

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2830

MEMORANDUM

State of Alaska

TO: Alison Elgee
Legislative Finance

DATE May 27, 1981

FILE NO

TELEPHONE NO 465-2803

FROM: Marilou Maclden, Director
Management, Law and Finance
Department of Education

SUBJECT: School Bus Contracting
Requirements and Cost-
of-Living (COLA) Increases

The following is submitted in response to your request for information on school bus contracting requirements, and cost-of-living increases for bus contracts.

School bus contracts are awarded according to the competitive proposal process outlined in Department of Education Regulation 4 AAC 27.085 (copy attached). Section .085(g) requires approval of the Commissioner before a school district may award a contract. The Commissioner's criteria for approval is the lowest responsive proposal by a responsible proposer.

Section .085(a) requires a school district to determine the contents of the proposal invitation, then forward the document to the Commissioner for approval. Format and content of each invitation varies according to local desires. One of the items that may vary is the cost-of-living provision.

Approximately 1976, the Department of Education allowed districts to include a cost-of-living (COLA) adjustment in bus contracts to compensate for rising fuel costs and general inflation. Prior to COLA, contractors received the same rate during the life of the contract, and generally "front-end loaded" the contract to compensate for unforeseen expenses. In an effort to curtail front-end loading, and provide relief for rising fuel costs, the Department authorized COLA.

Most contracts between districts and bus contractors contain a COLA clause allowing for a maximum 12.0% annual increase over the prior year's contract rate. This increase is based on either the January-January, or July-July change in the Anchorage Consumer Price Index for All Urban Consumers (example attached). Contracts with this clause were increased by 5.8% or 6.3% for FY 1979; 10.0% or 10.5% for FY 1980; and 10.1% for FY 1981. Districts were not reimbursed for the entire increase, however, because legislative intent accompanying the FY 1979 and FY 1980 pupil transportation appropriations limited reimbursement from the Department to 6.0% over the prior year's reimbursible expenses.

Not knowing if the 6.0% restriction would continue to be imposed, the Department encouraged districts to consider local financial implications of including 12.0% maximum COLA provisions in future contracts. The following districts subsequently chose to award contracts with less than 12.0% COLA:

<u>SCHOOL DISTRICT</u>	<u>MAXIMUM COLA</u>
Anchorage	6.0%
Delta Greeley	6.0%
Fairbanks	6.0%
Kodiak	9.0%
Lake and Peninsula	9.0%
Mat-Su	10.0%
Unalaska	9.0%

May 27, 1981

Districts choosing to continue with 12.0% maximum COLA in new contracts include: Alaska Gateway, Cordova, Juneau, Ketchikan, Nome, North Slope, and Railbelt.

Contract rates vary from one district to another depending upon profit margin, local salaries, equipment and garaging requirements, fuel prices, daily mileage, overhead, and so forth. FY 1982 rates for the aforementioned contracts will range between \$131.96 and \$284.56 per bus per day for regular transportation.

Competition has been the largest single factor in holding down costs of several new contracts, to the point that only a small profit margin has been included in proposal rates to assure the lowest price and henceforth, award of the contract.

It is the Department of Education's position that the State should fund only the contract and COLA rates established through the competitive process and provisions of 4 AAC 27.005 - .120. Prospective proposers are well aware of maximum COLA rates and submit proposals accordingly. Contracts are then awarded based on the lowest responsive proposal. For the State to provide additional funding beyond the contracted rates, for whatever reason, could be viewed as an attempt to circumvent the competitive proposal process.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Free Conference Committee Members on HB 50

FROM: Alison Elgee *Alison Elgee*

DATE: June 3, 1981

RE: Education Operating Budget

Pg. 76 - CAREER & VOCATIONAL EDUCATION - *OPEN (Catter)*

The House Finance Committee reviewed a proposal to increase funding for the Alaska State Advisory Council on Vocational and Career Education by adding \$116.3 G.F. At that time it was decided to delete the request until it was determined what action might be taken on HB 240/241*, creating a vocational education task force and making an appropriation to the task force. These bills are currently in House Finance Committee.

*in HFC now

Pg. 82 - EDUCATION PROGRAM DEVELOPMENT

The House budget includes \$500.0 for student leadership training. SB 242/243, creating a student leadership development fund and making an appropriation to the fund (\$689.0) passed the Senate and are currently in House Finance Committee.

Pgs. 94, 182 - APPROPRIATION FOR CAPITAL '82

The Education budget currently contains \$145.0 for production of Capital '82. This figure is based upon a 90 day session. The Free Conference Committee has moved to fund legislative session expenses at 120 days. Based upon 120 days, the Capital '82 appropriation should be increased to \$193.3.

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 4, 1981
8:15 a.m.

FCC-81, #12, Side 1 (290-end)
FCC-81, #12, Side 2 (000-end)
FCC-81, #13, Side 1 (000-077)

CALL TO ORDER

The meeting was convened at approximately 8:15 a.m.

PRESENT

In attendance were House members Cotten, Rogers, and Montgomery, and Senate members Bennett and Kerttula. Senator Sackett arrived shortly after the meeting began. Also present were Director of Budget and Management Ron Lehr; Dr. Kerry Romesburg, Executive Director of the Postsecondary Education Commission; Steve Hole from the Department of Education; and fiscal analysts Alison Elgee and Bob Schroeder.

EDUCATION

Representative Cotten advised that the committee would continue review of programs previously held open.

DEPARTMENT OF EDUCATION

EXECUTIVE ADMINISTRATION - PLANNING INFO & RESEARCH, p. 90,
90-A, 91

Alison Elgee distributed a breakdown of funding and positions associated with the Task Force on Effective Schooling (copy attached). Representative Cotten renewed his motion to delete \$500 from contractual, thus reducing Task Force operations. Representative Rogers advised that such a reduction would go farther than simply limiting operations. He moved instead to accept the House figure of 1187.7, but deny position number two and move the position and associated costs to contractual, producing new line item totals of 396.3 for personal services, 29.2 travel, 740.7 contractual, 21.5 commodities, and 0 for equipment. Representative Cotten asked what "effective schooling practices" are, and Alison Elgee responded that the Task Force is developing effective schooling standards. The Force hopes to have its work finished and a report issued by August. The Task Force was formed to develop criteria for measuring effective schooling to assure that Alaskans are getting their educational dollars' worth. Senator Kerttula objected to the funding suggested by Representative Rogers. Representative Cotten

advised that the program would remain OPEN for later discussion.

EXECUTIVE ADMINISTRATION - INSTRUCTIONAL TELEVISION, p. 95

Representative Rogers advised of differences between Senate and House figures, asking for explanation of the NANA Region pilot project. Senate members provided him with a written overview. Discussion of proper placement for funding for Capital 82 followed. Representative Rogers stated that funding for television costs within this program represents instructional rather than public television. Both House and Senate budgets include funding for programming and equipment. Senator Bennett requested that the program remain OPEN for later discussion.

EXECUTIVE ADMINISTRATION - DESIGNATED GRANTS, p. 97

Representative Cotten moved that the program remain OPEN for later consideration.

ADULT & POSTSECONDARY SUPPORT - ADULT BASIC EDUCATION, p. 111

Senator Bennett advised that the program contains Senate grants, and asked if House members wished to continue to hold the program OPEN. Representative Cotten responded that the program should remain OPEN, but Representative Rogers requested discussion concerning funding of \$1,778.0 to replace lost federal funds. Alison Elgee advised that the program anticipates loss of federal funds from several sources--funds which do not necessarily pass through the state but go directly to local ABE programs through CETA, VISTA, etc.

ADULT & POSTSECONDARY SUPPORT - YOUTH EMPLOYMENT SERVICES, p. 121

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

ADULT AND POSTSECONDARY SUPPORT - DESIGNATED GRANTS, p. 122, 123

Representative Rogers raised questions concerning the 530.0 grant to Yukon-Koyukuk REAA for continuing education for adults. Senator Sackett advised that funding for 74.0 relates to Sister Jennette (the ABE program). He advised that he would provide backup for both this funding as well as the REAA funding. The program was left OPEN for later discussion.

POSTSECONDARY COMMISSION - SCHOLARSHIP LOAN ADMIN., p. 135

Representative Rogers advised that the 20.0 in contractual for a vocational education outreach program to inform

students that they can use scholarship funding for vocational education represents the only difference between House and Senate funding. He moved for adoption of the House total of 1274.5. He further advised that both the House and Senate adopted intent language relating to the outreach program--the House simply funded 20.0 for costs for advertisement, etc. Senator Kerttula suggested that such information be made available through local school districts. Senator Bennett moved for adoption of the Senate total of 1254.5. No objection having been raised, the Senate figure was adopted.

AK. POSTSECONDARY COMMISSION - GENERAL ADMINISTRATION, p. 139

Representative Rogers advised that funding relates to replacement of federal funds for innovative postsecondary programs. The commission has over \$500,000 in requests for next year. The commission uses funding to make grants to the University of Alaska, Sheldon Jackson, etc. for innovative programs not lasting more than one or two years. Representative Cotten requested that the program remain OPEN for later discussion.

ALASKA HISTORICAL COMMISSION, p. 169

Historical Commission intent prohibiting use of state funding for a legislative lobbying effort was adopted by committee.

ALASKA ARTS COUNCIL - ADMINISTRATION & SUPPORT, p. 173

Representative Cotten requested that the program remain OPEN.

ALASKA ARTS COUNCIL - DESIGNATED GRANTS, p. 179

Representative Cotten advised tha the program would continue to remain OPEN for later discussion.

PUBLIC BROADCASTING COMMISSION, p. 183

Representative Rogers stated that the House transferred Capital 82 elsewhere in the budget, and the Senate deducted funding for the Alaska Public Radio Network. He advised of a request for 236.0 for Alaska Review--the budget currently contains 136.0 for the Review. He stated that this program is not the most appropriate place for Capital 82 (the House thus transferred it to ITU). Discussion followed concerning equipment available within ITU and the possibility of placing Capital 82 out for bid, the successful bidder to use ITU's equipment.

Senator Bennett moved for adoption of the House total of 6813.8. Representative Cotten attested to understanding that Capital 82 disrupts operation of the Broadcasting Commission and the Commission itself would "just as soon get rid of it." No objection to Senator Bennett's motion having been raised, the House figure was adopted.

MUSEUMS, p. 187

Representative Rogers advised of need to reduce funding for preparation of the humpback whale skeletons from \$168,200 to \$113,000. Senator Sackett advised that funding for the Alaskan Native Village should be decreased from \$46,000 to \$17,200. Representative Rogers moved for adoption of both of the foregoing reductions as well as intent which would allow the department to "sole source contract" if necessary to accomplish needed field work on schedule. Mr. Rogers moved for adoption of the Senate total of 1094.0, less the above reductions, for a new total of 1009.8. No objection having been raised, the figure was adopted.

MUSEUMS - DESIGNATED GRANTS, p. 189

Representative Cotten advised that the program would remain OPEN for later discussion.

STATE LIBRARY - REGULAR OPERATIONS, p. 193

Representative Cotten advised that the program would remain OPEN for later discussion.

PUBLIC PROTECTION

DEPARTMENT OF LABOR

OCCUPATIONAL SAFETY - OCCUP.SAF.& HEALTH, p. 19

Representative Cotten raised questions concerning the Senate approach to funding the program whereby the general fund match was cut in half while continuing to anticipate full federal funding. Bob Schroeder advised that federal funds would be reduced in accordance with general fund reductions. Ron Lehr advised that if the Senate cut is effected, federal funding would be \$668,850 (approximately half of previous funding). Positions would also be cut from 43 to 21 or 22.

Representative Rogers moved for adoption of the Governor's total of 2530.5. Senator Bennett objected, moving instead for adoption of the Senate total of 1915.2. Representative Cotten objected, asking Ron Lehr "how much the program can get by with." Representative Cotten advised that the Governor's budget represents a cut back of five positions from last year. He further attested to need to continue the program for another year if full federal funding is received since expenditure of the general fund match is predicated upon receipt of federal funds and cannot be spent unless these funds are received.

Representative Cotten requested that Ron Lehr consult with the agency and return to committee with a "bare bones" compromise figure for the program. The program was thus held OPEN for later discussion.

SECOND INJURY FUND, p. 23

Representative Rogers advised that differences between House and Senate funding result from the House having picked up funding through general funds and filled the two requested positions, while the Senate objected to the use of general funds. Representative Rogers moved for adoption of the House total with the understanding that it is "all taken out of other funds." The new total would be 1669.5 (all other funds). Senator Kerttula objected. Senator Bennett moved for adoption of the Senate figure plus the Governor's add on for a new total of 1664.4 (the additional funding would come from the general fund and be used to pay the two new employees). No objection to the total of 1664.4 having been raised, it was adopted.

ADMIN. OF WORKER'S COMPENSATION, p. 25

Discussion followed concerning the vacancy factor, position count, and the management analyst position added by the Senate. Representative Rogers moved for adoption of the Senate total with vacancy reduced from 7-3/4% to 5%. Bob Schroeder advised that reduction of vacancy would add approximately 21.6 back to the program. Representative Rogers moved for adoption of the Senate total of 2414.5 plus the additional 21.6 for a new total of 2436.1. No objection having been raised, the total was adopted. Representative Rogers also moved for adoption of House intent requiring that the department adopt regulations relating to self-insurance.

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

ADMIN & SUPPORT, p. 53

Bob Schroeder advised that the committee previously adopted a total of 779.2 but questioned blanket application of the CIP and lobbying intent. Representative Rogers advised that the intent was adopted. Representative Montgomery moved to add 105.0 for positions 1 and 2. Representative Cotten moved for adoption of a new total of 852.9. No objection having been raised, the new figure was adopted.

REGULATORY COMMISSION - AK. TRANS. COMM., p. 57

Representative Cotten moved for adoption of the Senate total of 1480.0. No objection having been raised, the figure was adopted.

DEPARTMENT OF PUBLIC SAFETY

HIGHWAY SAFETY PLANNING AGENCY, p. 101

Representative Rogers advised of differences between House and Senate funding. He then moved for adoption of the House total of 1114.0. Senator Kerttula objected, distributing a

message pertaining to the program. He advised that the position count should show 9 permanent full time positions, or at least two positions effected by RP. The agency was told not to include them in its position count, but was told to budget for them. The position count should be changed from 7 to 9. In addition, intent language relating to federal funding (previously contained in the budget but lately omitted) should be reinstated. Bob Schroeder stated that two positions were added to the program by RP authorized by Budget and Management. These positions should have been included in the position count as new positions for FY 82. Senator Kerttula moved to add 70.0 to personal services to cover the new positions. Representative Rogers requested that the program remain OPEN pending later consideration of Senate grants contained therein. Ron Lehr was directed to investigate the inaccurate position count.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

COMMISSIONER'S OFFICE - ADMINISTRATION, p. 121

Representative Rogers moved for adoption of the lobbying and CIP intent. No objection having been raised, the intent was adopted.

STATE BOND COMMITTEE

DEBT SERVICE, p. 127-131

Debt service was held OPEN for later consideration.

JUSTICE

OFFICE OF THE GOVERNOR

HUMAN RIGHTS COMMISSION, p. 5

Representative Rogers moved for adoption of the Governor's request for personal services and the House/Senate figures for the remaining line items for a new total of 1251.3. The Governor's request represents a 9% vacancy which was increased to 14% by the House and Senate. No objection having been raised, the total was adopted.

DEPARTMENT OF LAW

PROSECUTION - CRIMINAL APPEALS & SPECIAL PRO. p. 31

Representative Cotten moved for adoption of the Senate total of 779.2. Senator Bennett moved the Senate total plus the Governor's add on, but later withdrew his motion and the Senate figure was adopted by committee.

CRIMINAL JUSTICE PLAN. AGENCY - PLANNING, p. 41

Representative Cotten advised of needed add-ons. Mr. Rogers attested to a request from the Governor to add back 274.8 for statistical research compilation. He then moved to adopt the House/Senate total of 56.7, and add 274.8. Senator Sackett objected. Senator Bennett moved instead for adoption of the Senate total of 56.7. Representative Rogers objected, suggesting that the eight positions be moved into the program as temporaries--allowing a year to wind down and close out the agency. Representative Cotten moved to hold the program OPEN for later consideration.

DEPARTMENT OF HEALTH & SOCIAL SERVICES

ADULT CONFINEMENT - FAIRBANKS CORR.CNTR., p. 51

Representative Cotten moved for adoption of the Senate total. Representative Rogers moved to amend the motion, adopting the Governor's figure for personal services, thus producing a new total of 3174.0. No objection having been raised, the new total was adopted.

ADULT CONFINEMENT - EAGLE RIVER CORR.CNTR., p. 57

Representative Cotten moved for adoption of the Senate figures with the Governor's figure for personal services, producing a new total of 2609.2. No objection having been raised, the new total was adopted.

ADULT CONFINEMENT - RIDGEVIEW MANOR, p. 59

Representative Cotten moved for adoption of Senate figure, with the Governor's figure for personal services, producing a new total of 1018.5. No objection having been raised, the new total was adopted.

CORRECTIONS ADMIN & SUPPORT - DIRECTORS OFFICE, p. 91

Representative Cotten moved for adoption of the Senate total of 1335.0. No objection having been raised, the figure was adopted.

