

# ALASKA HOUSE OF REPRESENTATIVES

**Rep. Mark Neuman, Chair**  
Alaska State Capitol, Room 505  
Juneau, AK 99801-1182  
Phone: (907) 465-2679  
Toll Free (800) 505-2678



**Members**  
Rep. Steve Thompson  
Rep. Mike Chenault  
Rep. Craig Johnson  
Rep. Charisse Millet  
Rep. Chris Tuck  
Rep. Max Gruenberg

## LEGISLATURE FY2017 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT February 26, 2016

### **RECOMMENDATIONS:**

---

The House Finance Budget Subcommittee for the Legislature submits a recommended operating budget for FY2017 to the House Finance Committee as follows:

**Fund Source:** (dollars are in thousands)

Unrestricted General Funds (UGF)	\$64,306.3
Designated General Funds (DGF)	63.4
Other Funds	809.8
Federal Funds	
<b>Total</b>	<b>\$65,179.5</b>

The Unrestricted General Fund difference from FY16 Management Plan to the House Subcommittee budget recommendation is a reduction of \$9,091.6, a 12.4% reduction from FY16 Management Plan.

These reductions are in addition to the \$3.5 million UGF budget reductions that were taken last year. Attached are two documents from the Legislative Affairs Agency that highlight budget reductions taken in FY16 and cost-saving efficiency items.

From FY15 Management Plan to this Subcommittee recommendation for FY17, the Legislature's UGF has been reduced by \$12,597.9 or 16.4%.

**Positions:**

Permanent Full-time	251
Permanent Part-time	295

Temporary  
Total

-0-  
545

## **BUDGET ACTION:**

---

The House Finance Budget Subcommittee for the Legislature reviewed the FY2017 budget request and the following are highlights of the recommended actions:

- **Agency-wide**
  - The Legislature will implement 5-day furloughs for all full-time employees that will save \$727.6 UGF
- **Budget & Audit RDU**
  - Legislative Audit
    - Eliminated a net of \$937.2 UGF for the HB 30 Performance Reviews as the program hasn't delivered the anticipated results
    - Reduced the budget by an additional \$500.0 UGF
  - Legislative Finance
    - Reduced the House Finance Committee's budget by \$300.0
  - Committee Expenses
    - Reduced the budget by \$400.0 UGF
- **Legislative Council RDU**
  - Salaries and Allowances
    - Reduced the House office allowance accounts by 25% from \$16.0 to \$12.0 for a savings of \$160.0 UGF
  - Administrative Services
    - Denied increases for dues \$35.5 UGF
    - Denied risk management and accounting system costs \$30.5 UGF
    - Eliminated dues for Energy Council \$29.5 and reduced PNWER dues by 50% to \$23.0 UGF
    - Changed a position from full-time to part-time for savings of \$49.8 UGF
  - Council and Subcommittees
    - Eliminated the last year of funding for the Task Force on Unmanned Aircraft Systems for savings of \$8.9 UGF
    - Deleted funding for the Administrative Regulation Review Committee \$52.3 UGF
  - State Facilities Rent
    - Denied the request of \$312.5 UGF for lease costs as Legislative Council can absorb these costs

- Accepted the Legislative Council's recommendation regarding the Anchorage LIO to remove \$4,032.0 UGF
- **Legislative Operating Budget RDU**
  - Legislative Operating Budget
    - Reduced the House's operating budget by \$400.0 UGF
  - Session Expenses
    - Reduced the budget by \$200.0 UGF

**ATTACHED REPORTS:**

---

The House Finance Budget Subcommittee for the Legislature adopts the attached reports:

**2016 Legislative Finance Division Reports – House Structure**

1. Multi-year Agency Totals – Operating Budget
2. Multi-year Allocation Summary (All Funds)
3. Multi-year Allocation Summary (GF Only)
4. Transaction Compare between FY17 Adjusted Base (17Adj Base) and House Subcommittee (House Sub)
5. Transaction Compare between FY17 Governor Amended (17GovAmd) and House Subcommittee (House Sub)
6. Wordage Report

The Budget Action Worksheet is attached for informational purposes.

Respectfully submitted,



Representative Mark Neuman, Chair  
House Finance Budget Subcommittee for the Legislature

