

CAPITAL PROJECTS



Free Conference Committee Report
Fiscal Year 1974
Operating and Capital Budget

State of Alaska
The Legislature

CAPITAL PROJECTS

E D U C A T I O N

Department of Education

Library Construction Grants (\$106.2 Federal) \$ 190,200

Grants are made to localities for the construction of community library facilities; they are contingent upon local applications and availability of local matching funds. As of October, 1972, preliminary applications totalling \$8,005,000 had been received from 14 communities. The largest of these are Anchorage Central (\$4.0 million) and Fairbanks regional (\$3.0 million).

Library Acquisition Fund for Rare Items 10,000

This fund would allow the State Library to purchase rare items for its historical collection as the items become available. The fund would be used only as necessary to prevent irreparable loss to Alaska of specific materials -- not for duplication of items already available through loans or in other Alaska libraries.

Klawock City School, multi-purpose room 55,000

Pelican High School 350,000

Capital Community Broadcasting Equipment 25,000

Office of the Governor

Acquisition of Museum Artifacts \$ 25,000

The \$25,000 acquisition fund appropriated for the first time in FY 73 has been very useful in strengthening the State Museum's collection. It has been used primarily to purchase historic Alaskan fine art, thereby strengthening a weak point in the collection. This fund will allow the museum to continue to purchase rare items as they become available and to bid for select pieces when necessary.

Free Conference Committee Intent: No portion of this appropriation may be expended until the State Museum has complied with the directions of the Legislative Budget and Audit Committee regarding a completion of an inventory of collections and improvement of collections security as prescribed in the audit dated January 17, 1973. The Museum shall prepare a report detailing steps taken to comply with this audit and submit this information to the Legislature during the first week of the Second Session of the Eighth State Legislature.

University of Alaska

Books for Anchorage Consortium Library 250,000

Library resources in Anchorage have not grown at the same rate as University academic programs. Thus there is a substantial deficit in the number of volumes available. This appropriation would allow for the purchase of about 20,500 volumes at an average cost of \$12 per volume for purchasing, cataloging, and shelving.

Ketchikan Community College Improvements 35,000

Free Conference Committee Intent: Twenty-five thousand dollars of this appropriation is for the purchase of library books, and ten thousand dollars is included for the blacktopping of the entrance road/parking lot at the Ketchikan Community College.

Mat-Su Community College, road 50,000

Kodiak Community College, road 20,000

State-Operated Schools

Various Building Improvements

\$ 150,000

This appropriation will cover a variety of small construction projects needed to correct deficiencies noted by the State Fire Marshall.

Tok School Sewer Repair

9,000

Library Books

200,000

This appropriation would provide an average of \$1,340 per school for the purchase of library books not included in the operating budget. The intent is to help correct deficiencies in the S.O.S. libraries.

S O C I A L S E R V I C E S

Department of Education

Alaska Skill Center - Shop Building

300,000

Free Conference Committee Intent: This appropriation may be augmented through the use of surplus project funds previously appropriated to the Skill Center.

H E A L T H

Department of Health and Social Services

Hill-Burton Match (Federal)

\$ 1,152,000

Hill-Burton federal funds of \$1,152.0 may be received for medical facility modernization or new construction which the State will match with \$3.5 million in General Obligation Bond funds authorized in 1972 (also funded by Ch. 85, SLA 1973 as a \$3.5 million loan to the "1972 Health and Medical Facilities Construction Fund").

Galena Health Center

200,000

N A T U R A L R E S O U R C E M A N A G E M E N T and E N V I R O N M E N T A L C O N S E R V A T I O N

Department of Fish and Game

Weirs and Stream Rehabilitation (\$15.0 Federal, \$39.0 F&G)

54,000

The appropriation funds two projects within the Division of Sport Fish:

1. A fish weir on the outlet of Lower Russian Lake to assess red salmon runs as they pass through to upstream spawning areas. (\$30.0)
2. Construction of a seawall on Abercrombie Lake to prevent the intrusion of salt water and lake drainage, and the subsequent destruction of a valuable freshwater sport fishery. (\$24.0)

Salmon Sonar Counter Redesign

\$ 28,000

The Bendix adult salmon sonar counters have been used in the field four seasons now and further modifications and refinements are required to assure the reliability of the counters. Printer modifications will enable six existing counters to cover the whole band of migration and pinpoint errors of false counting. Designs of improved array will enable the counters to be tested and cleaned at frequent intervals.