CORRECTIONS ADMIN & SUPPORT - TRAINING & CAREER DEVELOPMENT, p. 93

Senator Sackett advised that this program has been transferred to page 87. Funding for the program on this page should be zero. No objection having been raised, the zero funding was adopted.

PAROLE BOARD, p. 95

Representative Rogers advised that the Board is currently being threatened by sunset law. He stated that a House bill continuing the Board is currently in the Senate. A fiscal note providing continuation funds should be attached to it.

Senator Sackett advised that he would see that such a note is attached. Senator Bennett moved for adoption of House funding of zero for the Board, allowing it to be funded instead by legislation accompanied by a fiscal note.

YOUTH SERVICES - JUVENILE PROBATION 2d & 4th D. p. 115

Senator Bennett moved to adopt the Senate total of 789.1. Representative Rogers moved to add 3.0 in travel, 15.0 in contractual, 0.4 commodities, 1.5 (inaudible) for a total of 19.9 above the Senate and a new total of 809.0. No objection to the new total having been raised, it was adopted.

DEPARTMENT OF PUBLIC SAFETY

CRIME IDENT & APPREHENSION - DETACHMENTS & C.I.B., p. 123

Representative Rogers attested to need for troopers placed in the Senate budget, advising of impressive turnouts at public hearings relating to crime, and the fact that the North Pole/Salcha area may at this time have the highest murder rate in the nation. Discussion of position differences between House and Senate followed. Senator Bennett advised that Senate members would be willing to accept all of the positions requested by the Governor as well as the Senate. Representative Rogers stated his preference for two troopers in North Pole rather than one at North Pole and one in Ester. Representative Cotten advised that the program would remain OPEN for later discussion.

CRIME IDENT & APPREHENSION - NARCOTICS UNIT, p. 125

Representative Cotten moved for adoption of the House figure of 968.1. Senator Bennett objected, moving instead for adoption of the Senate total of 1578.1. Representative Cotten objected. Senator Kerttula suggested a compromise at the Governor's total of 1027.5. Senator Bennett objected. The program was held OPEN for later action.

CRIME IDENT & APPREHENSION - LABORATORY SERVICES, p. 127

Representative Rogers requested that Bob Schroeder prepare an analysis of House and Senate approaches to dealing with crime. The above program was held OPEN for later consideration.

RECESS

Senator Bennett moved to recess until 1:15 p.m. No objection having been raised, the meeting was recessed at approximately 9:35 a.m.

FCC-81, #12, Side 1 (290-end)

-149-

-150-

68800

CORRECTION

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

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FCC-81, #12, Side 1 (290-end)

FCC-81, #12, Side 2 (000-end)
FCC-81, #13, Side 1 (000-077)

Pg. 91 PLANNING, INFORMATION AND RESEARCH

Governor's Task Force on Effective Schooling

	<u>Governor</u>	<u>House</u>	<u>Senate</u>
100	\$ 77.3	\$ 39.2	\$ 39.2
200	13.0	3.0	3.0
300	389.7	335.0	335.0
400	6.0	3.0	3.0
500	20.0	10.0	10.0
	<u>\$506.0</u>	<u>\$390.2</u>	<u>\$390.2</u>
	2 positions: Research Analyst I/II Research Analyst III	1 position: Research Analyst III	1 position: Research Analyst III

The Task Force is currently in effect, operating on Governor's contingency funds, conducting a study to identify "effective schooling practices." This Phase I of the project is anticipated to be complete by September 1981. The contractual funding will be used to train district level trainers (one-half of the school districts in FY 82 and one-half in FY 83) to be able to train staff in implementing effective schooling practices. The Research Analyst will be developing methods of analyzing data on standards for effective schooling.

6/4 Intent language

Provided committee by Alison Edge (for Sen. Sturgisowski)

The Department of Education, together with the State Board of Education, shall review current statutes and regulatory responsibilities to determine the extent of the present oversight of financial activities of school districts and REAA's outlined by law. The Department and the Board shall determine if these duties and responsibilities are adequate to insure that public funds are being spent for the maximum benefit of our children's education. A report shall be presented to the presiding officer of each body outlining the findings of the review and making recommendations for statutory changes to clarify oversight responsibilities by January 15, 1982.

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 4, 1981
1:35 p.m.

FCC-81, #13, Side 1 (077-end)
FCC-81, #13, Side 2 (000-540)

CALL TO ORDER

The meeting was convened at approximately 1:35 p.m.

PRESENT

In attendance were House members Cotten, Rogers, and Montgomery, and Senate members Bennett, Sackett, and Kerttula. Also present were Director of Budget and Management Ron Lehr; Director of Legislative Finance Jay Hogan; Art Snowden, Administrative Director of the Alaska Court System and fiscal analyst Bob Schroeder.

JUSTICE

DEPARTMENT OF PUBLIC SAFETY

CRIME IDENT & APPREHENSION - LABORATORY SERVICES, p. 127

Representative Cotten moved that this program remain OPEN pending later consideration.

CRIME IDENT & APPREHENSION - COMMISSIONER'S OFFICE, p. 141

Senator Bennett moved for adoption of the Governor's adjusted figure for a total of 776.8, including one position. No objection having been raised, the figure was adopted.

CRIME IDENT & APPREHENSION - ADMINISTRATION & SUPPORT, p. 145

Representative Rogers advised of a pending motion by Senate members that the committee adopt positions 1, 3, & 4 for a new total of 3178.6 (position 4 is currently filled). Representative Cotten moved for adoption of the Senate's original figure of 3079.7. No objection to the figure having been raised, the 3079.7 total was adopted.

VILLAGE PUBLIC SAFETY OFFICER - CONTRACTS, p. 153

Bob Schroeder advised of intent language offered by Commissioner Nix in response to an earlier request by committee (copy attached). Representative Rogers moved to adopt the Commissioner's intent as well as intent relating to personnel support, and VPSO per diem. No objection to the intent having been raised, it was adopted. Representative

Rogers advised of the previously adopted total for this program of 3457.2.

TASK FORCE ON VIOLENT CRIME, p. 163 - 178

Representative Cotten offered to package funding for programs under the Task Force for Senate review. Senator Bennett asked if the House would be willing to move the Force from the Department of Administration to Public Safety. Representative Cotten advised that while he foresees no problem in such a move, he requested time for consideration of the move and preparation and presentation of a package for Senate review. Task Force programs were thus held OPEN for later consideration.

ALASKA COURT SYSTEM

COURTS, ADMIN. & SUPPORT - TRIAL COURTS, p. 185

Representative Rogers advised of his previous motion to accept positions listed in either the House or Senate budget, a total of 13 positions (3, 4, 6, 10, 13, 14, 15, 17, 19, 20, 21, and 22). Senator Bennett then moved to add positions 16 and 18.

Representative Rogers inquired concerning the pro tem judge and secretary positions for Kenai, and Bob Schroeder advised that they do not represent additional positions. The Court System is merely attempting to hire a substitute for an existing position. Art Snowden advised that the judge who previously filled the position is retiring. The case load on the Kenai does not support a need for two judges. The work can be handled by one judge plus another working six months--pro tem. Mr. Snowden further attested to need for traffic clerks to keep up with microfilm work.

Representative Rogers moved to adopt the positions accepted by the House and Senate as well as positions 8, 16 and 18. Senator Bennett objected. Senator Sackett advised that he has worked on the court system budget for many years. Each year has shown a substantial increase. He attested to need for a maintenance budget for the coming year, and moved for adoption of a total of 23315.2 with no new positions. Senator Kerttula objected, but other committee members supported the motion and the 23315.2 total was adopted.

DEPARTMENT OF HEALTH & SOCIAL SERVICES

ADULT PROBATION 2ND DISTRICT, p. 79

Representative Montgomery moved to add grant funding for an adult probation TASK program. No objection having been raised, the funding was included.

ALASKA COURT SYSTEM

COURTS ADMIN. & SUPPORT - ADMINISTRATION & SUPPORT, p. 187

Representative Rogers moved for adoption of the CIP intent language. No objection having been raised, the intent was adopted.

Ron Lehr advised that the court system does not come within the Executive Budget Act. The administration can make CIP budgeting procedures available to the court system, but it cannot guarantee that the court system will follow the procedure.

TRANSPORTATION

DEPARTMENT OF PUBLIC SAFETY

BUREAU OF VEHICLE ENFORCEMENT, p. 3

Representative Cotten moved for adoption of the House total. Senator Bennett objected, moving instead for adoption of the Senate total of 1259.5. Senator Bennett attested to need for an agent at the weigh station at the Dalton Highway, stating that the truck count on the Highway is approximately 300 per day plus regular traffic. Representative Rogers advised that the five positions essentially mean that the station will be manned twenty-four hours a day, seven days a week. No objection having been raised, the Senate total was adopted.

DEPARTMENT OF TRANSPORTATION

ADMINISTRATION - COMMISSIONER'S OFFICE, p. 7

Representative Rogers moved for adoption of CIP intent language. No objection having been raised, the language was adopted.

ADMINISTRATION - ADMINISTRATIVE SERVICES, p. 13

Ron Lehr attested to need for the three positions, advising of increased DOT responsibility for personnel functions as well as equal employment requirements attached to federal highway dollars. Representative Cotten moved for adoption of the House figure of 6598.7. No objection having been raised, the figure was adopted.

ADMINISTRATION - FINANCIAL MANAGEMENT, p. 17

Representative Cotten moved for adoption of the House total of 4715.7. Senator Sackett attested to need to develop a policy regarding three-quarter funding and handling of new positions. Representative Rogers suggested that new positions be allowed only three-quarter funding, and that new positions be considered on a page by page basis. Jay Hogan advised that the Senate subcommittee three-quarter funded new, unfilled positions. Seasonal positions were funded at

the requested rate. Filled positions were fully funded. New positions require the processing of paper work in order to fill them, and new employees would likely be on board only three-quarters of the year. No vacancy was assessed. Senator Kerttula asked if the time lag in filling new positions is unique to DOT, and Mr. Hogan responded "no." Senators Kerttula and Sackett then questioned committee inconsistency in three-quarter funding DOT while assessing a vacancy factor for other departments having new positions to fill. Senator Sackett advised that three-quarter funding is deceptive in that the current budget for DOT will appear small in comparison to full funding in subsequent budgets. Senator Kerttula attested to the fact that DOT is a problem area. He further stated that he did not wish to cause greater problems by not allowing adequate funding for highway maintenance, etc.

Senator Bennett suggested adoption of the Governor's adjusted figure of 4744.9, including positions 1, 3, and 5. Senator Sackett raised questions concerning the total position count and vacancy. Jay Hogan advised that vacancy was applied to existing positions but not to new positions. Representative Cotten moved for adoption of the Senate total of 4753.5. No objection having been raised, the Senate total was adopted.

M & D ADMIN & SUPPORT, SAFETY & SECURITY, p. 25

Representative Rogers advised of the Governor's need for funding for training at bush airports. Ron Lehr attested to need for such training in order to maintain FAA certification. Senator Sackett advised of a request from the Air Carriers Association for an air safety program (training program through American Airlines). Representative Rogers read the following list of needs relating to the program: 363.0 for a training contract, 137.0 support services, 40.0 aircraft owners and pilots association, 20.0 Alaska Aviation Management, etc. for a total of approximately 600.0. Senator Sackett requested that the program remain OPEN for later consideration. No objection having been raised, the program was held OPEN.

CENTRAL REGION M & D - AIRPORTS, p. 33

Representative Cotten moved for adoption of the Senate total of 5359.6. No objection having been raised, the figure was adopted.

CENTRAL REGION M & D - HIGHWAYS, p. 35

Representative Rogers advised that the Senate adopted 14 new positions, the House did not, but the House set out intent language relating to road maintenance on the Kenai Peninsula. Senator Kerttula attested to need for language stating that highway funding for the central region will not be used for increased office space during the coming year (to be added on

a different page). Senator Kerttula advised that he wished full funding for Palmer equipment and highway maintenance positions. Jay Hogan advised that the committee should adopt the Governor's figure for personal services in order to guarantee full funding.

Representative Cotten moved for adoption of the Senate total of 17600.0, plus 25% for full funding for Palmer, plus 120.0 for Glen Alps, 130.0 for Highland Drive, Eagle River. Senator Bennett added 25.0 for the Bonnie Lake Access Road. Representative Rogers clarified the fact that the foregoing motion includes intent language relating to additional road maintenance on the Kenai Peninsula. Mr. Rogers advised that the motion plus additions results in a new total of 17909.2, with 14 new positions. The new total was adopted.

INTERIOR REGION M & D - HIGHWAYS, p. 46

Senator Bennett moved for adoption of the Senate total. Representative Rogers objected, moving instead for the Senate figure of 11852.3, plus 23.9 in personal services, for a new total of 11886.2. No objection having been raised, the new total was adopted.

INTERIOR REGION M & D - FACILITIES, p. 49

Representative Rogers advised that the Governor has requested an additional 140.0 for risk management. Ron Lehr advised that when reducing inflation, the legislature cut out funding needed for insurance purposes. Mr. Rogers moved for adoption of a total of 3247.6. No objection having been raised, the total was adopted.

SOUTHEAST REGION M & D - HIGHWAYS, p. 67

Senator Bennett moved for adoption of the Senate total of 6323.8. No objection having been raised, the figure was adopted.

DALTON HIGHWAY M & D - FACILITIES, p. 59

Representative Rogers requested that this program, funded at the House/Senate total of 1579.3, be opened for addition of 10.0 for a highway users survey to monitor traffic on the highway. No objection having been raised, the funding was included, producing a new total of 1589.3.

WESTERN REGION M & D - HIGHWAYS, p. 79

Senator Bennett moved for adoption of the Senate total of 1828.0. Representative Rogers advised of a \$15.0 difference between Senate and House figures. The Senate allowed \$5.0 less than the House for the Saint Mary's Road, and funded \$20.0 for the Nome/Teller Road. No objection to Senate funding having been raised, it was adopted.

WESTERN REGION M & O - FACILITIES, p. 81

Representative Cotten moved for adoption of the House total of 698.2. No objection having been raised, the figure was adopted.

SOUTHCENTRAL REGION M & O - AIRPORTS, p. 89

Representative Rogers advised that the above program as well as SOUTHCENTRAL REGION M & O - HIGHWAYS, p. 91, are open for the purpose of adopting intent language. Jay Hogan advised that intent language should be placed under PLANNING & PROGRAMING and HIGHWAY DESIGN & CONSTRUCTION, p. 141 and 210 rather than on pages 89 and 91. The above program was therefore funded at the House figure of 737.3.

SOUTHCENTRAL REGION M & O - FACILITIES, p. 93

Representative Rogers advised that this program was held open for consideration of the Governor's request for replacement of the inflationary fuel allowance. Senator Sackett moved to allow the inflationary cost for fuel. Ron Lehr attested to need for such funding for the steam plant at Valdez which serves Harborview. Senator Bennett moved to add the requested \$209.0 to the House/Senate total of 2431.0, producing a new total of 2640.0. No objection having been raised, the new total was adopted.

FAIRBANKS INT. AIRPORT - SECURITY, p. 119

Representative Rogers advised that he had intended to add intent language to funding for this program, but upon further consideration has decided not to do so.

MARINE TRANSPORTATION - SOUTHWEST VESSEL OPERATIONS, p. 133

Representative Rogers advised that the Governor has requested \$190.7 to restore the sewage disposal contract. Jay Hogan directed committee attention to department response to earlier inquiries concerning the ferry system phone system (copy attached). Ron Lehr attested to need for the sewage disposal contract, advising that the ferry system currently operates under waiver from the Coast Guard. Extension of the waiver will not be granted, and alternative methods of disposing of the sewage must be found. Representative Cotten moved to "push it to the limit" and adopt the Senate total of 7246.1. No objection having been raised, the figure was adopted.

MARINE TRANSPORTATION - ADMINISTRATION, p. 139

Senator Bennett moved for adoption of the Senate total of 2047.7, plus the Governor's add-back, for a new total of 2146.6. The additional funding would restore the requested data processing reservation system. Representative Rogers

referred to correspondence from the department dated May 29, 1981 (above attachment). He further moved for adoption of Senate intent relating to flex-time and overtime staffing of reservation offices from 6 a.m. to 8 p.m. No objection to the proposed new total or intent language having been voiced, both were adopted by committee.

HIGHWAY DESIGN & CONSTRUCTION - ADMINISTRATION & SUPPORT, 144 & 210

Senator Kerttula advised of intent language prepared by Jay Hogan. Mr. Hogan advised of his suggestion that funding for highway design & construction as well as planning and programming (two substantial chunks) be conditioned upon intent language (copy of intent language for the two above programs is attached).

RIGHT OF WAY - OPERATIONS, p. 169

Senator Bennett moved for adoption of the House/Senate total of 776.9. Representative Rogers objected, advising of intent suggested by Senator Kerttula that right of way operations be "Freemanized" and tied to intend that the department not hold up projects without justification. He attested to allegations that Right of Way frequently holds up projects claiming right of way problems when such problems do not actually exist. Without objection, three-quarter funding was adopted for this program.

RIGHT OF WAY - CIP, INDIRECT COSTS, p. 171

The committee reaffirmed adoption of the House/Senate total of 557.0.

HARBOR DESIGN & CONSTRUCTION - OPERATIONS, p. 187

Senator Bennett moved for adoption of the Senate total of 477.1. Representative Cotten objected, moving instead the House total of 383.2. Senate members objected, and the program was held OPEN for later consideration.

