



30th Alaska State Legislature
House Finance Budget Subcommittee
Legislature
FY18 Operating Budget

Chair:

Rep. Paul Seaton
Capitol Room 505
465-2689

Members:

Speaker Bryce Edgmon
Capitol Room 208
465-4451

Rep. Neal Foster
Capitol Room 410
465-3789

Rep. Gabrielle LeDoux
Capitol Room 216
465-4998

Rep. Chris Tuck
Capitol Room 204
465-2095

Rep. Charisse Millett
Capitol Room 404
465-3879

Rep. Mike Chenault
Capitol Room 434
465-3779

Committee Aide:

Joan Brown
465-6587

February 24, 2017

SUBCOMMITTEE MEETINGS:

The House Finance Budget Subcommittee for the Legislature held four meetings to review the Legislature's FY18 budget request.

RECOMMENDATIONS:

The following **budget amendment proposals** were recommended without objection and are submitted by the subcommittee chair to the House Finance Committee for consideration:

Legislative Audit – Zero out performance review funding and delete associated position; -\$56.0 Unrestricted General Fund (UGF) and -1 permanent part-time position.

Legislative Finance – Technical correction transferring reduction for 5-day furlough from Legislative Operating Budget; -\$72.8 UGF (see the corresponding amendment adding \$72.8 to the Legislative Operating Budget).

Legislative Finance – Reduce funding allocated to the House Finance Committee; -\$240.0 UGF.

Salaries and Allowances – Eliminate regular session per diem for three Juneau legislators; -\$43.1 UGF, and reduce regular session per diem for all other legislators by 75%; -\$819.5, for an overall reduction of \$862.6 UGF. This amendment was originally proposed to eliminate per diem for Juneau legislators, but was amended to reduce per diem for all legislators.

Administrative Services – Personal services reductions; -\$80.3 UGF and -1 permanent full-time position.

Council and Subcommittees – Delete legislative secretary and reduce funding for services and commodities; -\$221.2 UGF and -1 permanent full-time position.

Council and Subcommittees – Reduce funding to the House Special Committee on Arctic Policy, Economic Development and Tourism; -\$17.8 UGF.

Legislature State Facilities Rent – Reduce space in Wrangell and Ketchikan and reduce lease costs in Barrow; -\$58.9 UGF.

Legislative Operating Budget - Technical correction transferring reduction for 5-day furlough from Legislative Operating Budget; \$72.8 UGF (see the corresponding amendment in Legislative Finance).

Legislative Operating Budget – Reduce the House Operating budget; -\$360.0 UGF.

Session Expenses – Reduce expenditures for bill copies and statutes; -\$3.5 (-2.0 General Fund/Program Receipts and -1.5 Inter-agency Receipts).

Session Expenses – Reduce FY18 personal services; -\$120.0 UGF. This amendment was originally submitted to reduce \$200.0, but was amended to reduce \$120.0, as the Senate is anticipated to reduce the \$80.0 difference.

The following two **statutory recommendations** are also submitted to the House Finance Committee for consideration:

Rules Committee - Repeal Chapter 19, SLA 2013, (HB 30 re Performance Reviews). When the legislation was passed in 2013 it was envisioned as a means to verify state agencies' alignment with their mission and services, review agency performance, and aid in identifying potential budget reductions. The results from the first of the scheduled performance reviews were not constructive. Since then, state revenue has fallen dramatically and state agencies' budgets have also been reduced dramatically. The funding for the performance reviews was mostly eliminated from the FY17 budget. A recommended amendment deletes the remaining funding.

Because the performance review statutes still exist, the Legislative Auditor feels that a budget amendment to fund the performance reviews must be submitted annually. The Legislative Auditor did submit an FY18 increment for \$1,030.9 and 3 PFTs, but that increment is not being recommended for consideration by the House Finance Committee.

Rules Committee – Repeal the statutes establishing the Administrative Regulation Review Committee, AS 24.20.400-AS 24.20.460. This committee is no longer funded by the legislature and so the enabling statutes should be repealed.

OTHER INFORMATION:

There was an amendment proposed to eliminate the four permanent part-time staff and \$137.0 of UGF for the legislative lounge. The amendment did not receive an affirmative vote of the subcommittee (2 yea to 5 nay).

AMENDMENTS:

The Governor did not submit any amendments to the Legislature's budget.

ATTACHED REPORTS: (House Structure, Numbers Only)

Transaction Detail – HSub Amends Column

Allocation Summary

Multi-year Agency Totals – Operating Budget

Respectfully submitted,



Representative Paul Seaton, Chair

House Finance Budget Subcommittee for the Office of the Governor