Construction, Improvements & Equipment

924,400

Kachemak Bay bunkhouse, workshop and storage area

\$ 25,000

Akalura Lake Rotenone, improvements

150,000

Borodino and Osprey Lakes Rotenone

124,400

Tractor-crawler purchase

25,000

Rearing & incubation facilities on Mother Goose and Snake River Lakes

600,000

Humpy Creek Chum Egg Salmon Incubation Project, Preliminary Engineering

20,000

George Inlet Salmon Incubation Project

100,000

Montana Creek Salmon Incubation Project

100,000

Kenai and Kasilof Gravel Incubators

300,000

Big Lake Gravel Incubator

200,000

Salcha and Good Paster Rivers King Salmon Study

20,000

Free Conference Committee Intent: Appropriation provides funding for a feasibility study on king salmon propogation at Salcha and Good Paster Rivers; the department is directed to provide a report detailing estimated project costs to the Second Session of the Eighth State Legislature.

Vessel Repairs

75,000

The appropriation funds the repair and upgrade of two existing vessels, the SHAD and the KITTIWAKE. These improvements will put these vessels in good operating condition for the next several years. Replacement costs for these vessels are more than \$350.0.

Department of Natural Resources

Outdoor Recreation Facilities (Federal)

1,600,000

This appropriation consists of Alaska's FY 74 apportionment from the federal Land and Water Conservation Fund. These funds provide for joint federal and state participation in planning, acquiring, and developing specific outdoor recreation areas and facilities.

PUBLIC PROTECTION

Department of Commerce

Scale House - Glenn Highway

33,000

The new four-lane Glenn Highway presently under construction will require relocation of the present scale located at Mile 11. Four-lane highways generally require two scales, however, a planned interchange on the highway will permit trucks to cross over, thereby permitting the use of one scale. The scale will be located on the highway right-of-way near Anchorage. Site improvements will be provided by the Department of Highways with the costs included in the Federal Aid Highway Program.

Microfilm System

20,000

The Division of Insurance maintains records of 600 insurance companies, including applications, licenses, rate changes and requests, forms, complaints and results of investigations. These records are currently maintained in file cabinets and an electric retrieval file. By utilizing existing microfilming techniques, the Division of Insurance will be able to file and retrieve information much more rapidly, store larger quantities of information in less space, and save considerably on space and personnel costs associated with the maintenance of these files.

Department of Military Affairs

Radio Equipment - Civil Air Patrol

20,000

The Civil Air Patrol has adequate ground communications equipment, but many of its long range aircraft are not equipped with proper radios to effectively utilize the ground equipment. This appropriation will provide improved communications equipment for ten of the CAP's long-range aircraft, thereby greatly increasing the effectiveness of this program.

A D M I N I S T R A T I O N O F J U S T I C E

Court System

Equipping Anchorage Court and remodeling existing court building	500,000
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Free Conference Committee Intent: The appropriation funds equipping of the new Anchorage Court Building plus remodeling of the existing Anchorage Court Building to provide suitable office space.

Equipping Ketchikan court building	100,000
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Free Conference Committee Intent: The appropriation of \$100,000 can be used only for equipment and may not be used for the acquisition of additional library books.

D E V E L O P M E N T

Department of Public Works

Waters and Harbors Projects (Watercraft Fuel Tax)	1,083,000
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The appropriation funds projects at Sitka and Seward, plus a small fund for emergency repairs. (Engineering and administrative services are provided by a small permanent staff while all construction is performed under contracts awarded through competitive bidding processes.)

Small Boat Harbor, Anchorage	45,000
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Dillingham, repair pile driving equipment	20,000
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Small Boat launching project, Quartz Lake	15,000
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Aurora Basin Small Boat launching ramp and staging area	275,000
Ketchikan Small Boat Harbor	115,000
Metlakatla Small Boat Harbor	50,000
Communications - Translators for Homer, Seldovia	25,000
Department of Natural Resources	
State Fairs	
Tanana Valley Fair Association of Fairbanks	25,000
Jaycee Rodeo and State Fair of Kodiak	25,000
Southeastern Alaska State Fair of Haines	25,000
State Fair at Palmer	25,000
Fur Rendezvous Fair, Inc.	25,000
Department of Commerce	
Small Business Loan Fund	340,000

The capitalization of the loan fund will be increased from \$120.0 to \$460.0 by this appropriation. This increase will provide sufficient money to grant an average of ten loans per month.

TRANSPORTATION

Department of Public Works

Inflatable Life Rafts 27,000

Replacement of ten life rafts aboard Southeast vessels that are either defective or approaching the Coast Guard and manufacturer's estimated useful life of 7 to 10 years.