HARBOR DESIGN & CONSTRUCTION - CIP INDIRECT COSTS, p. 188

Representative Rogers moved for adoption of CIP intent previously held open (see attachment, rewrite on bottom of letter of May 13, 1981). No objection having been raised, the intent was adopted.

ADJOURNMENT

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

FCC-81, #13, Side 1 (077-end)

FCC-81, #13, Side 1 (000-540)

MEMORANDUM

TO: Robert Schroeder, Analyst
Legislative Finance Division

DATE: June 1, 1981

FILE NO.

TELEPHONE NO.

465-4322

FROM: William R. Nix, Commissioner
Department of Public Safety *WRN*

SUBJECT: Legislative Intent
Attached to VPSO
Sub-program: Contracts

The Legislative intent places a limit of 22% for contractor's overhead costs. This intent improperly used could place the Department of Public Safety at a disadvantage during contract negotiations. This fact, once it becomes known, would or could result in each contractor requesting and in some cases demanding the 22% limit.

At the present time there are eight (8) VPSO contracts in force. Six (6) have an overhead rate of 15%, one (1) an overhead rate of 17%, and one (1) a variable rate of 33.3% on site and 21.6% off site.

If the Legislative intent was worded as follows, "Contractor's overhead costs are to be kept at a reasonable rate which protects the best interest of the Department and the State", we could continue our present method of contract negotiation which includes requiring the contractor to justify in detail any request for overhead costs reimbursement. During negotiations full consideration is given to all services to be delivered.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - ADMINISTRATION

POUCH 2
JUNEAU, ALASKA 99811
(907) 465-3900

May 29, 1981

Mr. Jay H. Hogan
Director
Legislative Finance Division
Capitol Bldg., Rm. 504
Juneau, Alaska 99811

Dear Mr. Hogan:

In response to your question; concerning the inability of Marine Highway personnel to answer incoming telephone calls during peak periods, I submit the following.

The problem exists, in varying degrees, in three locations; Seattle, Juneau and Anchorage. There isn't time available to provide a complete analysis of the various options available, therefore, the solution developed here is the easiest to identify. A more thorough review, which would be performed if additional funding was available might identify desirable variation, such as the use of WATS lines to central reservation locations, etc. Additional staffing would also provide the Division with the ability to expand operational hours, thus providing a more flexible service.

SEATTLE experiences the greatest demand for telephone responses. There are currently three seasonal clerks employed, whose primary responsibility it is to answer telephones. Another, full time clerk divides her time between the telephone, letters and ticket sales. There are three supervisory class positions. One in charge of outside operations, one the inside sales and reservations and the third is responsible for the overall operation of the Seattle terminal.

Based upon spot checks by the telephone company there will be as many as 3600, unanswered telephone calls per day during the peak period in the spring of 1982. This is based upon a telephone company count, taken in April 1980, which indicated that some 3000 calls went unanswered at that time. Counts taken in other spring months indicated approximately 1500 calls were going unanswered each day.

May 29, 1981

If we were to aim at an average period of expected calls, that would go unanswered, 1800 each day would appear reasonable. Assuming each caller tried six times before having his call answered, it would appear that approximately 300 initial calls would require answering. This would require 5 clerks and our current budget requests 2. Our need, therefore, would be for 3 seasonal clerks, in addition to the Governor's budget. This would also require 3 computer terminals and related equipment at approximately \$3000 per position. (Note that the related equipment for the two positions approved in the Governor's budget was eliminated by the Legislature.)

JUNEAU experiences fewer telephone calls than Seattle and a greater number of mail inquiries. One additional clerk, working 8 months each year, with the necessary equipment, would provide the support necessary to meet the demand in Juneau, as a number of the calls received in Juneau are from people unable to reach Seattle.

ANCHORAGE meets nearly all of the telephone demand placed upon them. There are, however, current demands for service in the Fairbanks area that can best be met through the Anchorage office. One clerk, working 8 months per year, plus appropriate equipment, would be required. In addition, toll free telephone service from the Fairbanks area to our Anchorage office would be necessary to provide the Fairbanks area with free telephone access to the Marine Highway System.

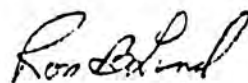
The following summary provides the information required.

	<u>Seattle</u>	<u>Juneau</u>	<u>Anchorage</u>
Personnel	3 - Clerk III	1 - Clerk III	1 - Clerk III
Months of Work	18 Months	8 Months	8 Months
Cost	\$30,000	\$15,000	\$15,000
Equipment Cost	9,000	3,000	3,000
Other	10,000	5,000	6,000
Total	\$49,000	\$23,000	\$24,000

1 Note: It would be necessary to make minor modifications to existing computer software if this additional capability were put on line. The cost of the software enhancements, telephone service and other costs are indicated in the "Other" category.

With respect to your question concerning service in Southwestern Alaska, it is the intention of the Marine Highway to continue providing two trips in the spring and two in the fall to communities on the East side of the Alaska Peninsula. Chignik has now been added to the list of communities served on these trips.

Sincerely,



Ron B. Lind
Deputy Commissioner

6/4 p. 210 Intent

LEGISLATIVE INTENT - CORRECTED

PLANNING AND PROGRAMMING ADMINISTRATION
(Transportation shortform page 210)

The Planning and Programming FY 82 budget includes a request for continued funding of 17 data processing software packages. Two of these - project status and life cycle costing - are to be given top priority to allow completion of both prior to the 1982 Legislative session.

Project status currently runs but reports lack considerable budget and scheduling data. This information should be added to the file and then file maintenance given high priority.

One of the goals of life cycle costing should be the establishment of a system for use by both the Executive and the Legislature to project the operating budget implications of one or more proposed facilities. Facility operation, maintenance and support costs should be identified by type or class of facility and relate to such characteristics as size of facility, cost, location, number of clients, maintenance and support personnel, etc. The system should provide for accurate updating of the maintenance and support information. LCC estimates should be available for use by state agencies in preparing the Fiscal Year 1983 Capital Budget requests.

JAY S. HAMMOND, GOVERNOR

(907) 465-3900

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - PLANNING AND RESEARCH

POUCH 2
JUNEAU, ALASKA 99811

May 8, 1981

Honorable Arliss Sturgulewski
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Sturgulewski:

Legislative intent for FY 82 requested Planning and Programming to present the budget in a project budget format. In working with Legislative Finance and the division of Budget and Management, the consensus was that compliance with the intent was met.

I understand the desire of the legislature to have a project budget in order to be able to more effectively analyze and scrutinize Planning and Programming's budget. In this regard, I propose that we provide a work program summary sheet outlining the work tasks and the amount of money to be spent by each component in the FY 1983 budget. In addition, copies of the annual work programs of Transportation Planning, Facilities Planning, and Research will be available at the time of the Governor's budget submission. ✓

I am anxious to respond to the desire of the legislature, and although my proposal would be arduous, it is manageable.

Please let me know your desires in this matter.

Sincerely,



John C. Bates
Deputy Commissioner

Legislative Intent:

Delete third paragraph of intent on shortform page 210-B and replace with the following:

Planning and Programming's FY 1983 budget shall include a work program summary sheet outlining the work tasks and the amount of money to be spent by each component. In addition, copies of the annual work programs of Transportation Planning, Facilities Planning, and Research will be available to the Finance Committees at the time of the Governor's budget submission to the Legislature.

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - ADMINISTRATION

(907) 485-3900

POUCH 2

JUNEAU, ALASKA 99811

May 13, 1981

The Honorable Arliss Sturgulewski
Alaska State Senator
Pouch V
Juneau, Alaska 99811

Dear Senator Sturgulewski:

During our meeting of May 5, you asked for our comments concerning the use of cost allocations as a way of refining the costs charged to capital project budgets by including all costs associated with the construction of each project. This would include the allocation of overhead charges on an equitable basis back to the projects.

We feel that the projection of overhead costs in each project budget and the accumulation of the prorated overhead costs for each project should not be instituted. Overhead costs are identified in total in our 1982 budget request and funded directly with State General Funds. This gives the Legislature a control on the total overhead as well as a basis to review our performance.

The use of overhead cost allocations is really two issues. These are: (1) identifying the costs associated with each project; and (2) charging these costs against the project budget.

Identifying costs and accumulating them by project gives a picture of the total cost of an asset. It allows an historical picture of what has occurred, yet is much easier than including an estimate in the budget for each project to cover overhead.

DELETE INTENT STATEMENTS IN FCC SHORTFORM PAGES: 150-A

170-A

AND

180-A

188-A

INSERT THE FOLLOWING REPLACEMENT INTENT:

200-A

"THE GOVERNOR REQUESTED GENERAL FUND SUPPORT FOR CIP PROGRAM COSTS NOT DIRECTLY RELATED TO SPECIFIC PROJECTS. SUMMARY 'LINE ITEM' BUDGETS FOR THE CIP PROGRAMS - SIMILAR TO THOSE SUBMITTED FOR OTHER OPERATING PROGRAMS BUT BASED UPON HISTORIC OR FORMULA DATA - SHOULD BE INCLUDED WITH THE FY 83 BUDGET PRESENTED TO THE LEGISLATURE. IN THOSE BUDGETS, HOWEVER, THE 'CIP INDIRECT COSTS' SHOULD BE COMBINED WITH AND SHOWN AS GENERAL FUND SUPPORT WITHIN EACH CIP PROGRAM BUDGET."

-166-

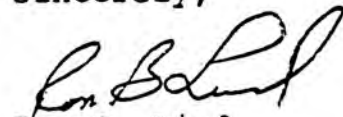
May 13, 1981

As we stated in our answers to the Legislative Audit Reports, we feel that accounting information should be evaluated in terms of the value of the information. We are including the identification of cost centers and methods of allocation during the review for our new management information system.

The Governor and the Legislature for a number of years have recognized that overhead charges are appropriate for capital projects, but that the benefit of charging the capital budgets for these costs is outweighed by the associated problems. They have, therefore, requested that we budget these costs in the operating budget, using the direct appropriation of State General Funds as a source of funding. We have complied with these requests and agree that charging these costs against capital project budgets is not advisable.

If you or your staff would like to discuss this further, please do not hesitate to contact me.

Sincerely,



Ron B. Lind
Deputy Commissioner

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 5, 1981
9:40 a.m.

{Tape FCC 81-13, Side 2, #541}

PRESENT

Chairman Cotten called the meeting to order at 8:40 a.m. All members of the Committee were present (Representatives Cotten, Montgomery, Rogers; Senators Bennett, Kerttula, Sack II). Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Jay Hogan, Director, and Bob Schroeder and Bob Grogan, Fiscal Analysts, Division of Legislative Finance.

TRANSPORTATION BUDGET CATEGORY

DEPARTMENT OF TRANSPORTATION--Planning and Programming, p 209-225: Chairman Cotten discussed the House INTENT to "Freemanize" at 85% of full funding. Senator Bennett requested this be HELD OPEN. There was no objection.

STATE BOND COMMITTEE--Debt Service, p 229-235: Chairman Cotten requested this be HELD OPEN. There was no objection.

Jay Hogan listed those pages remaining OPEN in the TRANSPORTATION BUDGET: 25, 187, 209-225 & 229-235.

ADMINISTRATION OF JUSTICE BUDGET CATEGORY

ALASKA COURT SYSTEM--Courts, Admin & Support, Trial Courts, p 185: Representative Rogers moved the Governor's figure, minus \$57.2 for pro tem judge and secretary in Kenai, and a total of 16 new positions--#3-4,6,8,10,12-19,21&22--without objection. Breakdown as follows:

Personal Services	-	\$16,842.7
Travel	-	566.2
Contractual	-	4,312.3
Commodities	-	316.6
Equipment	-	199.5
Lands/Bldgs	-	2,468.7
Total		<u>\$24,706.0</u>

Chairman Cotten listed those pages remaining OPEN in the JUSTICE BUDGET: 40, 123, 125, 127, 187.

CORRECTION

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

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ON THE BUDGET
(HB 50)
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Lands/Bldgs	-	2,468.7
Total		<u>\$24,706.0</u>

Chairman Cotten listed those pages remaining OPEN in the JUSTICE BUDGET: 40, 123, 125, 127, 187.

NATURAL RESOURCES MANAGEMENT BUDGET CATEGORY

DEPARTMENT OF NATURAL RESOURCES--Management & Administration, Information/Records Mgmt., p 99: Representative Rogers moved an additional \$82.8 under Contractual to the House figure for publication of the Alaska Resources magazine--no new position. This was again HELD OPEN.

State Pipeline Surveillance, Gas Pipeline Review, p 107: Representative Rogers moved the House figure. Senator Bennett moved to amend to the Governor's figure of \$9,213.8. There was no objection.

Management & Administration, State Recorder, p 101: Senator Kerttula made a request for Senator Hohman that the Bethel Information Office be upgraded to Recorder of Statutes--through INTENT, no additional funds involved.

Forest Management, Fire Protection/Suppression, p 133: Representative Rogers recapped the House figure was moved. Senator Sackett requested this be HELD OPEN until 1:30 p.m. There was no objection.

Resource Inventory/Assessment, p 145-147: The following were again HELD OPEN:

Geological Investigations/Mapping
Geological Hazard Identification

Park Operations, Park Design/Development, p 159: Representative Rogers advised funds for Lower Chatanika and Clearwater Wayside Development projects are already in the House capital budget. Senator Kerttula requested this again be HELD OPEN. There was no objection.

DEPARTMENT OF FISH & GAME--Commercial Fish, Salmon, p 169: Representative Rogers moved the Governor's figure plus the House figure and GBA #213--new total \$10,353.8--then withdrew his motion. He then moved the figure \$9,980.5, representing a House 5% general fund reduction and House figures for AYK Fisheries Management, Crescent River Test Fishing and \$10.0 GBA. There was no objection.

Commercial Fish, Herring, p 173: Representative Rogers moved the House figure minus Prince Williams Sound. Senator Kerttula objected. Representative Roger amended his motion to the House figure of \$1,189.0. There was no objection.

Commercial Fish, Ground Fish, p 177: Senator Sackett moved the Senate figure of \$762.4. There was no objection.

FRED, Operations, p 195: Senator Bennett moved the Senate figure plus the Governor's adjusted figure--total \$9,084.3. Representative Rogers objected and moved to amend the motion to include the House 5% reduction in all line items and adjust the figure to \$9,944.7. Senator Sackett amended the motion to the figure \$11,174.7. Chairman Cotten moved to keep the total figure under \$10,000. This was again HELD OPEN.

ADJOURNMENT

The meeting adjourned at 9:35 a.m.

Tape FCC 81-13, Side 2, #541 - End
FCC 81-14, Side 1, #001 - #628

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 5, 1981
1:45 p.m.

{Tape FCC 81-14, Side 1, #628}

PRESENT

Chairman Cotten called the meeting to order at 1:45 p.m. All members of the Committee were present (Representatives Cotten, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett). Representative Rogers arrived later in the meeting. Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Bob Grogan, Elmer Lindstrom and Don Fisher, Fiscal Analysts, Division of Legislative Finance.

NATURAL RESOURCES MANAGEMENT BUDGET CATEGORY

DEPARTMENT OF FISH & GAME--FRED, Administration, p 197: The Committee HELD this OPEN.

Administration & Support, Office of the Commissioner, p 203: Senator Kerttula moved the House figure of \$1,495.3. There was no objection.

Administration & Support, Designated Grants, p 209: The Committee HELD this OPEN.

Subsistence Section, p 231: Senator Bennett moved the Senate figure. Discussion of positions. Senator Bennett amended the figure to \$1,344.4. There was no objection. Senator Sackett requested this be HELD OPEN regarding the commissioner's 2% increase. There was no objection.

(Representative Rogers arrived at this time.)

Administration & Support, Office of the Commissioner, p 203: Representative Rogers moved the CIP and Lobbying INTENT. There was no objection.

Habitat Protection, Land & Water Conservation, p 237: Representative Rogers moved the House figure of \$426.6. There was no objection.

Habitat Protection, Environmental Monitoring, p 241: Representative Rogers moved the House figure of \$869.6. There was no objection. Representative Rogers indicated the Committee may wish to add INTENT.

Habitat Protection, Gas Pipeline Monitoring, p 247: Senator Bennett moved the Governor's figure of \$2,065.9. There was no objection.

DEPARTMENT OF PUBLIC SAFETY--Fish & Wildlife Protect/Enforce, Enforcement, p 255: Senator Bennett moved the Senate figure. Bob Grogan asked about the Senate INTENT. Senator Sackett commented on the INTENT, and discussion followed. Chairman Cotten suggested accepting the Governor's figure and deleting the INTENT. Senator Bennett objected. Chairman Cotten requested this be HELD OPEN. There was no objection.

Fish & Wildlife Protection, p 257-259: The Committee HELD the following OPEN:

Director's Office
Aircraft Section

DEPARTMENT OF ENVIRONMENTAL CONSERVATION--Administration, Office of the Commissioner, p 295: Representative Rogers moved the CIP and Lobbying INTENT. Chairman Cotten requested this be HELD OPEN regarding grants. There was no objection.

Administration, Designated Grants, p 301: The Committee HELD this OPEN.

