cotten moved the Governor's figure of \$2641.4. Senator Bennett objected and requested that the page be HELD OPEN. Senator Sackett asked Mr. Schroeder to confer with Jerry Schilz and Alison Elgee and make a list of all BRU's connected with Dept. of Social Services and University of Alaska. The page was HELD OPEN.

DEPT. OF HEALTH & SOCIAL SERVICES - ADULT CONFINEMENT - RIDGEVIEW MANOR - page 59

Representative Rogers moved the Governor's figure of \$1028.8. Chairman Cotten objected and asked about the Eagle River facility. Mr. Schroeder stated he had discussed the matter with the department, and the facility is planned to open in October of 1981. Mr. Schroeder stated this funding was to operate the women's program - Ridgeview just happens to be where the women's program is now. He said there was also money in the Governor's

Capital Budget to return Ridgeview to the condition it was in before the women's program moved in. The women's program was planned to move to the Eagle River facility. Further discussion ensued on the transfer and how personnel and structure of the program would be handled. It was decided that this page would be HELD OPEN.

ADJOURNMENT

The meeting adjourned at 3:00 p.m.

(Tape FCC 81, # 4, Side 1, 137 - end)
(Tape FCC 81, # 4, Side 2, 000 - 586)

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
May 29, 1981
8:13 a.m.

{Tape FCC 81-4, Side 2, #526}

PRESENT

Chairman Cotten called the meeting to order at 8:13 a.m. All members of the Committee were present (Representatives Cotten, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett). Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Bob Schroeder, Fiscal Analyst, Division of Legislative Finance.

ADMINISTRATION OF JUSTICE BUDGET CATEGORY

Chairman Cotten announced the Committee would continue with the JUSTICE BUDGET closeouts.

DEPARTMENT OF HEALTH & SOCIAL SERVICES--Adult Confinement, Nome Correction Center, p 61: Chairman Cotten moved the Governor's figure of \$781.8. There was no objection.

Adult Confinement, Juneau Women's & Juvenile Facility, p 63: Chairman Cotten moved the House/Senate figure of \$394.0. There was no objection.

Adult Confinement, p 65-69: Senator Bennett moved the House/Senate figures for the following, without objection:

Master Plan Statewide Pool - \$555.3
Prison Industries - \$147.9
Local Facilities - \$1,446.1

Adult Confinement, Out-of-State Contractual, p 71: Senator Bennett moved the House/Senate figure. In response to a question from Representative Montgomery, Ron Lehr stated they prefer the Governor's higher figure. Bob Schroeder explained this represents programs that cannot be handled in-state. Senator Bennett withdrew his motion and then moved the Governor's figure of \$4,75.5. There was no objection.

Adult Confinement, Major Medical & Guard Hire, p 73: Senator Bennett moved the Governor's figure of \$968.9. There was no objection.

Adult Probation & Community Programs, p 77-85: There was discussion on the vacancy rate assessment. Representative Rogers moved to adopt a 5% net vacancy factor for all judicial districts. The following were HELD OPEN pending new figures from Mr. Schroeder:

Adult Probation 1st Judicial District - Representative Rogers moved to accept the Probation Officer II in Juneau. There was no objection.

Adult Probation 2nd Judicial District

Adult Probation 3rd Judicial District

Adult Probation 4th Judicial District - Senator Bennett moved the Governor's figure. Representative Rogers objected and moved to amend the motion to include a 5% reduction of the Governor's figures in Travel and Commodities and include the Clerk Typist III in Bethel. There was no objection.

Community Based Programs - Representative Rogers moved a net 5% reduction in Personal Services and the House/Senate figures for the remaining line items. There was no objection.

Career Enhancement Training, p 87: Senator Bennett moved the Senate figure of \$130.3. There was no objection.

Corrections Admin & Support, p 91-93: There was discussion on the positions. Chairman Cotten requested the following be HELD OPEN, without objection:

Director's Office
Training & Career Development

Parole Board, p 95: Representative Rogers noted the House zeroed this out because the Parole Board is due to be sunsetted as of June 30 and, if it is to be continued, it should be done through the fiscal note process. Senator Kerttula requested this be HELD OPEN. There was no objection.

Youth Services, p 99-101: Representative Rogers moved the Governor's revised figures for the following, without objection:

McLaughlin Youth Center - \$5,489.7
Fairbanks Youth Facility - \$1,222.7

Representative Rogers moved the Accounting Clerk II position. There was no objection.