Outfitting New Ships 200,000

Two new vessels (385' and 235') must be outfitted in FY 74 with expendable items such as tools, linens, galley, utensils, lines, etc. These items are not considered a part of the vessels, but are necessary in making the vessels operational.

Replace Breasting Dolphins 100,000

Provides a continuing appropriation for the replacement of deteriorating wood pile breasting dolphins with concrete and steel structures. Wooden breasting dolphins have a life expectancy of 5 to 10 years compared to 30 years for concrete and steel.

Yukon Ferry Study 50,000

Bookkeeping Machine (International Airport Revenue Fund) 12,500

Utilization of a bookkeeping machine by Anchorage International Airport will substantially improve the Accounts Receivable process by combining all functions now being done separately.

Larson Bay Airport Improvements 100,000

Department of Highways

Federal Highway Funds (Federal)

56,000,000

This appropriation represents the estimated federal funds which the state will receive during FY 74. The funds will be \$50,000.0 Federal Aid to Highways and \$6,000.0 Federal Aid Alaska Assistance. The combination of these funds will allow the Department of Highways to continue with the construction of the projects included in the five year plan.

Maintenance Facilities

170,000

Funds are appropriated to replace the existing Big Hurrah Warm Storage (\$50.0) and either move or make major repairs to the Gardiner Creek Station (\$25.0). Funded also are \$15.0 to expand Klawock Maintenance Station and \$80.0 to modernize storage facilities at Anchorage Sand and Chemical Storage.

Cooper Landing Safety Walkway

30,000

Girdwood-Eagle River Road Study

5,000

GENERAL GOVERNMENT

Department of Public Works

Buildings Projects

234,900

Capitol Building Boiler Rebuilding

27,500

Fairbanks Court Buildings

40,000

Capitol Building Fire Escapes

65,000

Capitol Building Plaster Repair

20,000

Alaska Office Building Generator Repair	10,000	
Museum Air Conditioning and Humidity Control	42,000	
Alaska Office Building Exterior Painting	30,400	
Barrow Facility		160,000
Communications (\$147.3 Federal)		294,600

Funds are appropriated for purchase of a variety of communications equipment to be supplied to the departments of Public Safety (\$150.0) and Military Affairs (\$144.6) for use in their respective programs for emergency preparedness.

Department of Highways

Equipment Purchases (Highway Working Capital)	3,956,400
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Funds are appropriated to finance needed equipment replacement within the Working Capital Fund fleet. The proposed purchases include a variety of heavy equipment, over-the-road vehicles and support items. The purchases will be made with funds from the depreciation reserves of the Working Capital Fund.

CAPITAL BUDGET FUND SOURCES

General Fund	6,437,600
Watercraft Fuel Tax Account	1,083,000
Fish and Game Fund	39,000
International Airport Revenue Fund	12,500
Highway Working Capital Fund	3,956,400
Federal Program Receipts	<u>59,020,500</u>
	<u>\$70,549,000</u>

SUPPLEMENTAL APPROPRIATIONS

The following supplemental appropriations were passed during the 1973 legislative session and enacted into law. The appropriations are for FY 73 operating expenses unless otherwise noted.

Ch. 9	Public Works, Marine Transportation	\$ 719,800
Ch. 11	Administration, Alaska Longevity Bonus program	1,500,000
Ch. 12	State-Operated School System (FY 72)	518,200
	State-Operated School System (FY 73)	1,322,500
Ch. 23	Legislative Affairs	317,250
Ch. 25	Governor, Elections	83,400
Ch. 33	Public Works, Communications	40,000
Ch. 36	University of Alaska	1,011,000
Ch. 39	Miscellaneous claims (various years)	13,111
Ch. 59	Military Affairs	<u>95,000</u>
	TOTAL - all General Fund	<u>\$5,620,261</u>

Note: The Operating/Capital Budget Summary (pages 1 and 2 of this report) does not contain these supplementals in the Authorized FY 73 column. Thus, to account for supplementals, the authorized 73 totals should be increased by \$5,620,261 General Fund.

NEW LEGISLATION FUNDED IN THE GENERAL APPROPRIATIONS ACT

The following appropriation items are for operating expenditures for the fiscal year beginning July 1, 1973 and ending June 30, 1974. The appropriation items contain funding for legislation passed during the First Session of the Eighth Legislature and are to be considered part of the total agency operating budget.

