

**30TH ALASKA STATE LEGISLATURE
HOUSE FINANCE BUDGET SUBCOMMITTEE
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
FY19 OPERATING BUDGET**

February 21, 2018

SUBCOMMITTEE MEMBERS:

Rep. Guttenberg, Chair	Rep. Edgmon -	Rep. Josephson ✓
Rep. Knopp	Rep. Lincoln	Rep. Neuman ✓
Rep. Talerico	Rep. Tuck -	

SUBCOMMITTEE MEETINGS:

The House Finance Budget Subcommittee for the Department of Commerce, Community and Economic Development held 8 meetings with the department during the review of the FY19 budget request.

RECOMMENDATIONS:

The House Finance Budget Subcommittee for the Department of Commerce, Community & Economic Development recommends that the House Finance Committee accept the Governor's FY19 Amended Budget with further amendments:

The numbers only budget without amendment totals:

Fund Source: (dollars are in thousands)

Unrestricted General Funds (UGF)	\$10,034.3
Designated General Funds (DGF)	46,236.0
Other Funds	57,044.5
Federal Funds	21,111.5
Total	\$134,426.3

The Unrestricted General Fund difference from FY15 Management Plan to the FY19 House Finance Recommendation budget is a reduction of \$20.8 million, a decrease of 67.4 percent.

Positions:

Permanent Full-time	500
Permanent Part-time	0
Temporary	5
Total	505

GOVERNOR'S AMENDMENTS:

The Governor did not submit any amendments.

SUBCOMMITTEE BUDGET RECOMMENDATIONS:

The following budget amendments are submitted by the subcommittee chair to the House Finance Committee for consideration:

1. It is the intent of the legislature that every company providing advanced telecommunications capability in the State of Alaska file a report with the Regulatory Commission of Alaska. The report should include geographic information system "shapefiles" of the territory in which it offers service, and the connection speed and type of technology for each serviceable street address or land parcel to which it offers service. The Regulatory Commission of Alaska shall deliver a report summarizing broadband internet access in Alaska to the Speaker of the House, the President of the Senate, the Co-Chairs of the House Finance Committee, the Co-Chairs of the Senate Finance Committee, and the Legislative Finance Division, by December 1, 2018.

Description:

This amendment would improve the level of detail of broadband mapping in the state.

2. It is the intent of the legislature that the Regulatory Commission of Alaska recommend adoption of updated telecommunication modernization regulatory standards in AS42.05, the Alaska Public Utilities Regulatory Act, and deliver recommendations on how best to modernize outdated statutes to the House and Senate Finance Committees and to the Legislative Finance Division by February 19, 2019.

Description:

This amendment would direct the Regulatory Commission of Alaska to provide recommendations on how to best update Alaska's telecommunication regulatory standards.

OTHER INFORMATION:

The subcommittee discussed a variety of issues during the meetings. Those that I have not put forward for consideration by the House Finance Committee include, but are not limited to:

1. The subcommittee reviewed the Regulatory Commission of Alaska's Docket I-17-004, a legislative report on Alaska's current and future broadband coverage.
2. The subcommittee received an update on the Ambler Mining District Access Project.
3. An amendment proposal was considered that would have provided additional regulatory positions to the Regulatory Commission of Alaska.

SUBCOMMITTEE STATUTORY RECOMMENDATIONS

The subcommittee made no statutory recommendations.

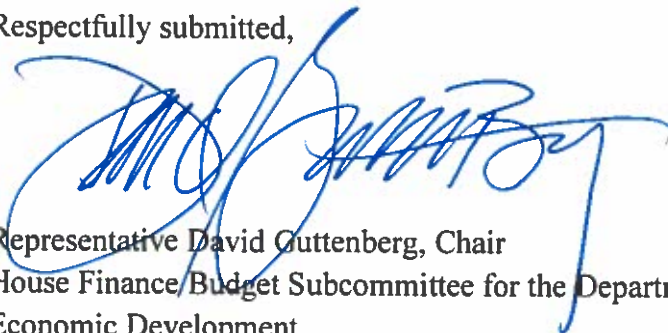
ATTACHED REPORTS (House Structure, Numbers Only):

Allocation Summary

Multi-Year Allocation Summary

Transaction Detail – House Structure Amendments Recommended by Subcommittee

Respectfully submitted,



Representative David Guttenberg, Chair
House Finance/Budget Subcommittee for the Department of Commerce, Community and
Economic Development.