Environmental Quality Operations, p 313-317: Representative Rogers stated the House figures were accepted for the following:

Southeast Region - \$928.3
Southcentral Region - \$1,555.2
Northern Region - \$1,524.0

During discussion, Representative Rogers indicated the same situation regarding the new positions exists in all the above.

Gas Pipeline Surveillance, Surveillance Activities, p 331: Representative Rogers stated the Governor's figure was accepted. There was no objection.

Office of Science & Technology, Executive Operations, p 333: Senator Bennett moved the Governor's figure. Representative Rogers objected and moved the House figure. Senator Bennett objected. Representative Rogers then moved the Senate figure (1498.2) plus two new positions (adding \$113.7)--new total \$611.9. There was no objection.

Representative Rogers introduced the Fisheries Data Center--\$1,650.0--which would be a new budget page. He also proposed a new page for the Alaska Seafood Marketing Institute at \$3,000.0. There was discussion.

RECESS

(Chairman Cotten called a recess at 2:20 p.m. and reconvened the meeting at 2:40 p.m.)

DEVELOPMENT BUDGET CATEGORY

OFFICE OF THE GOVERNOR--Coastal Zone Management, p 5: Representative Rogers moved the Governor's figure. Senator Bennett objected and moved the Senate figure. Chairman Cotten requested this be HELD OPEN. There was no objection.

DEPARTMENT OF ADMINISTRATION--Alaska Energy Center, p 7: Senator Bennett moved the Senate figure of zero. Representative Rogers objected and moved the figure \$1,231.4, eliminating the miscellaneous line item, as this is in SB 25 and SB 26. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

DEPARTMENT OF REVENUE--Alaska Renewable Resources Corp., p 9: Chairman Cotten requested this be HELD OPEN. There was no objection.

Shared Taxes, Municipal Assistance, p 13: Chairman Cotten requested this be HELD OPEN. There was no objection.

Alaska Housing Finance Corp., p 27: Chairman Cotten moved the figure \$2,912.5, as offered by AHFC. There was no objection.

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT, p 41: Chairman Cotten moved the House/Senate figure of 1-0-. There was no objection.

Economic Enterprise, Commercial Fisheries Development, p 43: Representative Rogers noted the Alaska Seafood Marketing Institute proposal he brought up in NRMEC would also go here. Senator Bennett moved the Governor's figure. Representative Rogers objected. Chairman Cotten requested this be HELD OPEN. There was no objection.

Economic Enterprise, Administration, 45: Representative Rogers moved the House figure. Senator Bennett objected and moved the Senate figure of \$226.0 plus the GSA of \$50.3--new total \$276.3. There was no objection.

Economic Enterprise--Designated Grants, p 47: Chairman Cotten moved the House figure of zero. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

Tourism, Tourism Operations, p 61: Representative Rogers moved the House figure. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

Energy & Power Development, Energy Administration, p 67: Senator Bennett moved the Senate figure. Representative Rogers objected and moved the House figure. The Committee HELD this OPEN.

Energy & Power Development, Energy Grants & Assistance, p 69: Representative Rogers moved the House figure of 13,288.4. There was no objection.

Energy & Power Development, Energy Conservation/Outreach, p 75: Representative Rogers moved the House figure, deleting position #4. Senator Bennett objected and moved the Senate figure. Representative Rogers moved to amend this to the Senate figure plus position #5--new total 11,156.4. There was no objection.

Alaska Power Authority, p 77: Chairman Cotten moved the Senate figure. Representative Rogers moved to amend this to the House figure of 5643.6. There was no objection.

Royalty Dil & Gas Board, p 79: Senator Bennett moved the Senate figure of 1268.8. There was no objection.

Agricultural Action Council, p 83: Chairman Cotten requested this be HELD OPEN. There was no objection.

Foreign Offices, Asian Office, p 87: The House maintained its position to zero this out. During discussion, Senator Bennett suggested closing the European Office if one is to be closed. Representative Rogers requested this be HELD OPEN. There was no objection.

Office of the Commissioner, Film & Television Section, p 93: Senator Bennett moved the Senate figure of zero. Chairman Cotten objected and requested this be HELD OPEN. There was no objection.

DEPARTMENT OF NATURAL RESOURCES--Agricultural Management, Director's Office, p 105: Representative Rogers moved the Senate figure of 1207.4 and to transfer the St. Lawrence Island Reindeer Stock Improvement Project/125.8 to p 107. There was no objection.

Agricultural Management, Designated Grants, p 107: Chairman Cotten requested this be HELD OPEN. There was no objection.

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS--Community Assistance Grants, Bulk Fuel Grants, p 129: Representative Rogers moved a compromise figure of 1227.4. There was no objection.

Local Government Assistance, Training, Development & RDA, p 133: Chairman Cotten moved the Governor's figure minus all new positions. Mr. Lehr explained positions #1-3 will administer grants in the operating budget. The Committee HELD this OPEN.

Local Government Assistance, Local Boundary Commission, p 137: Chairman Cotten moved the House figure of \$93.5. There was no objection.

Local Government Assistance, Coastal Energy Impact Program, p 141: Representative Rogers moved the Governor's figure with INTENT. There was no objection.

Community Planning Services, Community Planning Assistance, p 145: Representative Rogers moved the Senate figure plus \$200.0/DCS Task Force--\$2,200.0 (House). There was no objection.

ANCSA Plan of Survey, p 151: Senator Bennett moved the Senate figure of \$370.1. There was no objection.

Administration, Office of the Commissioner, p 155: There was discussion of co-op owned utilities. Representative Rogers requested this be HELD OPEN. There was no objection.

Administration, Administrative Services, p 157: Chairman Cotten moved the House figure. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

Administration, Designated Grants, p 161: Representative Rogers requested this be HELD OPEN. There was no objection.

ADJOURNMENT

Chairman Cotten announced the GENERAL GOVERNMENT BUDGET would be addressed at 7:00 a.m. tomorrow (Saturday) morning. The meeting adjourned at 3:40 p.m.

Tape FCC 81-14, Side 1, #628 - End
Side 2, #001 - End
FCC 81-15, Side 1, #001 - #563

Carter

DEVELOPMENT GRANTS

ITEM	HOUSE	SENATE	PAGE
Fisheries Extension Services/Tech. Assist. (Un.)	750.0		43
Alaska Business Develop. Center Inc.-Rural Outreach (D.)		200.0	47
Alaska Humanities Forum-Development Forum (D.)		50.0	47
AK. Economic Develop. forum-Devel. Program (D.)		950.0	47
Middle Yukon Fisheries Assoc.-Marketing (D.)		57.7	47
Grants to local Governments (Un.)	40.0	40.0	61
Design of a Cultural Heritage Center (Un.)	134.0		61
Alaska 1984 (Un.)		4000.0	61
World Eskimo Indian Olympics-operations (D.)	77.5	77.5	63
Alternative Energy Resource Center (U.) (Contractual)	114.2		67
Feasibility Study/Hydro (U.) (Contractual)		25.0	77
Month of Iditarod Committee (D.)	15.0		103
St. Lawrence reindeer project (U.) (Sen. pg. 107)	25.8		105
Ninilchik State Fair (D.)	1.9		107
Nome Reindeer Herders Assoc.-St. Lawrence Island Reindeer Project (d.) (House pg. 105)		20.4	107
Nome Reindeer Herders Assoc.-Nome range survey (D.)		240.0	107
Nome Reindeer Herders Assoc.-Nome Slaughter Plants (D.)		41.1	107
Mameluk Assoc.-NW Trade Fair (D.)		25.0	107
Comprehensive Borough Gov. Study (Un.) (Misc.)		75.0	137
OCS Task Force/Yukon-Koskokwim (Un.)	200.0		145
State wide Cross-cultural project (Un.)	40.0	40.0	155
Women's Political Careers project (Un.)	25.0	25.0	155
Minority Education Program (Un.) (Sen. pg. 161)	116.3		155
Economic self-help program (Un.)	85.0		155
Consumer Advocacy program (Un.)	225.0		155
AHT Region model (Un.)		50.0	155
Alaska Eskimo Whaling Commission-Marine Science (D.)	269.0		161
Alaska Eskimo Whaling Commission-Whale census (D.)	195.0	195.0	161
Alaska Legal Services-Operations (D.)	350.0		161
Alaska Black Leadership Conf.-Education (D.) (House pg. 155)		116.3	161
Anchorage Community Devel. Corp.-Technical Assist (D.)		1194.3	161
Kuskokwim Native Assoc.-Local Gov. Program (D.)		141.8	161
Tundra Women's Coalition-Bethel housing (D.)		25.0	161
Lower Kuskokwim Coast Corp.-operations (D.)		50.0	161
Sonnahea Arts Council-Craig beautification (D.)		5.0	161
Koyukon Develop. Corp.-Forestry Inventory (D.)		120.0	161
Fairbanks Town & Village Assoc. for Develop.-Development program (D.)		100.0	161
Tanana Chiefs Conference-Energy program (D.)		236.2	161
Upper Tanana Develop. corp.-develop. impact study (D.)		180.0	161
Interior Village Assoc.-Develop. Alternatives (D.)		372.5	161
Craig-Borough Study (Mun. Grant)		125.0	165
Anchorage-Federation of Community Councils (Mun. Grants)		80.0	167
Anchorage-Spenard Neighborhood Housing (Mun. Grants)	100.0		169
Chefornak-Energy Recon (Mun. Grant)		65.0	171
Kiana-Survey & Platting (mun. Grant)		35.0	173
Kotzebue-Maritime study (Mun. Grant)	25.0		175
Deering-Survey & Platting (Mun. Grant)		17.5	177
Nome Survey & Platting (Mun. Grant)		210.0	179
Fairbanks N. Star Borough-Fairbanks-Arctic Winter Games (mun. Grant)		6378.4	181

Attachment

- 176 -

6-5-81

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 6, 1981
7:10 a.m.

(Tape FCC 81, # 15, Side 1, 563 - end)
(Tape FCC 81, # 15, Side 2, 000 - end)
(Tape FCC 81, # 16, Side 1, 000 - 445)

CALL TO ORDER

Chairman Cotten called the meeting to order at 7:10 a.m.

PRESENT

Chairman Cotten; Representatives Rogers and Montgomery; and Senators Sackett, Bennett and Kerttula were present. Also in attendance were Legislative Finance Fiscal Analysts Don Fisher and Alison Elgee; and Director of Budget and Management Ron Lehr.

GENERAL GOVERNMENT BUDGET CATEGORY

Of the pages remaining open, Chairman Cotten asked Mr. Lehr which pages were most important to the Governor. Mr. Lehr responded Governor's Office; Lieutenant Governor's Office; DPDP; Growth Policy Council and Council of Economic Advisors; Internal Audit; and maybe Elections. Chairman Cotten suggested beginning on page 39.

OFFICE OF THE GOVERNOR - ELECTIVE OPERATIONS - ELECTIONS - page 39

Senator Bennett had earlier moved the Governor's adjusted figure of \$1939.7. Representative Rogers stated that the House subcommittee had cut the figure back, but the committee of the whole replaced the funding due to the election in FY 82. It will be a difficult one due to the reapportionment plan and the need for new election judges, etc. Representative Rogers stated that the reason the page had been held open was to find out if the Deputy Director position had been "double budgeted". Mr. Fisher stated it was not really "double budgeted". The \$1939.7 had the Deputy Director budgeted only once, but there was no vacancy cut. Senator Bennett moved \$1939.7. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - ALASKA STATEHOOD COMMISSION - page 53

Representative Rogers stated the extra money in the House figure of \$498.5 was for additional meetings by the commission so that the report could come out in January on problems in state and federal government, and then another report the next year on recommendations to the state and the Governor. Discussion

ensued. Senator Kerttula and Representative Montgomery expressed displeasure with the commission and recommended \$-0-. Senator Bennett requested that the page be HELD OPEN.

(BEGIN NEW SIDE, FCC 81, # 15, Side 2, 000 - end)

DEPT. OF ADMINISTRATION - ADMIN. SERVICES - FISCAL/PERSONNEL - page 63

Senator Bennett had moved \$626.7, which added the Supply Officer and reduced the vacancy to 5%. Mr. Lehr stated that for all the functions transferred into the department lately, this support office needed the positions. Chairman Cotten moved the Senate figure of \$569.4. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - ADMIN. SERVICES - WORD PROCESSING CENTERS - page 65

Senator Bennett's previous motion had been \$816.9, to add both positions. Mr. Lehr stated these centers were created by transferring positions from other places. Chairman Cotten moved the Senate figure of \$741.9. Senator Bennett objected and moved the new figure of \$816.9. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - ADMIN. SERVICES - CENTREX - page 67

The committee had previously adopted \$597.6 along with the Intent. Mr. Fisher stated that he had added \$221.9 for the switch, \$6.0 for the new tie-lines to the House/Senate figure of \$370.6 for a total of \$598.5. Representative Rogers moved the corrected figure. There being no objection, \$598.5 was ADOPTED.

DEPT. OF ADMIN. - TELECOMMUNICATIONS SYSTEMS - OPERATIONS - page 69

Senator Bennett moved the House figure of \$9129.6. Representative Rogers objected and stated that the committee had accepted the Governor's amended figure of \$10029.6 which included the \$900.0 GBA for instructional television interconnects throughout the state. Chairman Cotten requested that this page be HELD OPEN. Mr. Lehr pointed to a letter from the Dept. of Administration requesting \$120.0 for occasional transponder use. Chairman Cotten requested that pages 69 and 70 be HELD OPEN.

DEPT. OF ADMINISTRATION - OFFICE OF THE COMMISSIONER - page 57

The committee had previously adopted a total figure of \$765.8. Representative Rogers moved the Legislative Intent for CIP's and lobbying. There being no objection, INTENT WAS ADOPTED. Senator Bennett moved that Travel be reduced to \$25.0 for a total of \$737.3. There being no objection, it was so ADOPTED. Mr. Lehr stated that the increase in Travel had been due to the Longevity Bonus issue. Senator Kerttula stated the original intent had been to maintain a minimum administrative overhead.

Representative Rogers requested that until pages 69 and 70 had been resolved, this page be held open. Discussion ensued on how to make sure the Travel cut would be imposed on the Commissioner himself. Representative Rogers stated the best way was to put the Commissioner's salary and travel into a separate appropriation so that the Commissioner would not travel on another division travel budget. It was decided that Senator Bennett's accepted motion would hold and that \$737.3 was ADOPTED.

DEPT. OF ADMINISTRATION - RISK MANAGEMENT - OPERATIONS - page 87

Representative Rogers stated the Governor had requested that three positions be restored; he added that the funding for the three positions would come from other funds. Chairman Cotten moved the Senate figure of \$377.0. Representative Rogers asked Mr. Lehr about the three positions. Mr. Lehr stated the idea for the three positions was to save money. Risk Management estimated they could lower their premiums by about \$500.0 if they could have the three positions. In fact, they built the risk managements rates based upon the lower cost. So, there would be a problem unless the positions were accepted or unless the risk management funding was increased. Discussion ensued with further explanation by Mr. Lehr. Senator Bennett moved the Governor's figure of \$523.3. There being no objection, it was ADOPTED. Representative Rogers moved Legislative Intent that the purpose of the three positions was to reduce the Risk Management premiums and that a report be filed the following year showing the results. There being no objection, INTENT WAS ADOPTED.

DEPT. OF ADMINISTRATION - PERSONNEL & LABOR RELATIONS SVC -
PERSONNEL - page 94

Representative Rogers moved Legislative Intent that none of the new positions could be filled until 75% of the positions authorized for other agencies were filled. There being no objection, INTENT WAS ADOPTED.

DEPT. OF ADMINISTRATION - GENERAL SERVICES - CENTRAL MAIL &
SWITCHBOARD - page 105

Senator Bennett moved the Governor's figure of \$552.0 to include the two mail carrier positions. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - DATA PROCESSING - COMPUTING SERVICES -
page 117

The committee discussed intent that had already been adopted. Representative Rogers said it was intent that Data Processing should establish an electronic mail system with the University of Alaska. He asked Mr. Fisher if he had the intent, and Mr. Fisher stated it was already in the computer.

Representative Rogers stated at this point that he was interested in seeing dial-up lines so that people outside the state computer

system could dial into the Bill Status system. Senator Kerttula agreed that it should be done. Representative Rogers requested that Mr. Fisher find out how much it would cost to add two dial-up modems to the Legislative Bill Status.

DEPT. OF ADMINISTRATION - RETIREMENT & BENEFITS - P.E.R.S. - page 131

In response to Chairman Cotten, Mr. Lehr stated that positions # 1 and # 2 were the ones they would like to have restored. These two positions were split-funded between pages 131 and 133. Senator Bennett moved the figure \$1434.7, to include the two positions. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - RETIREMENT & BENEFITS - T.R.S. - page 133

Senator Bennett moved the figure \$1088.7, to include the first two positions. There being no objection, it was ADOPTED.