# LEGISLATIVE AFFAIRS AGENCY'S FY 16 BUDGET REDUCTIONS

## ADMINISTRATIVE SERVICES

• Supply Assistant/Capitol Tour Coordinator		full time position deleted	-56.9
• Capitol Tour Guides		9 temporary positions deleted	-71.6
• Print Shop Machine Operator		PPT position deleted	-56.5
• Maintenance Worker		PPT position deleted	-55.6
• Custodian		PPT position deleted	-27.6
• Custodian		PPT position deleted	-27.0
• Help Desk		temporary position deleted	-28.8
• Micro Computer/Network Specialist		full time position deleted	-120.2
• Travel		reduce travel	-50.0
FY 16 request	160.0		
FY 16 Mgmt Plan	<u>-96.4</u>		
	63.6		
• Services – reduce dues			-31.9
CSG 82.0 (-7.2)		NCSL 107.0 (-8.9)	
PNWR 46.0 (-4.0)		Pacific Fisheries 6.9 (-.6)	
Energy Council 29.5 (-8.9)		Western States Forestry 5.0 (-.5)	
• Commodities			-87.9
FY 15	630.0	630.0	
FY 15 Actuals	941.8	<u>-482.1</u>	
FY 16 Request	630.0	147.9	
FY 16 Mgmt Plan	482.1	<u>- 60.0</u> LIO	
		87.9 total commodities	
• Equipment			-82.0
FY 15	100.0		
FY 15 Actuals	179.5		
FY 16 Request	100.0		
FY 16 Mgmt Plan	18.0		
• Anchorage Security Contract			-45.0
This was not budgeted in Administrative Services. It was budgeted in			
Legislature State Facilities Rent component. The decrease happened there			-741.0
and Administrative Services was transferred back the 45.0.			<u>+45.0</u>
			-696.0
Specific reductions by Senate Finance Committee		-471.6	
Additional cuts		<u>-269.4</u>	
		-741.0	
		<u>+ 45.0</u>	
		696.0	

## LEGAL SERVICES

• Library Assistant temporary position for deleted	-29.3
• Legal Secretary 11.5 month position deleted	-90.9
• Attorney V full time position deleted	-182.6
• Commodities reduced	<u>-17.2</u>
	-320.0

## RESEARCH SERVICES

• Research Analyst PPT position deleted	-131.3
• Research Analyst PPT position deleted	-103.4
• Research Assistant PPT position deleted	-87.0
• Research Assistant temporary position deleted	<u>-22.3</u>
	-344.0

## INFORMATION & TELECONFERENCE

Fairbanks Information Assistant	reduced from full time to PPT	-41.7
Mat Su Information Assistant	reduced from full time to PPT	-43.2
Barrow Information Officer	reduced from full time to PPT	-93.0
Kotzebue Information Officer	reduced from full time to PPT	-104.3
Juneau Information Assistants	reduce 8 positions from 5 mos. To 4 mos.	-51.8
Hourly casual labor pool at LIO's	reduced	<u>-24.7</u>
		-358.7

-741.0

-320.0

-344.0

-358.7

**-1,763.7**

**23 positions**

## **Legislative Affairs Agency Efficiencies:**

### **Supply**

- Only pouching once a week during Interim unless it is an emergency.
  - It is \$15 for a 1 oz parcel, \$41 for a 6 oz – 2 day service.
  - Overnight is \$23 for a 1 oz parcel.
- Mailing whenever possible, and fitting parcels into the smallest envelope possible. The mailroom has been assisting in that endeavor.
- Developed an inventory warehouse binder which catalogs all items available at the surplus warehouse. This saves staff time and allows us to better utilize the items in the warehouse. We will check the binder before purchasing new items to make sure we don't already have it.

### **Agency-Wide**

- Agency staff travel has been greatly reduced.
  - Trips have been consolidated whenever possible.
  - Less people have been sent for session move.
  - Travelers are sharing costs of rental cars, taxis and hotel rooms if possible.
  - Outsourcing utilized if possible and cheaper than sending an employee. (ex. session move).
  - Not sending a recorder to attend Leg Council Meetings when they are only scheduled to be in executive session.
- Lowering the monthly allowance amounts on Electronic Device Allowances.
- Not printing as many copies of year-end reports and documents, having them available electronically instead.
- Reusing supplies (binders, paper, etc.) whenever possible.
- Encouraging employees to sign up for electronic deposit for both Accounting and Payroll. This saves on the cost of printing checks and the time it takes for LAA staff to stuff and address envelopes and the postage required to mail the checks.
- Hours for hourly employees have been reduced in all sections.
- Switching to plain white paper cups, instead of the ones printed with the flag song, which was a cost-savings.
- Phones bills are no longer emailed out to offices each month. This wasn't an efficient use of staff time.

### **Information & Teleconference**

- Developed in-house digital witness system for committee meetings and hearings this is efficient and necessary to help with people testifying in the meetings.
  - Developing in-house saved hundreds of thousands of dollars in programmer costs.
- Positions have been left unfilled.
- Getting committee approval before sending Media Services for meetings that need to be streamed. This ensures staff is necessary and that it comes from the appropriate budget.
- Utilizing Media Services Staff to fill in Moderator vacancies when necessary.

- LIO Information Officers and assistants don't turn in timesheets when they fill in at the office during interim which saves money.
- LIO staff assist constituents in filling out PFD applications. In Kodiak alone, over 250 applications were filled out. This is a statewide efficiency, in that DOR staff don't need to assist these applicants.
- Specialized services have been reduced.
- Didn't hold annual Admin Meeting for all LIO's to save money.

#### **Info Services**

- Turning off iPad data plans that are unnecessary and asking staff to utilize Wi-Fi if possible.
- Didn't order printers or monitors during last hardware refresh to save money.
- Fewer hours for Help Desk and Tech Services 8:00-5:00 instead of 8:00 – 6:00.
- Consolidating shipping and picking up from airport rather than having delivered.