HB 29 Ch 88	Public School Foundation Program - \$1,000,000 from the General Fund to the Department of Education	\$ 1,000,000
HB 34 Ch 81	Abandoned motor vehicles - \$50,000 from the General Fund to Department of Revenue	50,000
HB 42 Ch 87	Revenue sharing with local governments for hospitals and health facilities - \$527,000 from the General Fund to Revenue Sharing, Department of Community and Regional Affairs	527,000
HB 126 Ch 79	Regulation of entry in Alaska commercial fisheries - \$763,000 from the General Fund to the Alaska Commercial Fisheries Entry Commission (also funded at \$450.0 in Ch. 86, SLA 1973).	763,000
HB 265 Ch 66	Teachers' retirement system - \$4,800 from the General Fund to Retirement, Department of Administration	4,800
HB 314 Ch 35	Medical assistance for needy persons - \$25,000 from the General Fund to Medicaid, Department of Health and Social Services	25,000
HCR 26	Delineation of territorial sea, contiguous zone, certain internal waters of U. S. - \$15,400 from the General Fund to the Department of Natural Resources	15,400
SB 70 Ch 46	Dental insurance coverage - \$706,000; \$610,300 from the General Fund, \$95,700 from Federal Receipts to Retirement, Department of Administration	706,000
SB 101 Ch 77	Years of creditable service, teachers' retirement - \$425,700 from the General Fund to Teachers' Retirement, Department of Administration	425,700

SB 114	State school building aid - \$752,000 from the General Fund to	
Ch 28	Debt Retirement, Department of Education	\$ 752,000
SB 185	Retirement for territorial court system employees - \$5,000;	
Ch 55	\$4,500 from the General Fund, \$500 from Federal Receipts to	
	Retirement, Department of Administration	5,000

New Legislation Fund Sources

General Fund	\$4,177,700
Federal Program Receipts	96,200
	<u>\$4,273,900</u>

The following appropriation items were for measures that subsequently failed to pass the legislature and thus will lapse.

HB 180	Alaska Commission of Post-secondary Education	66,000
HCR 56	Development of Alaska's reindeer industry	3,000
SB 121	Peace officer defined - retirement	488,800
SB 122	Schools in the unorganized borough	295,000

Fund Sources

General Fund	\$ 783,400
Federal Program Receipts	69,400
	<u>\$ 852,800</u>

Following this page, Fiscal Notes have been included where appropriate for the pieces of new legislation funded in the General Appropriations Act.

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

HB 29
Ch 88

I. REQUEST

Bill Identification: CS HB #29
Title: Public School Foundation Cost of Living
Requested by: Legislative Finance Date: 2/20/73
Return Date Requested: 2/28/73
Agency: Education Program: Pre-Elem-Secondary

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Financial Support Programs

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		6,400.0				
TOTAL		6,400.0				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		6,400.0				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Estimated cost for FY 74 under CS HB 29 \$80,900,000
Estimated cost for FY 74 under present law 74,500,000
Difference \$ 6,400,000

IV. ATTACHMENTS

Note: Legislative Finance--\$1,000,000 is funded under New Legislation; the balance is included under the Foundation Support Education Category of the FY 74 General Appropriations Act.

V. DATE: 3/1/73

PREPARED BY:

Donna M. Calkins

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

HB 42
Ch 87

I. REQUEST

Bill Identification: CSHB42

Title: Hospital Revenue Sharing

Requested by: Legislating Finance Date: 2/27/73

Return Date Requested: 3/5/73

Agency: Community & Regional Affairs Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Municipal Services Revenue Sharing

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	CSHB42	527.0	559.0	559.0	559.0	559.0
TOTAL	CSHB42	527.0	559.0	559.0	559.0	559.0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	CSHB42	527.0	559.0	559.0	559.0	559.0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions: (1) All existing facilities will qualify under the proposed AS 43.18.010(h) (5).

(2) Four new health facilities will be constructed and will qualify for \$8,000 per facility in FY'75.

(3) Assume cost of CSHB42 to be the difference between the present entitlement under AS 43.18.010(h) and the proposed entitlement under CSHB42, amended AS 43.18.010(h).

IV. ATTACHMENTS

Health Facility Summary
Hospital Facilities FY 1974
Health Facilities FY 1974
Schedule A.