DEPT. OF ADMINISTRATION - BUILDING & EQUIPMENT SERVICES - page 139

The committee discussed the various figures. Mr. Lehr explained that the GBA would not fund the new space requested by the Senate. Chairman Cotten moved the House figure of \$21187.6 plus the Governor's Budget Amendment. Senator Bennett objected and stated it would not cover space for Nome, Kotzebue and Barrow. Senator Sackett stated it would be \$397.9 extra for the space. Representative Rogers stated that last year DOT had done a facilities survey statewide and found that in 13 communities "offices were spread all over the place" and recommended consolidation in order to save money. The communities in question were Anchorage, Juneau, Ketchikan, Sitka, Kodiak, Wasilla, Palmer, Kenai, Soldotna, Fairbanks, Bethel, Nome, Kotzebue and Barrow. Representative Rogers recommended that the following Legislative Intent be added:

The Department of Administration shall acquire by lease or lease-purchase agreement state office facilities which meet the standards established for state owned facilities in each of the communities and in the corresponding minimum net square foot area set out in "State of Alaska Office Space Standards and Needs Analysis", a report prepared for the Department of Transportation and Public Facilities and published in April, 1980.

Senator Kerttula stated the alternative to that should be "a report to the Legislature suggesting priorities for new construction". Mr. Lehr stated that there was \$2 million in the Governor's FY 82 Capital Budget to provide the same type of report in the above suggested Legislative Intent. Further discussion ensued. Mike Scott pointed to a letter from the Department of Administration which basically outlined what the

needs are in the communities of Nome, Kotzebue and Barrow. Mr. Lehr stated he had not seen the letter and did not know the department was requesting the space - the request was not in the Governor's budget. The letter was from Earl Weishmiller to George Elgee, May 19, 1981. It was decided that the page would be HELD OPEN.

DEPARTMENT OF LAW - LEGAL SERVICES - OPERATIONS - page 145

Senator Sackett requested that this page be HELD OPEN.

DEPT. OF REVENUE - REVENUE OPERATIONS - AUDIT - page 153

Senator Sackett had earlier asked Mr. Lehr to do an analysis of all positions involved in the Permanent Fund and Income Tax Repeal. Mr. Lehr stated that when the extension was passed for the Income Tax refunds, this year did not need to be funded. Senator Kerttula asked if the \$3 million had been saved with the repeal of the income tax. Representative Rogers stated that 11 positions had been moved from full-time to part-time. Discussion ensued. Senator Sackett requested that the page be held open in line with page 157 until it was determined how many positions were being added in the Department of Revenue. The page was HELD OPEN.

DEPT. OF LAW - LEGAL SERVICES - OPERATIONS - page 145

Chairman Cotten stated the figure was \$6691.5, which included position # 14. There being no objection to the figure, it was ADOPTED.

DEPT. OF REVENUE - REVENUE OPERATIONS - TREASURY MANAGEMENT - page 159

Mr. Lehr passed out a GBA that he had received so late that he had not been able to formally present it to the committee. It would add \$450.5 and cut \$240.0. Representative Rogers explained the amendment.

(BEGIN NEW TAPE, FCC 81, # 16, Side 1, 000 - 445)

It was decided that the figure for this page would be \$1857.5 and that a new page would be added for the Permanent Fund with a figure of \$450.5. There being no objection, the new page and the figures were ADOPTED.

DEPT. OF REVENUE - CHILD SUPPORT ENFORCEMENT - page 161

Representative Rogers questioned if there was a fiscal note for a comparable bill that had been introduced. Representative Rogers and Senator Kerttula both questioned whether or not the 5 clerk typists would make much difference in the office. Chairman Cotten moved the House figure of \$2564.0. Senator Bennett objected and requested that positions # 2 and # 3 be added for a

new total of \$2630.8. There being no objection, the figure was ADOPTED.

DEPT. OF REVENUE - ADMIN & SUPPORT - ADMINISTRATIVE SERVICES -
page 167

Representative Rogers moved the figure \$1912.3 on this page, and moved that the Permanent Fund Dividends appropriation be put on a separate page for \$149961.8. Senator Kerttula seconded that motion. There being no objection, all parts of Representative Rogers' motion were ADOPTED.

It was decided that in this budget, the Governor's Office and the Legislature remained open, as well as the Statehood Commission, Telecommunications, Leasing and Revenue.

RECESS

The meeting recessed at 8:20 a.m.

CALL TO ORDER

The meeting was reconvened at 8:45 a.m.

UNIVERSITY OF ALASKA BUDGET CATEGORY

Representative Rogers stated that the House had adopted 12 appropriations for the University of Alaska, and the Senate had included a separate appropriation for the School of Journalism in Fairbanks. So there was a total of 13 appropriation items already adopted. He stated there was a difference in allocation items and the decision had been that in each community college there was one allocation for Instruction and one allocation for Other, with the exception of ACC where there was a third allocation for Chugiak/Eagle River and the exception of Kuskokwim Community College with a separate allocation for the Yupik Language Center. He continued to explain where the differences were, then pointed to a proposal by the House responding to the Senate. He said the "bottom line" was a figure \$1800.0 above the Senate level. The House had taken three reductions: 1) cutting General Fund and increasing Program Receipts, 2) delaying conversion of CIP staff, and 3) in CC statewide accepting the House reduction of ATCFC contract funding. He said the contract funding would be considered in separate legislation - HB 298. The proposal is attached to the end of these minutes. Representative Rogers moved that the Free Conference Committee accept the changes as noted on the attachment. Representative Montgomery asked if funds were in the Anchorage office for the Alumni Association. Alison Elgee responded yes. There being no objection, the attached House proposal was ADOPTED.

Representative Rogers stated there was some Legislative Intent items and proceeded to explain.

REGENTS & STATE ADMINISTRATION - STATEWIDE STAFF & SUPPORT - page 2

Representative Rogers moved all four House/Senate Intent items on page 2 and 2A. Ms. Elgee stated that regarding the inter-connection of the computer system, the University had requested that the intent be changed to say that "nothing would be included for data processing until they have presented a report stating the potentials and the costs of that inter-connection". Representative Rogers stated he had no objection to that, and moved that amended intent along with the three other intent items. He said the CIP intent should be in the budget bill. There being no objection, the INTENT WAS ADOPTED.

Senator Kerttula asked Representative Rogers if he was still in favor of the library remaining open. Representative Rogers stated definitely - there was \$72,600.0 in the budget for additional library hours. Senator Kerttula asked that Representative Rogers compose a letter from Senator Kerttula to the University on the subject, and Representative Rogers stated he would.

ORGANIZED RESEARCH - SPECIAL STATE PROJECTS - page 22 & 22A

Representative Rogers stated the Senate had Legislative Intent regarding oral history and traditions of the state of Alaska for \$97,500, and \$70,000 for a capital impact model for fiscal analysis. He also pointed to the House comments regarding permafrost planning. He said these would not have to be printed in the budget bill. There being no objection, the INTENT WAS ADOPTED, including the House comments on permafrost planning.

UA-FAIRBANKS - INSTRUCTION - page 26 & 26A

Representative Rogers pointed to the Senate Intent for \$100.0 for regional orientation programs, and \$238.3 for Native Arts and Tuma Theatre. He moved the intent, and there being no objection, INTENT WAS ADOPTED.

UA-FAIRBANKS - ACADEMIC SUPPORT - page 32 & 32A

Representative Rogers moved the Intent for student typewriters and longer library hours. There being no objection, INTENT WAS ADOPTED.

UA-FAIRBANKS - INTERCOLLEGIATE ATHLETICS - page 42

Representative Rogers stated that the first line of the Intent should be deleted, so that only "\$50.0 is included as partial funding for the Alaska Hockey Invitational Tournament". The second Intent item was fine as worded. He moved the Intent, and there being no objection, INTENT WAS ADOPTED.

UA-FAIRBANKS - SCHOOL OF JOURNALISM - page 48

Representative Rogers moved that "School of Journalism" be changed to "Department of Journalism" in the proposed Legislative Intent. There being no objection, it was so ordered. Representative Rogers moved that the Legislative Intent be adopted. There being no objection, INTENT WAS ADOPTED.

UA-FAIRBANKS - INTERCOLLEGIATE ATHLETICS - page 66

Representative Rogers stated that \$62,500 in the Intent for the Alaska Hockey Invitational Tournament should be changed to \$50.0. He moved the Legislative Intent, and there being no objection, INTENT WAS ADOPTED.

UA-JUNEAU - INSTRUCTION - page 78A Representative Rogers moved the Legislative Intent for day camp activities. There being no objection, INTENT WAS ADOPTED.

UA-JUNEAU - STUDENT SUPPORT - page 92

Representative Rogers moved the Legislative Intent for funding for library books. There being no objection, INTENT WAS ADOPTED.

UA-JUNEAU - INTERCOLLEGIATE ATHLETICS - page 94

Representative Rogers moved the Legislative Intent for small college athletics at UAJ. There being no objection, INTENT WAS ADOPTED.

SENATOR KERTTULA - PROPOSED INTENT

Senator Kerttula proposed the following Legislative Intent:

The University of Alaska, within its existing funding, shall present to the Legislature a plan for the second year of the medical school program.

Representative Rogers asked that Ms. Elgee develop the proper language and page for the above Legislative Intent. He said it would either be in UAF Instruction or Organized Research. There being no objection, INTENT WAS ADOPTED.

RECESS

The committee recessed at 9:00 a.m., with plans to reconvene at 1:00 p.m.

(Tape FCC 81, # 15, Side 1, 563 - end)
(Tape FCC 81, # 15, Side 2, 000 - end)
(Tape FCC 81, # 16, Side 1, 000 - 445)

UNIVERSITY OF ALASKA

6/6/81
attachment
to minutes

Shortform
Page No.

General Fund
Changes to
Governor's Budget

Hse. Sen.

House FCC Senate

Statewide Administration

2	2	Statewide Administration
2 (474.2)	2	Substitute program rec. for G.F.
4	4	Delay conversion of CIP staff
		Data Processing Contract

(285.0)	(350.0)	
(124.2)	(124.2)	
55.7	55.7	55.7
(353.5)	(418.5)	55.7

Organized Research

22	20	Marine Ed. periodical
22	20	ISER professor (census)
22	22	ISER "capital impact model"
22	22	Oral History Program
22		Permafrost conference planning
22		Current research profile
20		Oceanography research
20		Permafrost & Sea-ice research
20 242.1		Info. dissemination of research
20		Arctic health
20		Visiting professorships
20		Graduate fellowships in resources
20		Coal conversion
0		Life sciences div. support costs

(54.7)	(54.7)	
42.6	42.6	
70.0	70.0	
97.5	97.5	
25.0	25.0	
15.0	15.0	
62.5	62.5	
66.6	66.6	
53.5		
41.6		
83.0		
61.0		
73.0	73.0	
20.0		
501.2	397.5	155.4

UA-Fairbanks

26	26	Teacher training/rural Alaska
26	26	Alaska Native studies
26	26	Shipboard laboratory course
26		UAF engineering
26		Home economics teacher training
26		Physical ed. support staff
26		Physical ed. coaches
26		Asst. Prof. - English Comp.
26		Economics sections
26 632.2		Natural resource coursework
26		Graduate assistantships
26		Reg. Cross-cultural ed. program
26		Geology/Geophysical support staff
26		Asst. prof. - business admin.
26		Increase equip. & supplies - engineering
26		Foreign faculty exchange
26		Petroleum engineering
26		Associate prof. - elementary ed.
26		Asst. prof. - glaciology
26		Maint. of fine arts theater
26		Asst. prof. - mechanical engineering

100.0	100.0	
45.8	238.3	238.3
(27.7)	(27.7)	
226.1		
75.0		
17.7		
49.2		
35.2		
9.8	9.8	
58.6	58.6	
36.6	36.6	
76.9	76.9	
22.4	22.4	
50.2		
18.3		
64.0		
63.0	63.0	
42.1		
11.6	11.6	
45.3	45.3	
35.9		

Prepared by:
Alison Elgee
Legislative Finance
5-25-81

Hse.	Sen.		House	Senate
26		Exp. mining engineering	~~52.5~~	
26		Summer session courses	282.2	150.0
46	32	Longer library hours	106.1	72.9 (72.9)
	32	Student typewriters		12.0 (12.0)
46	34	Clerk - financial aid office.	26.7	26.7 (26.7)
46	34	Campus recreation program	40.2	80.8 (80.8)
36		EEO/AAO personnel	(48.0)	48.0
36		Admissions & records support staff	~~63.5~~	
36		Assistant Fire Chief	~~43.4~~	
36		Incl. maint. of emergency vehicles	~~36.5~~	
36		UAF info	~~60.5~~	
36		~~Student~~ Recruitment & relocation	65.0	60.0
36		Improved commencement, etc.	~~27.5~~	
42		UAF intercollegiate athletics	~~161.0~~	
42		Hockey tournament (1/2)	62.5	50.0
46		Media services support	~~30.5~~	
46		Admin. supp. for school of Agriculture	~~68.7~~	
46		Library support	~~55.5~~	
46		Expand rare books inventory	~~64.1~~	
	48	School of journalism		260.0 (260.0)
			2277.9	1395.2 (763.0)
<u>UA-Anchorage</u>				
52		Arts & Sciences secretary support	(23.5)	23.5
52		Arts & Sciences program support	(50.0)	50.0
52		Assoc. prof.-bilingual/bicultural ed.	~~42.8~~	
52		School of Ed. secretary	~~25.1~~	
52		Assoc. prof.-bus. & public admin.	~~44.7~~	
52		Assoc. prof.-bus. & public admin.	~~50.1~~	
52		Asst. prof. - sociology	~~35.8~~	
52		Asst. prof. - history	~~35.8~~	
52		Recruitment & relocation	(45.0)	(30.0) (75.0)
60		AAO - secretarial support	~~18.8~~	
60		Improved elevator maintenance	~~25.0~~	
60		Staff development program	~~33.2~~	
60		Custodial staff	~~44.8~~	
66		Hockey tournament (1/2)	(62.5)	50.0
66		Men's & women's skiing	(79.4)	79.4
70		Additional library volumes	(50.0)	50.0
70		Additional library volumes	50.0	
70		Additional library volumes	50.0	
70		Computer search of library materials	(13.8)	13.8
70		WLN acquisitions subsystem	(52.6)	52.6
			815.7	289.3 (75.0)

Shortform
Page No.

Hse. Sen.

General Fund
Changes to
Governor's Budget

House Senate

UA-Juneau

78	78	Ed. Rehab. Studies support cost	10.5	10.5	(10.5)
78		Assoc. prof. - biometrics dept.	(47.7)	47.7	
78		Assoc. prof - speech dept.	(48.8)	48.8	
78		Forest products mgt. & tech. program	(51.6)	51.6	
78		Coop. ed./on-the-job training	~~25.0~~		
78		English faculty position	~~39.0~~		
78		Emergency medical training	~~18.2~~		
78		Fisheries technology program	(46.8)	46.8	
210.5	78	Summer program		18.0	(18.0)
84		Physical plant secretary	~~21.6~~		
84		Mail courier services	(15.6)	15.6	
84		Expanded student recruitment	~~23.0~~		
84		Admin. svcs. training equipment	~~7.5~~		
92		Tech. svcs. librarian	~~19.9~~		
92		Faculty development & training	~~5.8~~		
92		Placement & career counselor	~~37.4~~		
	94	Intercollegiate athletics		500.0	(500.0)
			418.4	739.0	528.5

CC - Statewide Admin.

282	98	Transfer petroleum tech. & expand	343.0	343.0	(343.0)
282		Maintain bldgs. in Kotzebue	(30.6)	30.6	
282		ITV productions	~~115.0~~		
282		ACCFT contract funding	(982.5)	(982.5)	
282		Public Info office	~~23.4~~		
282		Computer output microfiche upgrade	~~8.2~~		
282		Secretary for Vice Chancellor	~~27.2~~		
282		AAO Office	~~44.1~~		
282		Institutional studies office	~~60.4~~		
282		ITV voice to voice contact system	~~150.5~~	71.5	
282		ITV course productions	~~110.8~~	80.8	
			(69.3)		343.0
				(456.6)	

Anchorage CC

284	106	Aviation teachers	72.4	72.4	(72.4)
284		Part-time off-campus instruction	(160.0)	160.0	
284		Vocational course offerings	~~60.0~~		
284		Director & support for learning ctr.	~~73.0~~		
286		Chugiak-Eagle River support staff.	(30.5)	30.5	
286		Chugiak-Eagle River misc. support	(13.0)	13.0	
288		Graphic artist - media services	~~41.7~~		
288		Student recruitment	~~34.0~~		
288		Telephone operators/dispatchers	~~39.2~~		
288		Incl. security - 2 public safety ofcrs.	(68.9)	68.9	
288		Women's Center	(96.5)	96.5	
			689.2	441.3	72.4

Shortform
Page No.

General Fund
Changes to
Governor's Budget

House. Sen.

