



29th Alaska State Legislature
House Finance Budget Subcommittee
Department of Administration
FY16 Operating Budget

Chair:

Rep. Lynn Gattis
Capitol Room 500
465-4833

Members:

Rep. Craig Johnson
Capitol Room 216
465-4993

Rep. Kurt Olson
Capitol Room 11
465-2693

Rep. Bob Lynn
Capitol Room 108
465-4931

Rep. Cathy Tilton
Capitol Room 411
465-2199

Rep. Chris Tuck
Capitol Room 404
465-2095

Rep. Harriett
Drummond
Capitol Room 112
465-3875

Committee Aide:

Tyson Gallagher
465-3973

**DEPARTMENT OF ADMINISTRATION
FY2016 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT
February 24, 2015**

RECOMMENDATIONS:

The House Finance Budget Subcommittee for the Department of Administration submits a recommended operating budget for FY2016 to the House Finance Committee as follows:

Fund Source: (dollars are in thousands)

| | |
|----------------------------------|--------------------|
| Unrestricted General Funds (UGF) | \$75,535.6 |
| Designated General Funds (DGF) | \$26,866.1 |
| Other Funds | \$229,301.7 |
| Federal Funds | \$3,798.9 |
| Total | \$335,502.3 |

The Unrestricted General Fund difference from FY15 Management Plan to the House Subcommittee budget recommendation is a reduction of <\$5,419.4>, which is a -6.7% reduction.

The subcommittee recommends a total decrease from the FY2016 adjusted base of \$13,376.5 in all fund sources.

Positions:

| | |
|---------------------|--------------|
| Permanent Full-time | 1,049 |
| Permanent Part-time | 15 |
| Temporary | 44 |
| Total | 1,108 |

BUDGET ACTION:

The House Finance Budget Subcommittee for the Department of Administration held 4 meetings with the Department. The Subcommittee reviewed the FY2016 Governor's amended budget request and made its own recommendations, which include these highlights:

- **Reduction and fund source change, Alaska Public Offices Commission, Alaska Public Offices Commission, <\$405.5> 1004 UGF and \$620.0 <1004> UGF to 1005 GF/PR.** The Alaska Public Offices Commission regulates the activities of election campaigns, public officials, lobbyists, and lobbyist employers. In the State's current fiscal situation, all functions of State government must find a way to alleviate costs and reduce their footprint. Regulatory bodies such as the Alaska Public Office Commission should work to be self-sustaining. This budget transaction takes the first step towards self-sustainability by replacing unrestricted general funds with general fund program receipts.
- **Denied the Governor's proposal to close the Juneau Alaska Public Offices Commission Office \$188.5 UGF.** This is the only transaction requested by the Governor that the subcommittee did not accept. The subcommittee believes that the Alaska Public Offices Commission should further evaluate other, more comprehensive budget reduction options. Vacant PCN 02-1302, located in Anchorage, is being deleted as part of the above transaction instead of the proposed layoffs included in this Governor's budget request.
- **Added Intent Language for Alaska Public Offices Commission.** It is the intent of the Legislature that the Department of Administration retain the FY15 fee structure for candidates filing for public office during the fiscal years ending June 30th, 2016 and June 30th, 2017.
- **Reduction, Public Communications Services, <\$1,716.0> 1004 UGF.** Alaska Public Broadcasting Services, including radio, television, and the commission, provides public service programming throughout Alaska. With advancements in technology and development of other broadcast sources, there is less of a need to maintain public service programming at comparable levels to prior years.
- **Added Intent Language for Public Communications Services.** It is the intent of the Legislature that the Department of Administration provide public broadcasting funding to communities that have no other broadcasting service available to them, before funding communities that have another source of broadcasting available to them currently.
- **Added Intent Language for Enterprise Technology Services.** It is the intent of the Legislature that the Department of Administration, through implementation of its five year statewide plan to consolidate statewide information technology services, including procurement, support, and contracting services previously done by state employees, realize twenty five million dollars in savings statewide during FY2016. It is the intent of the Legislature that the Department of Administration submit a report identifying and detailing these savings to the House and Senate Finance Committees by January 15, 2016.

ATTACHED REPORTS:

The House Finance Budget Subcommittee for the Department of Administration adopts the attached reports:

2015 Legislative Finance Division Reports – House Structure (Numbers Only)

1. Agency Totals – FY2016 Operating Budget
2. Allocation Summary (All Funds)
3. Allocation Summary (GF Only)
4. Transaction Compare between Adjusted Base (16Adj Base) and House Subcommittee (H Sub)
5. Transaction Compare between Governor Amended (Gov Amd) and House Subcommittee (H Sub)
6. Wordage Report – FY2016 Operating Budget

The Budget Action Worksheet is attached for informational purposes.

Respectfully submitted,



Representative Lynn Gattis, Chair
House Finance Budget Subcommittee for the Department of Administration