V. DATE: March 5, 1973 PREPARED BY: Donald Argetsinger, Director
Administrative Services
Division

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

HB 126
Ch 79

I. REQUEST

Bill Identification: HB 126 & CS

Title: Limited Entry

Requested by: Legislative Finance

Date: 3/8/73

Return Date Requested: 3/15/73

Agency: Department of Law

Program:

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \$762,930

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES		500.0				
200 TRAVEL		50.0				
300 CONTRACTUAL		183.0				
400 COMMODITIES		10.0				
500 EQUIPMENT		20.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		763.0				

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	24/8	/	/	/	/
MAN MONTHS (P./T.)	/	288/48	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Please see attached sheet

IV. ATTACHMENTS

Attachment A: Organization and Staffing Chart

Attachment B: Relationship of HB 71 to HB 126 and Judiciary CSHB 126

V. DATE: March 12, 1973

PREPARED BY: Allan B. Adasiak

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

HB 265
Ch 66

I. REQUEST

Bill Identification: SC for HB 265

Title: Teachers' Retirement Revision

Requested by: Legislative Finance Date: March 19, 1973

Return Date Requested:

Agency: Retirement Section Program: State Operated Schools

Dept. of Education, University of Alaska, Dept. of Administration

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES	-0-	4.8	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS COST	-0-	(134.0)	-0-	-0-	-0-	-0-
TOTAL	-0-	4.8	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	86.4%	-0-	4.1	-0-	-0-	-0-	-0-
FEDERAL FUNDS	14.8%	-0-	.7	-0-	-0-	-0-	-0-
OTHER		-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	/0	/1*	/0	/0	/0	/0
MAN MONTHS (P./T.)	/0	/1*	/0	/0	/0	/0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Bill assumed to be effective July 1, 1973

-See Attachment No. 1

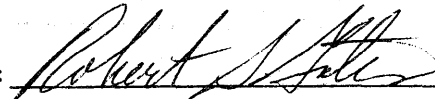
IV. ATTACHMENTS

1. Financial Breakdown

* 2. Fiscal Note for HB 255

V. DATE: March 19, 1973

PREPARED BY:



Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

HCR 26

I. REQUEST

Bill Identification: HCR 26
Title: Territorial Sea Delineation
Requested by: Legislative Finance Date: 2/5/73
Return Date Requested: 2/12/73
Agency: Natural Resources Program: Cadastral Engineering

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Cadastral Engineering

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES	14.6					
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES	0.1					
500 EQUIPMENT	0.7					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	15.4					

B. FUNDING: (Thousands of dollars)

GENERAL FUND	15.4					
FEDERAL FUNDS						
OTHER						

Only if Cartographer would be completely tied up for 1 year which is unlikely.

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
Cloud Hoffman, Chief Cadastral Engineer, believes that his staff can handle the project within his requested budget. See attached memo. Would not be a continuing item. Added Cartographer would be necessary for other mapping requirements.

Travel costs covered by budget. Would be combined with trips for other matters.

IV. ATTACHMENTS

V. DATE: 2/15/73 PREPARED BY: /S/ W. C. Fackler

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

SB 70
Ch 46

I. REQUEST

Bill Identification: HB 121 & SB 70

Title: Dental Insurance Public Employees' Retirement System

Requested by: Legislative Finance Date: February 2, 1973

Return Date Requested: February 15, 1973

Agency: Retirement System Program: Group Insurance

II. FISCAL DETAIL

Budget Request Unit(s) Affected: All

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES		5.5	3.6	3.8	4.0	4.2
200 TRAVEL		.5	.5	.5	.6	.6
300 CONTRACTUAL	.7	2.0	2.1	2.2	2.3	2.5
400 COMMODITIES	.2	.5	.5	.5	.6	.6
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 Insurance Cost		587.5	616.9	647.7	680.1	714.1
TOTAL	.9	596.0	623.6	654.7	687.6	722.0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	511.4	537.0	563.9	592.1	621.7
FEDERAL FUNDS	0	84.6	88.8	93.2	97.9	102.8
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1 / 0	1 /	1 /	1 /	1 /	1 /
MAN MONTHS (P./T.)	3 / 0	6 /	4 /	4 /	4 /	4 /

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

V. DATE: February 26, 1973

PREPARED BY:

Robert J. Gates

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

SB 70
Ch 46

I. REQUEST

Bill Identification: Senate Bill No. 70, House Bill No. 121

Title: "...providing dental insurance coverage. . . ."

