



28th Alaska State Legislature
House Finance Subcommittee
Department of Revenue

Chairman:

Rep. Steve Thompson
Capitol Room 511
465-4941

Members:

Rep. Mike Hawker
Capitol Room 502
465-4949

Rep. Kurt Olson
Capitol Room 24
465-2693

Rep. Paul Seaton
Capitol Room 102
465-2689

Rep. Craig Johnson
Capitol Room 216
465-4993

Rep. Adam Wool
Capitol Room 420
465-4976

Rep. Harriet
Drummond
Capital Room 112
465-3875

Committee Aide:

Brodie Anderson
465-4941

Department of Revenue
FY2016 House Finance Budget Subcommittee Narrative Report
February 26, 2015

Recommendations:

The House Finance Budget Subcommittee for the Department of Revenue submits a recommended operating budget for FY 2016 to the House Finance Committee as follows:

	(In thousands of dollars)
Unrestricted General Funds (UGF)	\$30,225.6
Designated General Funds (DGF)	\$10,323.4
Other Funds	\$282,452.6
<u>Federal Funds</u>	<u>\$78,130.6</u>
Total	\$402,132.2

Budget Action:

The House Finance Budget Subcommittee for the Department Revenue held six meetings with the Department and analyzed all of the Governor's budget transactions. The following are the budget action highlights:

- Reducing spending by \$3,123.3 thousand in Unrestricted General Funds from FY16 Adjusted Base
- A reduction of 9.4% in Unrestricted General Funds from FY2016 Adjusted Base.

The Subcommittee recommends accepting all of the Governor's FY 2016 request. The following are highlights for the Governor's request:

- Overall reduces \$2,466.9 thousand in Unrestricted General Funds and removes 11 positions throughout the Department
- Increases Alaska Permanent Fund Corporation's investment positions to capitalize on investment opportunities, 4 positions - \$779.7 thousand in Permanent Fund Gross Receipts

The Subcommittee also recommends the following changes to the Department of Revenue's FY2016 request:

- In order to facilitate the consolidation of Information Services and Technology with the Department the Subcommittee
 - Removes 2 positions - <\$295.5> thousand in Unrestricted General Funds
 - Changing funding sources from Unrestricted General Funds to Capital Improvement Project Receipts for 2 positions - <\$273.9> thousand in Unrestricted General Funds
- Reduces Personal Services within the Treasury Division to slow the growth of personnel - <\$87.0> thousand in Unrestricted General Funds

Attached Reports:

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

Subcommittee generated reports

- 1) Budget Action Worksheet

Legislative Finance Division Reports – House Structure

- 1) Agency Totals
- 2) Appropriation/Allocation Summary (All Funds)
- 3) Appropriation/Allocation Summary (GF)
- 4) Transaction Comparison between 16ADJ Base and House Sub
- 5) Transaction Comparison between GOV AMD and House Sub
- 6) Wordage Report



Representative Steve Thompson, Chair

House Finance Budget Subcommittee for the Department of Revenue

February 26, 2015