Youth Services, Nome Youth Facility, p 103: Senator Bennett moved the House/Senate figure of \$720.6. There was no objection.

Youth Services, Major Medical & Guard Hire, p 105: It was noted this was zeroed out due to the transfers to p 101-103.

Youth Services, p 109-113: Senator Bennett moved the House/Senate figures for the following, without objection:

Juvenile Probation 1st District - \$465.2

Juvenile Probation 3rd District - \$1,081.1

Youth Services, Juvenile Probation 2nd & 4th Districts, p 115: Senator Bennett moved the Senate figure. Representative Rogers objected and presented backup for the Probation Officer II in Barrow. During discussion, Mr. Lehr indicated they did not request the position. Senator Sackett requested this be HELD OPEN until Mr. Schroeder could obtain further information. There was no objection.

Youth Services, Juneau Women's & Juvenile Facility, p 117: Mr. Lehr explained \$565.7 was transferred out, leaving \$142.8 for a diversion program which is part of the new facility. Senator Bennett moved the Governor's figure of \$142.8. There was no objection.

Youth Services Admin & Support, p 119: Senator Bennett moved the House/Senate figure. Representative Rogers objected and moved to amend the motion to continuation level in Personal Services of \$123.7, bringing this up to full funding for the positions--new total of \$163.4. There was no objection.

DEPARTMENT OF PUBLIC SAFETY--Crime Ident & Apprehension, Detachments & CIB, p 123: During discussion on the positions, Mr. Schroeder explained positions #1,3,7-10 were filled from the Governor's contingency fund. Representative Rogers requested this be HELD OPEN. There was no objection.

Crime Ident & Apprehension, Narcotics Unit, p 125: Chairman Cotten moved the House figure. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

Crime Ident & Apprehension, Laboratory Services, p 127: Representatives Rogers and Montgomery requested a copy of the audit report. Chairman Cotten noted the Governor did not request positions here nor on p 125. He requested this be HELD OPEN. There was no objection.

Crime Ident & Apprehension, p 129-131: Chairman Cotten moved the House/Senate figures for the following, without objection:

AST Director's Office - \$659.6

Central Communications - \$1,649.2

Crime Ident & Apprehension, Community Services, p 133: Senator Bennett moved the House/Senate figure of \$107.8. Representative Rogers moved to amend this to the Governor's figure in Personal Services, then withdrew his amendment. The House/Senate figure was adopted.

Crime Ident & Apprehension, p 135-139: Senator Bennett moved the House/Senate figures for the following:

Judicial Services-ASI - \$3,134.9

Contract Jails - \$900.6

Building Security - \$261.4

Crime Ident & Apprehension, Commissioner's Office, p 141: Senator Bennett moved the Senate figure. Representative Rogers objected. Senator Bennett moved to amend his motion to accept the Governor's revised figure of \$766.8, which is the House figure plus the new position. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

Crime Ident & Apprehension, Training, p 143: Senator Bennett moved the Senate figure of \$1,296.7. Chairman Cotten objected and then withdrew his objection. The Senate figure was adopted.

Crime Ident & Apprehension, Admin & Support, p 145: Senator Bennett moved the Governor's revised figure of \$3,178.6, which includes positions #1,384. Chairman Cotten requested this be HELD OPEN. There was no objection.

Crime Ident & Apprehension, Dalton Hwy Operations, p 147: Senator Bennett moved the House/Senate figure of 1730.9. Mr. Schroeder explained they already have troopers at Five Mile and Deadhorse. Representative Rogers moved to amend the motion to include the House/Senate figure and transfer to p 123. There was no objection.

Village Public Safety Officers, Contracts, p 153: Senator Bennett moved the Senate figure. Chairman Cotten objected and moved to amend to the Governor's figure. Representative Rogers objected and explained the House reduced all unscheduled travel. Senator Sackett indicated he agreed with the House on reduction of per diem and overhead. Mr. Schroeder stated he feels a ceiling of 22% in overhead will increase the cost, not hold it down. Senator Sackett suggested Commissioner Nix be requested to testify before the Committee regarding ways to make the overhead costs consistent. Chairman Cotten requested Mr. Schroeder also look into this matter and draft appropriate INTENT. Senator Kerttula requested this be HELD OPEN. There was no objection.

ADJOURNMENT

Senator Bennett requested the Committee recess until 1:30 p.m. There was no objection. The meeting adjourned at 9:30 a.m.

Tape FCC 81-4, Side 2, #586 - End
FCC 81-5, Side 1, #001 - End
Side 2, #001 - #422