House Senate

124	124	Chuckchi CC Operational funding	(671.4)	(671.4)	(671.4)
			(671.4)	(671.4)	(671.4)
		Kenai Peninsula CC		0	
	134	New facilities funding	(22.9)	~~22.9~~	(22.9)
290		Upgrade equipment - office occup.	-25.5		
290		Machine repair program	21.4		
290		Energy Tech. program	(7.6)	7.6	
290		Industrial technology	(34.3)	34.3	
290		Expansion of theatrical arts program	-35.2		
290		Computer science instruction	(38.8)	38.8	
292	103.6	Library periodicals	-5.6		
			168.4	80.7	(22.9)
		Ketchikan CC			
294		Marine cadet program	(60.0)	60.0	
	146	Student services director		(51.4)	(51.4)
294		Woodshop & diesel equip. programs	-17.6		
294	600	Part-time academic instruction	-9.9		
296		Venting system for woodshop	-9.0	8.6	
			96.5	~~60.0~~	(51.4)
		Kodiak CC			
	154	Contractual instructional services		165.0	(165.0)
	160	Planning council travel		(3.2)	(3.2)
300	273	Library Aide	(5.4)	5.4	
298		Expand summer program	(21.9)	21.9	
			27.3	189.1	161.8
		Kuskokwim CC			
306	φ	Constitution translation to Yupik	-56.0	0	
			56.0		φ
		Mat-Su CC			
308		Support staff	31.7	31.7	(31.7)
308		Instructional equipment	8.0	8.0	(8.0)
310	φ 186	Counseling center	30.4	30.4	(30.4)
310	186	Catalog & advertising	7.0	7.0	(7.0)
	186	Roof repairs		8.0	(8.0)
			77.1	85.1	85.1
		Northwest CC			
312		Basic skills curriculum	49.0		
312		Word processing & clerical support	40.5		
4	75.8	Library services	(45.8)	45.8	
14		PART-Full-time counselor	300 -51.9	(30.0)	
			187.2		φ
				75.8	

Shortform
Page No.

General Fund
Changes to
Governor's Budget

House. Sen.

House Senate

316 208 Prince William Sound CC
318 486 212 Office occupations teacher
316 Registration Clerk
Welding Instructor

48.6 48.6 48.6
24.1 24.1 24.1
48.6 48.6
121.3 121.3 72.7

320 218 Sitka CC
322 226 Outreach Program
Business Office Accts. Clerk

35.9 35.9 35.9
23.6 23.6 23.6
59.5 59.5 59.5

324 232 Tanana Valley CC
324 Petroleum Tech. transfer to statewide
324 Out of State travel
324 "ESOL" program
324 232 Welding Instructor
326 Personnel Technician

(110.0) (110.0) (110.0)
14.6
32.3
49.4 49.4 49.4
34.2
20.5 (60.6) (60.6)

328 Rural Education
328 Part-time instructional aides
328 Navy computer time
328 Fisheries education
328 325.4 Agricultural instruction
332 Clerk Typist - Dean's office
332 Additional office space
330 Bilingual materials center

49.4 43.8
2.8 7.8
11.2 11.2
12.6 12.6
20.8
28.5
1/2 500.0 250.0
630.3 325.4 0

334 Cooperative Extension Service
334 Energy engineering specialist
334 Expanded fisheries education
334 Bethel - 4H Program
334 Nome home economist
334 285.1 Food preservation training
334 Small farm media program
334 Small scale livestock program
334 Reindeer research agent
254 Kodiak extension agent
254 Food price index
254 Agricultural/Nome Ec. Sitka-Juneau
254 McGrath small scale agriculture
254 Agriculture program - Galena
Rural ag. travel
Rural agricultural assistance

48.0 48.0
61.5 61.5
34.2 34.2
38.1
22.8 22.8
5.0 5.0
21.6 21.6
78.4
68.9 68.9
62.7 62.7
157.0 157.0
75.0 75.0
50.0 50.0
220 309.6 22.0 413.6
70.0 70.0

GRAND TOTAL-----\$5361.9 698.7 1829.4

330.0

ADD:

MAT-Su: Academic/Voc Ag Instruction

230.0

UAF: Alaska Native Language Center

100.0

330.0

1800.0

-189-

fc0606811325

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 6, 1981
1:25 p.m.

FCC-81, #16, Side 1 (455-end)
FCC-81, #16, Side 2 (000-027)

CALL TO ORDER

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

PRESENT

Present were House members Cotten, Rogers, and Montgomery, and Senate members Sackett, Kerttula, and Bennett. Also attending were Director of Budget & Management Ron Lehr; and fiscal analysts Alison Elgee and Jerry Schilz.

UNIVERSITY OF ALASKA

Representative Rogers presented to members a listing of proposed University appropriations, advising that while the University proposes twelve appropriations, the committee has listed thirteen, including the School of Journalism. He formally moved for adoption of thirteen appropriations. No objection having been raised, the appropriation list was approved.

Senator Kerttula moved for adoption of intent language (copy attached) for organized research pertaining to the second year of the University's medical school program. No objection having been raised, the intent was adopted.

Referring to intent relating to legislative additions at the community college level, Representative Rogers moved that intent relating to such additions be approved. No objection having been voiced, the intent was adopted.

Mr. Rogers next directed that staff correct position counts for FY 81 and FY 82.

Senator Bennett announced that the foregoing action concludes committee review of the budget for the University of Alaska; the University budget is now completed and closed.

GENERAL GOVERNMENT

Representative Cotten moved that the committee return to the General Government budget for review of items previously left open.

DEPT. OF ADMINISTRATION

TELECOMMUNICATIONS SYSTEMS - OPERATIONS, p. 69

Representative Rogers read proposed intent stating that "The Dept. of Administration shall submit a feasibility study in the FY 83 budget to plan, design, implement, and operate all Centrex and other telephone related systems--" Senator Kerttula interrupted reading of the intent, advising that he was familiar with the proposed language. Representative Rogers moved for formal adoption of the intent. No objection having been raised, it was adopted.

Representative Cotten moved for adoption of the Governor's total of 10029.6. No objection having been raised, the Governor's figure was adopted.

TELECOMMUNICATIONS SERVICES - PLANNING, p. 71

Representative Rogers read proposed legislative intent that the Department seek alternatives to open-ended state subsidization of T.V. and report to the second session on available alternatives, including combined use of private and public funds, pooling of services and other alternative which would reduce state participation without substantially reducing service. Senator Kerttula suggested additional language to the effect that the legislature is not interested in increasing funding for such programs. He stated that intent should be worded with an "eye to decreasing this category."

Representative Cotten moved for adoption of the Governor's figure of 507.2.

At this point Ron Lehr requested that the committee return to page 69 for inclusion of funding for a needed occasional use transponder.

TELECOMMUNICATIONS SYSTEMS - OPERATIONS, p. 69

Representative Cotten restated prior committee action adopting intent language relating to the state Centrex system as well as the Governor's total of 10029.6. Ron Lehr advised of need for an additional 120.0 for an "occasional use transponder." Representative Cotten moved for re-adoption of intent (Centrex) language proposed by Representative Rogers, the Governor's total of 10029.6, plus the additional 120.0. Senator Sackett objected, advising that he objects to the intent and is in disagreement concerning the "whole question of add-ons." Upon a show of hands, Representative Cotten's motion carried, resulting in a new program total of 10149.6.

OFFICE OF THE COMMISSIONER, p. 57

Responding to a question from Senator Bennett concerning travel funding within the Commissioner's Office, Representative Cotten advised that the previously approved

travel budget for the commissioner's office was set at 25.0, resulting in total funding of 737.3.

TELECOMMUNICATIONS SERVICES - PLANNING, p. 71

Representative Cotten restated the House motion for the Governor's figure of 507.2. Discussion following concerning positions included in the Governor's, House and Senate budgets. Mr. Cotten stated that the House telecommunications expert recommends full funding and advised that House members have "a ton of backup" supporting their stand. Senator Bennett requested that the program remain OPEN for later consideration.

DEPARTMENT OF REVENUE

REVENUE OPERATIONS - AUDIT, p. 153

Senator Sackett advised that repeal of income tax legislation should have resulted in a decrease in the number of Revenue positions. Ron Lehr advised that repeal "wiped out about 33 positions" scattered throughout the Department. He distributed a Department response to previously-asked questions concerning reduction in position numbers, advising that, basically, a proportionate reduction in personnel did not accompany income tax repeal because remaining taxes are more difficult to audit than personal income tax, thus necessitating maintenance of a large portion of Revenue's audit staff. Senator Sackett stated that the legislature had been told there would be a decrease of more than 30 positions as a result of income tax repeal. The Department has not effected promised decreases and has added positions to handle permanent fund distributions. Revenue is now requesting additional positions in the pending budget. The Senator advised that Revenue staff appears to be increasing while Department responsibility is decreasing. Ron Lehr countered that the position count including permanent fund staff has gone from 48 positions down to 32 positions which includes full time positions converted to part time for use in rural areas. Senator Sackett advised that he wished review conducted of all BRU's affected by creation of the permanent fund and income tax repeal. He advised that repeal of the income tax demonstrates that even though programs are cut back, administration is not dramatically reduced. Conducting a brief review of position numbers, Mr. Lehr stated that Enforcement, Audit, and Administrative Services have been reduced, but eliminated positions are scattered throughout the Department. Mr. Lehr advised he would inquire concerning the number of positions eliminated as a result of income tax repeal as well as the number of positions added as a result of the permanent fund.

Representative Cotten advised that this program as well as ENFORCEMENT, p. 157, would remain OPEN for later consideration.

DEBT SERVICE

Representative Rogers inquired as to whether the Senate Bill relating to debt service would impact the budget. Senator Bennett advised that the bill is currently in Senate Rules but would soon be coming to the House.

NATURAL RESOURCES

PARK MANAGEMENT - PARK DEVELOPMENT, p. 81

Representative Cotten advised of additional waysides projects proposed by the House for Senate consideration (copy attached).

RECESS

The meeting was recessed at approximately 1:45 p.m.

FCC-81, #16, Side 1 (455-end)

FCC-81, #16, Side 2 (000-027)

6/6/81

LEGISLATIVE INTENT

ORGANIZED RESEARCH - General University Research

The University shall prepare a plan to institute, at the University of Alaska, a second year of the medical program currently offered. The plan shall be presented to the legislature by January 15, 1982.

6/6/81

PARKS WAYSIDE DEVELOPMENT

DISTRICT 6

(1)	Sheep Crk Rec Site	124.0
(2)	Cottonwood Crk Rec Site	400.0
(3)	Rabbit Slough Rec Site	350.0
(4)	Little Willow Crk Rec Site	500.0
(5)	Willow Cr Rec Site	77.0
	Sub-Total	<u>1,451.0</u>

DISTRICT 13

(1)	Silver King	133.4
(2)	Anchor River Access	245.8
(3)	Morgan's Landing	<u>169.8</u>
	Sub-Total	549.0

TOTAL	2,000.0
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FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 8, 1981
8:40 a.m.

{Tape FCC 81-16, Side 2, #028}

PRESENT

Chairman Cotten called the meeting to order at 8:40 a.m. All members of the Committee were present (Representatives Cotten, Montgomery, Sackett; Senators Bennett, Kerttula, Sackett). Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Elmer Lindstrom, Don Fisher, Bob Grogan and Jerry Schilz, Fiscal Analysts, Division of Legislative Finance.

ALL BUDGET CATEGORIES

Chairman Cotten briefly discussed the remaining open areas in the budget.

Chairman Cotten moved a ZERO figure for Debt Service. There was no objection.

TRANSPORTATION BUDGET CATEGORY

Planning & Programming, p 211-225: Chairman Cotten moved this be "Freemanized" at 85% full funding. There was no objection.

ADJOURNMENT

Chairman Cotten advised the meeting would recess until after the Joint Session this afternoon at 2:00 p.m. The meeting adjourned at 8:45 a.m.

FCC 81-16, Side 2, #028 - #123

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 10, 1981
1:45

{Tape FCC 81-16, Side 2, #123}

PRESENT

Chairman Cotten called the meeting to order at 1:45 p.m. All members of the Committee (Representatives Cotten, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett) were present, except Senator Kerttula. Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Alison Farnan, Administrative Aide to Senator Kerttula; Bob Schroeder, Alison Elgee, Don Fisher, Bob Grogan and Jerry Schilz, Fiscal Analysts, Division of Legislative Finance.

PUBLIC PROTECTION BUDGET CATEGORY

DEPARTMENT OF LABOR--Occupational Safety & Health, p 19:
Chairman Cotten moved to reduce by 1/3 the Governor/House/Senate figures. Bob Schroeder suggested it be roughly proportioned. Representative Rogers moved a new total figure of \$1,687.0, breakdown as follows, without objection:

<u>Federal Receipts</u>	-	\$891.8
<u>General Fund Match</u>	-	744.5
<u>General Fund</u>	-	50.7

DEPARTMENT OF LAW--Office of Consumer Protection, p 3:
Representative Montgomery moved to add \$65.0 for automobile fraud. There was no objection.

Chairman Cotten advised the only areas still OPEN in the PUBLIC PROTECTION BUDGET are Highway Safety Planning, p 101, and Debt Service.

UNIVERSITY OF ALASKA BUDGET CATEGORY

UA-Juneau, p 78-94: Representative Rogers requested these pages be reopened for an amendment (see Attachment). Using the Senate figures as base, he moved to reduce Intercollegiate Athletics by \$500.0 and reallocate as per the amendment. There was no objection.

At this time, Chairman Cotten called attention to the Governor's budget amendment (GBA) relating to D-2 lands. He said the question is whether it should be in the operating or capital budget. Ron Lehr indicated it would probably be preferable to include it in the operating budget with INTENT that it not lapse--\$6,000.0/operating; \$5,000.0/continuation level = \$11,000.0 total.

GENERAL GOVERNMENT BUDGET CATEGORY

Chairman Cotten advised the Legislature is the only area left OPEN.

PUBLIC PROTECTION BUDGET CATEGORY

DEPARTMENT OF PUBLIC SAFETY--Highway Safety Planning Agency, p 101: Senator Bennett requested the Committee return to this page. Alison Farnan explained Senator Kerttula's INTENT that will carry forward federal receipts in grants, adding \$90.2 in general fund to the Senate figure for positions and related costs--new total figure \$1,819.5. Representative Rogers moved the figure. There was no objection.

ADJOURNMENT

The meeting adjourned at 2:00 p.m.

Tape FCC 81-16, Side 2, #123 - #369

Rogers

Accepted

UNIVERSITY OF ALASKA - Juneau

Page No.

78	Vocational Ed. M.S. Program	50.0 -
"	Travel & Recreation Mgmt. Program	46.8
"	Ed. Rehab. Studies Support Cost	10.5
"	Assoc. Prof. - Biometrics Dept.	47.7
"	Assoc. Prof. - Speech Dept.	48.8
"	Forest Products Mgmt. & Tech. Program	51.6
"	Coop. Ed./On-The-Job-Training	16.7 -
"	English Faculty Position	39.0
"	Emergency Medical Training	18.2
"	Fisheries Technology Program	46.8
"	Summer Program	18.0
84	Physical Plant Secretary	21.6
"	Mail Courier Services	15.6
"	Expanded Student Recruitment	23.0
"	Admin. Svcs. Training Equipment	7.5
92	Tech. Svcs. Librarian	19.9
"	Faculty Development & Training	5.8
"	Placement & Career Counselor	37.4
94	Intercollegiate Athletics	214.1
		<u>739.0</u>

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)

June 17, 1981
1:45 p.m.

{Tape FCC 81-16, Side 2, #369}

PRESENT

(Following a reorganization of the House of Representatives on June 12, 1981, Representative Adams replaced Representative Cotten as chairman of the Free Conference Committee on the Budget.)

Chairman Adams called the meeting to order at 1:45 p.m. All members of the Committee (Representatives Adams, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett) were present. Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Jay Hogan, Director, and Bob Grogan, Alison Elgee, Don Fisher, Elmer Lindstrom, Jerry Schilz and Bob Schroeder, Fiscal Analysts, Division of Legislative Finance.

During his introductory comments, Chairman Adams outlined his proposed budget schedule.

SOCIAL SERVICES BUDGET CATEGORY

DEPARTMENT OF HEALTH & SOCIAL SERVICES--Program Services, Youth Services, p 49: Jerry Schilz explained the House/Senate differences. Senator Sackett suggested a new total figure of 12,378.1, which represents the Senate figure with the following additions:

Palmer	- \$ 70.0
Anchorage	- 350.0
Fairbanks	- 59.0
Fairbanks Native Assn	- 100.0

Senator Bennett so moved. There was no objection. Chairman Adams noted these additions would be placed under municipal grants.

Social Services, Designated Grants, p 83: Senator Bennett moved the Senate figure of \$251.7 plus 159.3/St. Paul Island and 149.8/Fairbanks Crisis Line--new total 360.8. There was no objection.

Adult & Aging Services, Domestic Violence, p 97: Senator Bennett moved the Senate figure of 13,444.0. There was no objection.

Contract Services-Mauneluk, p 85: Chairman Adams moved the Senate figure of \$11,055.1. There was no objection.

Aging Grants, p 105: Senator Sackett moved an additional \$6.0/Tok Senior Citizen Center rent and \$225.0/Tanana Residential Center. Senator Kerttula moved \$48.9/OPEG Senior Citizen Action Group. Representative Montgomery moved \$10.0/White House Conference on Aging. There was no objection to the new total of \$17,874.7.

DEPARTMENT OF LABOR--Commissioner's Office, p 143: Representative Rogers moved the Lobbying INTENT. There was no objection.

Administrative Services, Designated Grants, p 153: Senator Bennett moved the Senate figure of \$254.8. There was no objection.

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS--Child Assistance, Designated Grants, p 175: Chairman Adams moved to add \$80.0 (House) to the Senate figure--new total \$657.0. There was no objection.

Chairman Adams pronounced the SOCIAL SERVICES BUDGET unofficially closed.

HEALTH BUDGET CATEGORY

DEPARTMENT OF HEALTH & SOCIAL SERVICES--Contract Services-Mauneluk, p 13: Senator Bennett moved the Senate figure of \$993.1. There was no objection.