Requested by: Legislative Finance

Date: March 1, 1973

Return Date Requested: Immediately

Agency: University of Alaska

Program: Group Insurance

II. FISCAL DETAIL

Budget Request Unit(s) Affected: University of Alaska

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES		2.0				
200 TRAVEL						
300 CONTRACTUAL		1.0				
400 COMMODITIES						
500 EQUIPMENT		1.1				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Insurance Costs		105.9	111.2	116.8	122.6	128.7
TOTAL		110.0	111.2	116.8	122.6	128.7

B. FUNDING: (Thousands of dollars)

GENERAL FUND		98.9	99.4	104.5	109.7	115.2
FEDERAL FUNDS		11.1	11.8	12.3	12.9	13.5
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	.25	/	/	/	/
MAN MONTHS (P./T.)	/	3	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assuming that the premium increase to the University Health Insurance Plan

would be similar to that anticipated by the State Retirement System (\$6.12 permonth

per employee), and that the University group would be the same size in FY 1974

as it is currently (1442), the total extra cost to the University for adding dental

coverage would be \$105,900. It is estimated that approximately 10.5% of this could

be passed on to granting agencies, many of whom are Federal.

IV. ATTACHMENTS

V. DATE: 2 March 1973

PREPARED BY: Harold A. Byrd

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

SB 101
Ch 77

I. REQUEST

Bill Identification: Senate Bill 101

Title: "An Act relating to years of creditable service. . . Teachers' Retirement. . ."

Requested by: Mr. Simpson Date: 2/13/73

Return Date Requested: 1:45 pm February 13, 1973

Agency: Budget & Management Program: Teachers' Retirement

II. FISCAL DETAIL

Budget Request Unit(s) Affected: I, A, 2

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES	3.5					
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		425.7	447.0	469.4	492.9	517.5
TOTAL	3.5	425.7	447.0	469.4	492.9	517.5

B. FUNDING: (Thousands of dollars)

GENERAL FUND	3.5	425.7	447.0	469.4	492.9	517.5
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

Letter from Marsh and McLennan - February 1, 1973

V. DATE: February 13, 1973 PREPARED BY: /S/ Robert S. Gates

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

SB 114
Ch 28

I. REQUEST

Bill Identification: S. B. #114
Title: State School Building Aid
Requested by: Legislative Finance Date: 2/6/73
Return Date Requested: 2/13/73
Agency: Education Program: Pre-Elementary-Secondary

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Financial Support

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-				

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

SB #114 - FY 73	\$3,550,471	SB #114 - FY 74	\$4,752,000
FY 73 Appropriation	3,450,000	FY 74 - Gen. Budget	4,000,000
Difference	100,471		752,000

FY 73 difference is due to an estimating error when the FY 72 budget was being developed. FY 74 difference is due to the deduction of Ch. 249 payments (AS 43.18.100 when developing the Governor's FY 74 budget.

IV. ATTACHMENTS

Estimated payments for FY 73 under SB #114. The Attorney General ruled that Ch. 249 payments for the second prior fiscal year should not be deducted in a ruling dated 1/29/73.

V. DATE: 2/20/73

PREPARED BY:

Pat Cole

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

SB 185
Ch 55

I. REQUEST

Bill Identification: Senate Bill 185 and House Bill 289

Title: Retirement for Territorial Court System Employees

Requested by: Legislative Finance

Date: 3/15/73

Return Date Requested: 3/22/73

Agency: Retirement Section

Program: Public Employees Retirement System

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alaska Court System

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS COST	-0-	5.0	5.3	5.6	5.9	6.2
TOTAL	-0-	5.0	5.3	5.6	5.9	6.2

B. FUNDING: (Thousands of dollars)

GENERAL FUND 86%	-0-	4.5	4.5	4.7	4.9	5.2
FEDERAL FUNDS 14%	-0-	.7	.8	.9	1.0	1.0
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	/0	0	/0	/0	/0	0
MAN MONTHS (P./T.)	/0	0	/0	/0	/0	0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The cost of benefits in this Fiscal Note is based on the premise that only the ten people listed below are covered, and is based upon the limited service information provided to us on these people.

This group of people has previously been classified as ineligible in the same way as have some employees of the old Alaska Road Commission, and Bureau of Public roads plus employees of other pre-statehood agencies.

Inclusion of this Court System group would seem to open the way for the inclusion of the latter groups with the resultant high administrative and benefits costs.

IV. ATTACHMENTS

Those covered by this note:

Olga T. Steger

Grace Herman

Doris Wilken

Arthur V. Simonsen

Mary Brennan

Joyce Haugan

Nettie Titus

Lois Bradley

Anna May Vokacek

Ona Rude

V. DATE: March 15, 1973

PREPARED BY:

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

SPECIAL APPROPRIATIONS

The following special appropriations were passed during the 1973 legislative session and enacted into law. The appropriations are for FY 74 operating and capital expenses unless otherwise noted.