Child & Family Health, Special Education Grants, p 43: Representative Montgomery moved the House figure of \$1,455.3. There was no objection.

Child & Family Health, Designated Grants, p 45: Senator Bennett moved the Senate figure of \$112.7. There was no objection.

Public Health Administration, Grant to GAAB, p 59: Senator Bennett moved the Senate figure. Representatives Rogers and Montgomery objected. Representative Montgomery moved the House figure of \$1,326.1. There was no objection.

Public Health Administration, Anchorage Programs/Handicapped, p 61: Senator Bennett moved \$80.0/new Fairbanks project--new total \$700.9. There was no objection.

RECESS

(Chairman Adams called a recess at 2:20 p.m. and reconvened the meeting at 2:30 p.m.)

Public Health Administration, Designated Grants, p 63: Representative Montgomery moved a new total figure of \$286.9, eliminating \$100.0/Health Care Advocates. Representative Rogers and Senator Kerttula objected. The question was called for, and the motion PASSED (4 in favor; Rogers opposed).

Emergency Medical Services, Designated Grants, p 73: Senator Sackett moved the figure \$133.6, representing the addition of \$80.0/YKHC. There was no objection.

General Relief Medical, Catastrophic, p 99: There was discussion of the Governor's new request for revised and expanded programs. Senator Bennett moved that figure--\$1,980.2. There was no objection.

Public Assistance Admin/Collect, Administration, p 105: Chairman Adams moved the House figure of \$1,943.5. There was no objection.

Alcohol & Drug Abuse, Alcohol Abuse Grants, p 115: Senator Bennett moved the Senate figure. Chairman Adams objected and moved the House figure minus \$507.9/Mauneluk--new total \$15201.7--and change INTENT from City of "Selawik" to "Akukliak". Chairman Adams then stated this would be HELD OPEN.

Senator Bennett moved the Senate figures for the following, without objection:

Community MH Services-Grants, p 133--\$4,178.4
Governor's Council/Handicapped, p 141--\$299.1

Community DD Services, Community Services, p 147: Senator Bennett moved the Senate figure plus an additional request. Chairman Adams objected. There was discussion of Independent Options Now and the PAD program. Senator Bennett then moved the Senate figure plus \$37.0/Juneau Hospice--new total \$4,358.6. There was no objection.

SHPDA, State Health Planning Committee, p 173: Representative Montgomery moved INTENT by Representative Bierne that "if you are a recipient of the State, do not use that money to sue the State." There was no objection.

SHPDA, Health Clinics, p 177: Senator Bennett moved the Senate figure. Chairman Adams moved to add \$165.0/Lower Yukon District Health Center. Senator Sackett moved an additional \$37.0/Galena. There was no objection. New total--\$942.0.

Mr. Schilz recommended adoption of the amendment that federal funds come in as block grants--no new money--\$109.0 general fund. Chairman Adams so moved. There was no objection.

Chairman Adams advised only p 115 remains OPEN.

ADMINISTRATION OF JUSTICE BUDGET CATEGORY

DEPARTMENT OF LAW--Criminal Justice Planning Agency, Planning, p 41: Senator Bennett moved the House/Senate figure. Chairman Adams objected for purposes of discussion. Mr. Lehr requested \$300.0 to maintain crime statistics program report and support for the various data process systems, which should be moved to p 29. Senator Bennett moved an amended figure of \$298.5/general fund, \$119.7/federal funds (total \$418.2) be transferred to p 29, Prosecution, Admin & Support. There was no objection.

DEPARTMENT OF HEALTH & SOCIAL SERVICES--Adult Probation & Community Programs, Adult Probation 4th Judicial District, p 83: Bob Schroeder pointed out the new total figure should be \$657.0, correcting a Schroeder error. He gave the new line item figures. There was no objection.

Adult Probation & Community Programs, Community Based Programs, p 85: Representative Montgomery moved to add \$385.0/Treatment Alternative to Street Crimes (IASC) under Contractual--new total \$2,052.7. There was no objection.

DEPARTMENT OF PUBLIC SAFETY--Crime Ident & Apprehension, Detachments & CIB, p 123: Representative Rogers suggested adding \$62.8/North Pole for an investigator. Chairman Adams moved the House figure. Senator Bennett objected and moved the Governor's 16 new positions plus the Senate figure--total \$18,917.5. Representative Rogers noted the transfer in of \$730.9/Dalton Highway funds--new total \$19,648.4. Mr. Schroeder recapped the Committee's motion: The Governor's plus the five Senate positions plus GBA #213 plus \$730.9 transferred from p 147 (Dalton Highway Operations). The Committee concurred. Mr. Schroeder will supply new figures.

Crime Ident & Apprehension, Narcotics Unit, p 125: Chairman Adams moved the Senate figure of \$1,578.1. There was no objection.

Crime Ident & Apprehension, Laboratory Services, p 127: Representative Rogers moved the House/Senate figure of \$635.2. There was no objection.

DEPARTMENT OF HEALTH & SOCIAL SERVICES--Corrections Admin & Support, Director's Office, p 91: Chairman Adams moved an additional \$350.0/University Within Walls (recommended by the House Task Force on Violent Crime). Representative Rogers moved Senator Bennett's INTENT. There was no objection.

TASK FORCE ON VIOLENT CRIME, p 163-179: Chairman Adams moved the House figures. Senator Kerttula objected. Chairman Adams then requested this be HELD OPEN. There was no objection.

TRANSPORTATION BUDGET CATEGORY

DEPARTMENT OF TRANSPORTATION--M & D Admin & Support, Safety & Security, p 25: Chairman Adams moved the Governor's figure of \$740.8. There was no objection.

Central Region M & D Equipment Fleet, p 39: Senator Kerttula moved Equipment INTENT. There was no objection.

Harbor Design & Construction, Operations, p 187: Chairman Adams moved the Senate figure of \$477.1. There was no objection.

Planning & Programming, Administration, p 211: Chairman Adams moved the House figure of \$1,957.0. There was no objection.

Planning & Programming, p 213-215: Representative Rogers moved the House figures for the following, without objection:

Central Transportation Planning - \$1,573.3

Central Facilities Planning - \$721.8

Jay Hogan referred to INTENT regarding the transfer over of Valdez and suggested adding an additional sentence that annual work programs be available for next year's budget. The Committee concurred.

Mr. Lehr commented on the House's motion to "Freemanize" funding at 85%. He strongly urged full 100% funding with direction/intent to Planning. Otherwise, he said, "We are put in a box of totally ignoring or cutting back."

Senator Sackett moved the three INTENTS (drafted by Senator Kerttula and Mr. Hogan). There was no objection.

Central Region M & D Highways, p 35: Senator Kerttula brought up a request for \$500.0/Phase III Whittier Access Road by Senator Colletta. Representative Montgomery moved this be added. There was no objection.

RECESS

(Chairman Adams called a recess at 3:30 p.m. and reconvened the meeting at 3:50 p.m.)

EDUCATION BUDGET CATEGORY

DEPARTMENT OF EDUCATION--Financial Support-Districts, NW Arctic REAA Postsecondary Projects, p 43: Chairman Adams moved the House/Senate figure of \$889.8. Representative Rogers objected for purposes of discussion. He referred to INTENT Representative Montgomery had requested that the Department provide a report. Representative Montgomery indicated he may move that INTENT at a later time. The figure was adopted.

Administrative Program Support, Finance & Management Services, p 69: Representative Rogers moved INTENT that "the Department shall provide accurate and timely information to the Division of Finance." There was no objection.

K-12 Education Program Support, Designated Grants, p 85: Senator Bennett moved the Senate figure. Chairman Adams moved \$250.0 for national bilingual program. Senator Bennett objected. Chairman Adams moved the \$116.3/Alaska State Advisory Council on Vocational & Career Education be transferred to p 77. There was no objection. The Committee HELD this OPEN.

Executive Administration, Planning Info & Research, p 91: There was discussion on the request by the Governor's Task Force on Effective Schooling. Alison Elgee explained this is a two-phase implementation program, and the FY 83 request will be the last one. Chairman Adams moved the House figure. Senator Sackett moved to add \$11.2 to the House figure--bringing the total to the Senate figure of \$1,198.9. There was no objection.

Executive Administration, Instructional Television, p 95: Representative Adams stated Representative Montgomery moved \$750.0/ITV, \$375.0/Grants for equipment and \$150.0/Nena Pilot Project--new total \$2,191.0--which does not include Capital '82. There was no objection.

Executive Administration, Designated Grants, p 97: Senator Sackett moved the Senate figure. Chairman Adams objected and moved to decrease this by \$100.0/Native Coalition Task Force--new total \$280.6. There was no objection.

Boards, Commissions & Associations, Designated Grants, p 107: Representative Rogers moved an addition to the INTENT/"Cultural Facilities Development Committee for Operations and Economic Impact of Arts in Alaska Study." There was no objection. Chairman Adams moved to include \$30.0/City of Juneau for First American Emphasis Week--new total \$505.0. There was no objection.

Adult & Postsecondary Support, Adult Basic Education, p 111: Chairman Adams moved the Governor's figure plus 1/2 of each of the Senate additions--new total \$3,343.6. There was no objection.

Adult & Postsecondary Support, Youth Employment Services, p 121: Senator Kerttula moved \$51.0/Anchorage Painters Union Training Project and \$150.0/Kosbuk Aviation (request by Senator Hohman). There was no objection. Representative Rogers moved the Senate figure as base plus \$300.0/Alaska Aviation Safety, \$79.0/Anchorage ABE, \$75/Anchorage Literacy Council and \$108.9/Rural ABE. There was no objection. New total \$1,988.5.

Alaska Postsecondary Commission, Scholarship Loan Admin., p 135: Representative Rogers noted Senator Kerttula requested \$20.0/Contractual for Outreach Program and moved the House figure \$1,274.5. There was no objection.

Alaska Postsecondary Commission, General Administration, P 139: Chairman Adams moved to add \$66.4/Contractual for Coast Transfer Guide plus the Senate figure and INTENT--new total \$1,334.4. There was no objection.

Alaska Arts Council, Admin & Support, p 173: Senator Kerttula moved the House figure. Senator Bennett objected and moved the Senate figure. Chairman Adams objected and requested this be HELD OPEN. There was no objection.

Alaska Arts Council, Designated Grants, p 179: Representative Montgomery recommended this be transferred to p 173. Senator Sackett objected. Senator Bennett moved the Senate figure. Representative Montgomery requested this be HELD OPEN. There was no objection.

Museums, Designated Grants, p 189: Senator Kerttula moved the Senate figure of \$413.0. There was no objection.

State Library, Regular Operations, p 193: Senator Bennett moved the Senate figure of \$3,117.8. There was no objection. Representative Rogers moved the House/Senate INTENT. There was no objection.

State Library, Designated Grants, p 197: Representative Rogers moved the Senate figure plus \$10.0/Tri-Valley and \$46.1/None Library. Senator Sackett moved \$165.0/WWII Relocation of Aleut Residents to Community & Regional Affairs. There was no objection. The new total figure of \$522.2 was adopted.

K-12 Education Program Support, Designated Grants, p 85: Chairman Adams restated his motion to add \$250.0/National Bilingual Material Development Center and that this be HELD OPEN. There was no objection.

K-12 Education Program Support, Career & Vocational Education, p 77: Representative Rogers moved \$160.0/Alaska Career Information System under Miscellaneous. Senator Bennett objected and requested this be HELD OPEN. There was no objection.

Public Broadcasting Commission, p 183: Representative Rogers stated the House figure was accepted. He moved to add \$100.0/Alaska Revue. Senator Sackett objected. The question was called for, and the motion FAILED (Rogers in favor; 4 opposed).

Foundation Program Components, Student Admin Support, p 6:

Noting this was reduced to 3/4% funding by the House.

Representative Montgomery moved to restore 100% full funding, as enacted in SB 199 last year, because the 52 school districts based their budgets on full funding, and this reduction would severely impact them. Representative Rogers objected. The question was called for, and the motion PASSED (Montgomery, Adams, Kerttula in favor; Rogers opposed). The Senate (full funding) figure of \$256,912.9 was adopted.

ADJOURNMENT

Chairman Adams announced the Committee would meet tomorrow at 7:00 a.m.. The meeting adjourned at 4:30 p.m.

Tape FCC 81-16, Side 2, #369 - End
FCC 81-17, Side 1, #001 - End
Side 2, #001 - End
FCC 81-18, Side 1, #001 - #284

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HS 50)
June 18, 1981
7:10 a.m.

[Tape FCC 81-18, Side 1, #284]

PRESENT

Chairman Adams called the meeting to order at 7:10 a.m. All members of the Committee (Representatives Adams, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett) were present. Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Jay Hogan, Director, and Bob Grogan, Elmer Lindstrom, Alison Elgee, Jerry Schilz and Don Fisher, Fiscal Analysts, Division of Legislative Finance.

NATURAL RESOURCES MANAGEMENT BUDGET CATEGORY

DEPARTMENT OF NATURAL RESOURCES--Management & Administration, Designated Grants, p 97: Chairman Adams moved the House figure. Senator Sackett objected and moved to amend to the Senate figure of \$524.8. There was no objection.

Forest Management, Fire Protection/Suppression, p 133: Representative Rogers moved the House/Senate figure plus an additional \$140.0/Personal Services--96 seasonal employees to extend the season by one month--new total \$3,128.1. There was no objection.

Resource Inventory/Assessment, Geological Investigations/Mapping, p 145: Senator Kerttula moved the Senate figure of \$530.5. There was no objection.

Resource Inventory/Assessment, Geological Hazard Identification, p 147: Representative Rogers stated there was a request by Representative Smith for a seismologist position/\$85.0, and the Senate objected. Representative Rogers withdrew his request and moved the House/Senate figure of \$418.2. There was no objection.

Park Operations, Park Design/Development, p 159: Senator Kerttula moved the Senate figure. Representatives Adams and Rogers objected. Representative Adams moved the House figure plus 1/2 the Senate additions--total \$1,294.5--as follows:

\$249.4/Lower Chatanika Wayside Development
\$377.5/Quartz Lake Wayside Development
\$150.4/Clearwater Wayside Development
\$175.0/Independence Resort & Ski Area

Representative Rogers moved \$49.9/Park Planner II. There was no objection. Senator Kerttula moved to add \$75.0/State Mansion to the House proposal for Independence Resort (\$250.0). There was no objection. Representative Montgomery moved \$72.1/Hillside Access in Southeast Anchorage. There was no objection. Representative Rogers moved \$133.4/Silver King Wayside in Anchor Point. Chairman Adams objected. Representative Rogers withdrew his motion. There was no objection to the new total figure of \$1,491.5.

Ron Lehr requested an extended lapse date. Representative Rogers moved INTENT that the amount under Grants & Claims lapse into the general fund on June 30, 1983. There was no objection.

DEPARTMENT OF FISH & GAME--FRED, Operations, p 195: Senator Kerttula moved \$97.0/Prince William Sound Refertilization Project. Chairman Adams moved to accept the Senate figure plus a set of eight add-ons, including the Prince William Sound refertilization project. Representative Rogers moved the House add-ons plus \$875.0/Fish Marking & Recovery. The Committee adopted the total figure \$10,803.4.

FRED, Administration, p 197: Representative Rogers moved the House figure of \$1,191.3. There was no objection.

Administration & Support, Designated Grants, p 209: Chairman Adams moved to accept the House figure, minus the \$100.0/Lower Yukon/Kuskokwim Aquaculture Association, plus \$19.1/Bristol Bay OCS and \$100.0/Bristol Bay Aquaculture Association, and the following Senate additions:

\$40.0/Alaska Zoo Operating Grant
\$5.3/Gustavus Wildlife Studies
\$73.4/Fish Waste Utilization Project

There was no objection to the new total of \$1,305.7.

Subsistence Section, p 231: Chairman Adams moved the Senate figure plus \$31.6/Personal Services--new total \$1,376.0. There was no objection.

DEPARTMENT OF PUBLIC SAFETY--Fish & Wildlife Protect/Enforce, Enforcement, p 255: Senator Bennett moved the Senate INTENT. There was no objection.

Fish & Wildlife Protection, p 257-259: Chairman Adams moved the Senate figures for the following, without objection:

Director's Office - \$756.2
Aircraft Section - \$991.2

DEPARTMENT OF ENVIRONMENTAL CONSERVATION--Administration, Office of the Commissioner, p 295: Senator Kerttula moved the House figure. Chairman Adams objected. Senator Kerttula moved the Senate figure. Representative Rogers moved to add \$140.2/Petrochemical Project Manager. Representative Montgomery objected. The motion FAILED on a voice vote. Representative Rogers moved the Senate CIP and Lobbying INTENT. There was no objection. The Senate figure of 1825.2 was adopted.

Administration, Designated Grants, p 301: Senator Bennett moved the Senate figure of \$150.0. Senator Kerttula moved \$208.0/Water and Sewer Housing Program. Chairman Adams objected. The Senate figure was adopted.

STATE BOND COMMITTEE--Debt Service, p 335: The Senate 1-0 figure was adopted.

RECESS

Senator Kerttula requested a recess. Chairman Adams called a recess at 7:53 a.m. and reconvened the meeting at 8:12 a.m.)

DEVELOPMENT BUDGET CATEGORY

Chairman Adams stated it is his intent to reduce the following pages:

OFFICE OF THE GOVERNOR--Coastal Zone Management, p 5

DEPARTMENT OF ADMINISTRATION--Alaska Energy Center, p 7

DEPARTMENT OF REVENUE--Alaska Renewable Resources Corp, p 9

He advised the Minority will caucus and report back to the Committee at the meeting this afternoon. Senator Bennett stated the Senate intent to zero out these pages. These areas were HELD OPEN.

DEPARTMENT OF REVENUE--Shared Taxes, Municipal Assistance, p 13: Chairman Adams moved the Senate figure. Representative Rogers objected. The motion PASSED on a voice vote.

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT--Economic Enterprise, Commercial Fisheries Development, p 43: Representative Rogers moved the House figure. Senator Kerttula objected. Representative Rogers withdrew his motion. Chairman Adams moved the Senate figure plus the following grants--new total \$1,572.7--without objection:

\$250.0/Bering Sea

\$350.0/Alaska Native

\$200.0/AVCP

\$10.0/Miscellaneous, Office of Commercial Fisheries

Representative Rogers moved his INTENT (see Attachment). There was no objection.

Economic Enterprise, Designated Grants, p 47: Senator Kerttula moved \$90.0/Mat-Su Borough. There was no objection. Representative Rogers moved \$250.0/NBE Service Center, Management & Technical, similar to Senate capital budget item. Representatives Montgomery and Adams objected. Representative Rogers moved \$500.0/Tanana Chiefs. Senators Bennett and Kerttula objected. Chairman Adams moved \$307.7/Alaska Economic Development Forum plus Senator Kerttula's request. There was no objection.

ADJOURNMENT

The meeting adjourned at 8:20 a.m.

Tape FCC 81-18, Side 1, #284 - End
Side 2, #001 - #401

Rogers
INTENT

DEVELOPMENT - Pg. 42

Legislative Intent for Fisheries Extension Services/Technical Assistance Grants/Fishermen's Loan Funds

Legislative Intent:

The Grants/Claims line item allocation includes \$700,000 in grants for fisheries extension services and technical assistance to the commercial fishing industry with respect to developing commercial and underutilized fish species in the Arctic-Yukon-Kuskokwim commercial fishing management region and \$600,000 for commercial fishermen's loans through the Alaska Native Foundation Fishermen's Loan Program.

Legislative Intent:

The Misc. line item allocation includes \$10,000 in order that the Division of Economic Enterprise, Office of Commercial Fisheries Development shall oversee the implementation of the programs for which the grants for fisheries extension services/technical assistance/Fishermen's Loan Funds are made and for the purpose of preparing a proposed organizational plan for facilitating the growth of the commercial harvest of developing and underutilized fish species in western and arctic Alaska.

FREE CONFERENCE COMMITTEE
ON THE BUDGET
(HB 50)
June 19, 1981
7:15 a.m.

{Tape FCC 81-18, Side 2, #401}

PRESENT

All members of the Committee (Representatives Adams, Montgomery, Rogers; Senators Bennett, Kerttula, Sackett) were present. Also in attendance: Ron Lehr, Director, Division of Budget and Management, Office of the Governor; Elmer Lindstrom, Don Fisher, Bob Grogan and Jerry Schilz, Fiscal Analysts, Division of Legislative Finance.

DEVELOPMENT BUDGET CATEGORY

OFFICE OF THE GOVERNOR--Coastal Zone Management, p 5: Chairman Adams moved the Governor's figure of \$4,910.0, with the three INTENTS. There was no objection. Senator Bennett moved an amendment to transfer this to Community & Regional Affairs. There was no objection.

DEPARTMENT OF ADMINISTRATION--Alaska Energy Center, p 7: Representative Rogers moved \$600.0, to allow them to wind down operations. Representatives Adams and Montgomery objected. Discussion followed. The question was called for, and the motion FAILED (voice vote). Representative Montgomery moved the Senate figure of ZERO, with Phase Out INTENT, as suggested by Chairman Adams. Representative Rogers objected. The question was called for, and the motion PASSED (voice vote).

DEPARTMENT OF REVENUE--Alaska Renewable Resources Corporation, p 9: Representative Rogers stated ARRC is scheduled for sunset review this year. He expressed concern with zeroing this, out because it would seriously impact the fishing industry. He moved the House figure with INTENT the sunset review process provide the 1982 Legislature with recommendations on how to handle the assets and responsibilities of ARRC. Representatives Montgomery and Adams objected. Representative Montgomery favored a zero figure with appropriate INTENT. Representative Rogers maintained his objection, calling this irresponsible action.

(The Senate members conferred briefly.)

Senator Bennett moved to reduce Contractual by \$500.0 and requested Ron Lehr explain. Mr. Lehr indicated ARRC will need capital during the interim. He recommended \$20,000.0 from last year's capital budget be split into two appropriations--\$18,000.0 to lapse June 30, 1981, and \$2,000.0 to lapse June 30, 1982, with INTENT that those funds can only be used for existing projects

approved by the Governor--no new projects. Representative Rogers again expressed concern with severe dislocation and suggested the budget be higher with INTENT that no new applications be accepted after July 1.

Senator Bennett moved the figure \$1,496.4 with the Phase Out INTENT--no new positions. The question was called for, and the motion PASSED (voice vote). Chairman Adams and Senator Bennett to work out INTENT language.

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT--Economic Enterprise, Designated Grants, p 47: Senator Bennett moved the Senate figure with the addition of \$90.0/Mat-Su--new total \$1,347.0. Representative Rogers objected. The figure was adopted.

Loan Fund Administration, 49: Representative Rogers moved additional \$215.9/5 new positions, as detailed in handout. There was no objection to the new total of \$1,476.2.

Tourism, Operations, p 61: Senator Kerttula requested Personal Services be increased \$75.0/1 new position to administer grants. Representative Rogers moved the House figure. Chairman Adams and Senator Bennett objected. Senator Bennett requested this be HELD OPEN. There was no objection.

Energy & Power Development, Energy Administration, p 67: Chairman Adams moved the Senate figure of \$341.8. Representative Rogers moved the House figure. Representative Montgomery objected. The question was called for, and the Senate figure was adopted.

Agricultural Action Council, p 83: Senator Sackett moved the House figure. Representative Rogers objected. Senator Bennett moved the Senate figure of \$385.7. There was no objection.

Foreign Offices, Asian Office, p 87: Representative Rogers moved the Senate figure of \$477.3. There was no objection.

Foreign Offices, European Office, p 89: Representative Rogers moved the House/Senate figure. Representative Montgomery objected. The question was called for, and the motion FAILED (voice vote). Senator Kerttula moved a ZERO figure. The question was called for, and the motion PASSED (voice vote).

Office of the Commissioner, Film & Television Section, p 93: Representative Rogers moved the House figure. Senator Bennett objected and moved the Senate ZERO figure. Chairman Adams objected, then withdrew his objection. The Senate figure was adopted.

DEPARTMENT OF NATURAL RESOURCES--Agricultural Management, Designated Grants, p 107: Senator Bennett moved the Senate figure. Representative Rogers moved to amend this by adding \$1.9/Ninilchik State Fair and \$78.4/Nome, then withdrew his

motion and moved the Senate plus the House figures. Chairman Adams and Senator Bennett objected. Senator Bennett restated his motion to accept the Senate figure.

Representative Rogers objected and moved the figure \$47.3, which includes Ninilchik, \$25.0/Nome/St Lawrence Island Reindeer and \$20.4/Mauneluk Trade Fair. There was no objection.

Agricultural Management, Director's Office, p 105: Senator Sackett requested this be reopened to transfer in \$240.0/Nome Reindeer Range Survey and \$41.1/Nome Reindeer Slaughter Plant from p 107. There was no objection.

Agricultural Management, Ag Research/Extension Svcs, p 101: Senator Kerttula moved \$30.0/Copper River Soil Survey. There was no objection to the new total \$743.1.

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS--Local Government Assistance, Training, Development & RDA, p 133: Senator Bennett moved the Senate figure of \$1,042.3. There was no objection.

Administration, Office of the Commissioner, p 155: Representative Rogers moved the House figure. Senator Bennett objected. Mr. Lehr suggested CZM be transferred to this page. Chairman Adams so moved. There was no objection.

Senator Bennett moved the Senate figure. Chairman Adams moved the Senate figure plus \$75.0/Borough Study transferred in from p 137--new total \$436.9. There was no objection. Representative Rogers moved each of the House add-ons, and each was voted down. Representative Rogers moved the Senate CIP and Lobbying INTENT. There was no objection. Senator Kerttula moved the language be changed to "Borough Alternative Study". There was no objection.

Administration, Administrative Services, p 157: Representative Rogers moved the Senate figure of \$1,030.6. There was no objection.

Administration, Designated Grants, p 161: Senator Bennett moved the Senate figure. Representative Rogers objected. Chairman Adams moved to delete \$1,194.3/Anchorage Community Development Corp and add \$269.0/Alaska Eskimo Whaling Commission/Inupiat Marine Science--new total \$2,144.6. Representative Rogers objected. The question was called for, and the motion PASSED (voice vote).

Representative Rogers moved \$35.0/SE Alaska Troll Fish. The question was called for, and the motion FAILED (3-3). Representative Rogers moved \$350.0/Alaska Legal Services with INTENT. Representatives Adams and Montgomery objected. The question was called for, and the motion FAILED.

MUNICIPAL GRANTS (AS 37.05.315)--ED 1 Ketchikan, Craig/Borough Study, p 165: Senator Bennett moved the Senate figure of \$129.0. There was no objection.

ED 7-12 Anchorage, Anch-Fed Community Councils, p 167: Senator Bennett moved the House ZERO figure. There was no objection.

ED 7-12 Anchorage, Spenard-Neighborhood Housing, p 169: Senator Bennett moved the Senate figure. Representative Rogers objected and moved the House figure of \$100.0. There was no objection.

ED 17 Bethel-Lower Kuskokwim, Cheforak-Energy Reconnaissance, p 171: Senator Bennett moved the Senate figure of \$65.0. There was no objection.

ED 21 Barrow-Kotzebue, Kiana/Survey & Platting, p 173: Senator Bennett moved the Senate figure of \$35.0. There was no objection.

ED 21 Barrow-Kotzebue, Kotzebue/Maritime Study, p 175: Senator Bennett moved the House figure of \$25.0. There was no objection.

ED 22 Nome-Seward Peninsula, Deering/Survey & Platting, p 177: Senator Bennett moved the Senate figure of \$17.5. There was no objection.

ED Nome-Seward Peninsula, Nome/Survey & Platting, p 179: Senator Bennett moved the Senate figure of \$210.0. There was no objection.

Fairbanks North Star Borough, Arctic Winter Games 1982, p 181: Senator Bennett moved the Senate figure. Chairman Adams objected. Representative Rogers supported the Senate figure. The question was called for, and the motion FAILED (3-3). Representative Montgomery moved a ZERO figure. Senator Bennett objected. The question was called for, and the motion PASSED (4-2).

Mr. Lehr distributed a handout on Bottom Fish/\$5,756.0/Community & Regional Affairs and explained this is expansion and continuation of the capital budget item and should go on p 43. Representative Montgomery moved the figure. The question was called for, and the motion FAILED (3-3). Senator Sackett requested this be HELD.

RECESS

(Chairman Adams called a recess at 8:10 a.m. and reconvened the meeting at 8:45 a.m.)

Chairman Adams moved the figure 3,200.0/Fairbanks North Star Borough, p 181. There was no objection.

GENERAL GOVERNMENT BUDGET CATEGORY

OFFICE OF THE GOVERNOR--Executive Operations, Executive Office, p 3: Representative Rogers moved the figure \$3,803.1, which includes Governor's revised full-funding and \$30.0/Boys' and Girls' State. Mr. Lehr stated he knows for a fact the Governor

did not want that legislative addition. Representative Rogers withdrew his motion, then moved the Governor's figure of \$3,773.1.

Mr. Lehr suggested Senator Kerttula's request to transfer \$100.0/International Fisheries Division, Department of Fish & Game, NATURAL RESOURCES MANAGEMENT BUDGET should go here. Senator Kerttula so moved--new total \$3,873.1. Senator Bennett requested this be HELD OPEN.

Executive Operations, Special Projects Coordinator, p 7: Representative Rogers moved the Senate figure of \$596.7. There was no objection.

Executive Operations, Lieutenant Governor, p 17: Senator Bennett moved the Governor's figure of \$789.8. There was no objection.

Executive Operations, DPDP, p 21: Representative Rogers moved the Governor's figure of \$2,201.2. There was no objection.

Executive Operations, p 23 & 31: Senator Bennett moved the Senate figure (\$0) plus the Governor's figure for the following, without objection:

Growth Policy Council - \$183.0

Council of Economic Advisors - \$250.0

Office of the Governor, Alaska Land Use Council, p 35: Senator Bennett moved the Senate figure (\$0) plus the Governor's adjusted figure of \$359.1. Mr. Lehr noted the \$6,100.0/0-2 lands implementation would go here. Senator Bennett moved the figure \$11,480.1. Representative Rogers moved a new section in the Office of the Governor/\$5,000.0 that does not lapse/AS 37.05.010, then withdrew his motion. Chairman Adams, Senator Bennett and Mr. Lehr to draft appropriate INTENT. There was no objection.

DEPARTMENT OF ADMINISTRATION--Alaska Statehood Commission, p 53: Senator Bennett moved the Senate figure. Representatives Rogers and Montgomery objected. Representative Rogers moved the Governor's adjusted figure. Representative Montgomery moved a ZERO figure. Senator Sackett and Representative Rogers objected.

Chairman Adams suggested the Senate figure be reduced by 1/2 and that this be slowly phased out. Representative Montgomery withdrew his motion and moved Chairman Adams's suggestion. Representative Rogers objected, stating this phases out in January 1983. Chairman Adams moved the figure \$196.3. The question was called for, and the motion FAILED (2-3).

Senator Bennett restated his original motion. Representative Montgomery moved (reluctantly) \$200.0. Representative Rogers objected. The motion FAILED (3-3). Representative Montgomery requested this be HELD OPEN. There was no objection.

Telecommunications Systems, Operations, p 69: Senator Sackett \$61.8/Grant Study--new total \$10,211.4. Chairman Adams requested this be HELD OPEN. There was no objection.

Telecommunications Services, Planning, p 71: Representative Rogers moved the Governor's adjusted figure. Chairman Adams requested this be HELD OPEN. There was no objection.

Building & Equipment Services, Leasing & Facilities, p 139: Representative Rogers moved the House/Senate figure of \$10,102.0 with INTENT (see Attachment 1). Chairman Adams objected to the INTENT. The question on the INTENT was called for, and the INTENT FAILED (2-4). The figure was adopted.

DEPARTMENT OF REVENUE--Revenue Operations, Audit, p 153: Senator Kerttula explained the INTENT. Mr. Lehr distributed a handout and explained the 35 positions were the net effect of the income tax repeal. Senator Bennett moved the House/Senate figure plus the GBA of \$102.8--new total \$3,170.3. There was no objection.

Senator Sackett requested Personal Services INTENT (see Attachment 2) that the Administration perform an informal audit regarding the question of increased staff levels relating to the permanent fund and the income tax repeal and report to the Legislative Budget and Audit Committee and the House/Senate Finance Committees. There was no objection.

Revenue Operations, Enforcement, p 157: Senator Bennett moved the Senate figure plus the GBA--new total \$1,715.4. There was no objection.

Admin & Support, Administrative Services, p 167: Representative Rogers moved a corrected total figure of \$1,932.3. There was no objection.

ADJOURNMENT

Chairman Adams announced the Legislature, p 203-235, would be addressed at the afternoon meeting. The meeting adjourned at 9:25 a.m.

Tape FCC 81-18, Side 2, #401 - End
FCC 81-19, Side 1, #001 - End
Side 2, 4001 - #346

Introduced: 4/16/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY ROGERS

2 HOUSE BILL NO. 511

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state office facilities; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. STATE OFFICE FACILITIES. (a) "The Department of Adminis-
10 tration shall acquire by lease or lease-purchase agreement state office
11 facilities which meet the standards of ^{established for state-owned facilities} (d) of this section in each of the
12 communities and in the corresponding minimum net square foot area set out in
13 ~~Exhibit I~~, "State of Alaska Office Space Standards and Needs Analysis," a
14 report prepared for the Department of Transportation and Public Facilities
15 and published in April, 1980."

16 ~~(b) Each facility to be acquired by lease or lease-purchase agreement~~
17 ~~under (a) of this section shall provide sufficient office space in the~~
18 ~~community for agencies of the executive branch of state government. Each~~
19 ~~facility shall provide at least the net square foot area recommended in the~~
20 ~~report described in (a) of this section, but the commissioner of administra-~~
21 ~~tion may accept proposals for lease or lease-purchase of a larger area, if~~
22 ~~essential.~~ ^{if deemed}
23 ~~in his determination, a larger area is necessary to accommodate office space~~
24 ~~for agencies of the executive branch in the community.~~

25 (c) With respect to the facilities required in each community desig-
26 nated in (a) of this section, the commissioner of administration shall
27 publicly request proposals from persons interested in providing office space
28 to the state under lease or lease-purchase agreement. ^{The Commissioner of Administration shall select} Each request for
29 proposals ~~shall be~~ in writing and shall

~~(1)~~ provide sufficient information to enable an interested person