Ch. 7	Governor, special congressional election (FY 73)	\$ 146,200
Ch. 14	"1972 Flood Control and Small Boat Harbor Projects Fund"(1)	19,839,500
Ch. 51	University of Alaska, working capital reserve fund(2)	1,200,000
Ch. 58	Public Works, state capital improvement advance planning fund(3)	200,000
Ch. 75	Public Safety, narcotic drugs enforcement(4)	350,000
Ch. 85	"1972 Health and Medical Facilities Construction Fund"(5)	3,500,000
Ch. 86	Alaska Commercial Fisheries Entry Commission;	450,000
	Department of Law, commercial fisheries limited entry study(6)	50,000
Ch. 89	Health and Social Services, drug abuse	500,000
Ch. 90	Economic Development, reindeer development	<u>78,679</u>
	TOTAL - all General Fund	<u>\$ 26,314,379</u>

Note: The Operating/Capital Budget Summary (pages 1 and 2 of this report) does not contain these special appropriations in the Free Conference Committee column. Thus, to account for special appropriations, the Free Conference Committee totals should be increased by \$26,314,379 General Fund.

FOOTNOTES TO SPECIAL APPROPRIATIONS

- (1) Ch. 14, SLA 1973 provides in part: "\$9,839,500 appropriated by this Act may be used only for flood control projects as determined by the governor. \$10,000,000 appropriated by this Act may be used only for small boat harbor projects as determined by the governor. The money appropriated by this Act shall be repaid to the general fund from the proceeds of the bonds authorized by ch. 201, SLA 1972, and approved by the voters in November, 1972, or from the proceeds of any bonds subsequently approved for this purpose."

By letter dated February 7, 1973, to the Division of Legislative Finance, the Attorney General outlined the problem which prompted the special appropriation:

"Independent bond counsel retained by the State Bond Committee has indicated that a legal question exists regarding the validity of Ch. 201, SLA 1972 (S.B. 278). Under Sec. 13, Art. II, Alaska Constitution, S.B. 278 is required to be confined to one subject. Chapter 201 provides for the issuance of general obligation bonds for capital improvements for flood control and for small boat harbor projects. The "dual proposition" issue is a matter that has been contested in a number of other states but upon which there is no ruling case law in Alaska.

Because a substantial question is involved, bond counsel for the State Bond Committee cannot approve the bonds for sale without test litigation in our courts. Other bond counsel share this view. A favorable decision by the Alaska Supreme Court approving the constitutionality of Ch. 201 would make sale of the bonds possible....

According to Commissioner Easley, the appropriation for a loan for flood control projects is needed at this time since the Corps of Engineers is ready to immediately proceed with the Chena River project. Without the proposed loan the project would have to be indefinitely postponed.

On the other hand, Commissioner Easley notes that the portion of the bond issue for boat harbor projects is designed for use in matching Corps of Engineers projects which have not yet been undertaken. According to Commissioner Easley, the first of these projects is not scheduled until 1974. If, as a result of the litigation, the bonds cannot be issued, he states that it may also be necessary to seek a new bond authorization for boat harbors from the next session of the Legislature."

- (2) Ch. 50, SLA 1973 provides in part: "Sec. 14.40.295. WORKING CAPITAL RESERVE FUND.
(a) There is established in the treasury of the University of Alaska the University of Alaska working capital reserve fund. The fund consists of money appropriated by the legislature for the purpose of providing current working capital for the University of Alaska and is not available for appropriation by the Board of Regents."
- (3) Ch. 57, SLA 1973 provides in part: "Sec. 35.10.135. REVOLVING FUND ESTABLISHED. There is established a revolving state capital improvement advance planning fund. Money in the fund may only be used by the department for advance planning for state construction projects."
- (4) Ch. 74, SLA 1973 provides in part: "Sec. 18.65.085. NARCOTIC DRUGS ENFORCEMENT. (a) There is established in the Department of Public Safety, division of state troopers, a narcotic drugs enforcement unit for the purpose of investigating and combating the illicit sale and distribution of narcotic drugs in the state."
- (5) Excerpt from a Position Paper on Senate Bill No. 240, prepared by Health and Social Services and dated April 2, 1973:

"This Bill will enable the Department to proceed with construction of the fiscal year 1973 Hill-Burton projects which, due to non-appropriation of Federal funds and an Opinion from the Attorney General that the Bond funds [Ch. 97, SLA 1972] cannot be used without Federal funds, would have to be cancelled--depriving the communities involved of much needed facilities....

Fiscal year 1973 projects to be funded are:

Kodiak Long-Term Care Addition

SB 240 1973 - State	\$ 477,500
Local Share	<u>119,281</u>
Estimated Project Cost	\$ 596,781

Pelican Health Center

SB 240 1973 - State	\$ 96,800
Local Share	<u>24,200</u>
Estimated Project Cost	\$ <u>121,000</u>

Rehabilitation Building--Association for Retarded Children of Anchorage, Inc.

SB 240 1973 - State	\$ 459,000
Local Share	<u>115,000</u>
Estimated Project Cost	\$ <u>574,000</u>

Homer Hospital

SB 240 1973 - State	\$ 1,705,500
Hill-Burton Federal (1972)	100,000
Local Share Federal Hill-Burton	
Loan (71 and 72)	<u>707,500</u>
Estimated Project Cost	\$ <u>2,513,000</u>

Wrangell Long-Term Care Addition

SB 240 1973 - State	\$ 375,100
Local Share - Hill-Burton Loan (1972)	<u>93,700</u>
Estimated Project Cost	\$ <u>468,800</u>

The remaining funds will be used for fiscal year 1974 construction projects....."

- (6) See Ch. 79, SLA 1973 for law establishing Alaska Commercial Fisheries Entry Commission.
(Also funded at \$763.0 in the General Appropriations Act.)

B O N D S

The following measures pertaining to bonds issued by the state or its agencies were passed during the 1973 legislative session.

Ch. 2: Providing for the issuance of general obligation bonds in the amount of \$11,500,000 for the purpose of paying the cost of capital improvements for civic, convention and community recreation centers (issue disapproved by the voters at the March 6 special election).

Ch. 70: Provides that a bill authorizing the issuance of general obligation bonds shall contain a statement of the scope of each major project included in the proposed bond issue. This statement of project scope shall be distributed by the Lieutenant Governor with each sample election ballot.

SCR 28: Relating to the leasing of space from the Alaska State Housing Authority provided in part:

"BE IT RESOLVED that the use of the space to be provided by leases from the Alaska State Housing Authority for state offices, courtrooms or combined office and courtroom facilities, as hereinafter enumerated providing for payment in excess of \$12,000 annually, is approved in accordance with AS 37.05.280. The capital cost for the buildings shall not exceed the following:

<u>Location</u>	<u>Capital Cost</u>
Anchorage	
Parking Structure	\$ 2,600,000
Field office and shop, division of communications	891,000
Juneau	
Parking structure	3,400,000
Fairbanks	
Parking structure	5,500,000

<u>Location</u>	<u>Capital Cost</u>
Kenai	
Kenai court and office building	\$ 2,200,000
Sitka	
Sitka court and office building	1,500,000
Delta Junction	
Delta Junction vocational shop and multi-purpose facility	1,500,000
Valdez	
Valdez court and office building	1,500,000
Anchorage Federal/State Land Acquisition	<u>2,500,000</u>
GRAND TOTAL	<u>\$21,591,000</u>

Capital costs may vary 10 per cent; and be it

FURTHER RESOLVED that before the Alaska State Housing Authority sells its evidences of indebtedness for the purpose of financing the construction of the above-named projects, as to each, site, schematic plans, and the dollar amount of the indebtedness must be approved by the Legislative Budget and Audit Committee.

HB 76: Relating to the Alaska State Housing Authority was vetoed by the Governor on May 4, 1973. His letter of explanation appears on the following page.

WILLIAM A. EGAN
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

May 4, 1973

The Honorable Tom Fink
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99801

Dear Mr. Speaker:

I have before me House Bill 76. House Bill 76 is an act relating to the Alaska State Housing Authority. The bill, as you know, would effectively prohibit the Alaska State Housing Authority from issuing bonds for remedying the short supply of necessary public buildings by providing for the financing, construction, and acquisition of public buildings for lease to the State. The bill would be effective as of September 1, 1974.

It is my firm conviction that the Authority that has resulted in construction of many fine public buildings, through issuance of bonds by the Alaska State Housing Authority, has truly met one of the great needs of our State, and its people, over the last decade.

I am just as firmly convinced that to permit House Bill 76 to become law, would place the State of Alaska and the public needs of its people into a retrogressive state.

Therefore, House Bill 76 is hereby vetoed.

Sincerely,

A handwritten signature in dark ink, appearing to read "William A. Egan".

William A. Egan
Governor

