

**Senate Finance  
Administration  
Budget SubCommittee**  
*Alaska State Legislature*

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**Members:**  
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## **NARRATIVE CLOSE-OUT REPORT**

April 18, 2019

### **RECOMMENDATIONS:**

The Senate Finance Subcommittee for the Department of Administration submits a recommended operating budget for FY2020 to the Senate Finance Committee as follows:

(all funds in thousands)

| <b>FUND SOURCE</b>  | <b>FY19 Mgt Plan</b> | <b>FY20 Adj Base</b> | <b>FY20 House</b> | <b>FY20 Sen Sub</b> | <b>Chg-Adj Bs to Sen<br/>Over/(Under)</b> |
|---|----------------------|----------------------|-------------------|---------------------|---|
| UGF   | \$ 71,566.9          | \$ 71,566.9          | \$ 72,285.8       | \$ 71,427.3         | \$ (139.6)                                |
| DGF   | 32,977.8             | 31,962.8             | 33,215.3          | 33,142.1            | 1,179.3                                   |
| Total GF  | \$ 104,544.7         | \$ 103,529.7         | \$ 105,501.1      | \$ 104,569.4        | \$ 1,039.7                                |
| Other   | 234,428.0            | 234,236.8            | 269,518.7         | 269,521.9           | 35,285.1                                  |
| Federal   | 3,905.0              | 3,905.0              | 4,105.3           | 4,105.3             | 200.3                                     |
| Total All Funds   | \$ 342,877.7         | \$ 341,671.5         | \$ 379,125.1      | \$ 378,196.6        | \$ 36,525.1                               |
| <b>SALARY ADJUSTMENT FUND SOURCE - Informational Only</b> |                      |                      |                   |                     |   |
| UGF   |                      |                      |                   | \$ 734.9            |   |
| DGF   |                      |                      |                   | 432.8               |   |
| Total GF  |                      |                      |                   | \$ 1,167.7          |   |
| Other   |                      |                      |                   | 1,759.1             |   |
| Federal   |                      |                      |                   | 14.5                |   |
| Total All Funds   |                      |                      |                   | \$ 2,941.3          |   |
| <b>POSITIONS</b>  |                      |                      |                   |                     |   |
| PFT   | 1204                 | 1217                 | 1223              | 1228                | 11  |
| PPT   | 10                   | 10                   | 10                | 10                  | 0   |
| Temp  | 31                   | 29                   | 30                | 30                  | 1   |

## BUDGET ACTION:

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The Senate Finance Budget Subcommittee for the Department of Administration held four public meetings and numerous meetings with the Department and analyzed all of the Governor's budget transactions. Following are budget highlights.

### Governor's Amended Budget Request:

- Accepted the Governor's Amended Budget Request except for these items:
  - The subcommittee denied the proposed increment to the Office of Administrative Hearings of \$75.0.
  - Denied the proposed travel reduction to the Alaska Oil and Gas Conservation Commission, the Office of Public Advocacy and the Public Defender Agency.
  - Denied the proposed elimination of funding for the Public Broadcasting Commission and for Satellite Services.
  - Reduced by 93% the proposed cut to Public Broadcasting-Television.
  - Reduced by 95% the proposed cut to Public Broadcasting-Radio
- Sub-Committee Additions, Reductions and Changes:
  - Add five positions to the Office of Public Advocacy and transfer \$500.0 from the contractual line to the personal services line to pay for these positions.
- Other Changes:
  - Salary Adjustment figures are informational only. It is the best guess at this time for what will likely be needed once contracts are finalized. The correct dollars will be added after close-out in the full Finance committee CS.
  - Delete the following intent language: *At the discretion of the Office of Management and Budget, funding may be transferred between all appropriations in the Department.*
- Organizational Changes
  - In the Office of Public Advocacy, add five positions, which deliver consistent and necessary OPA services at a lower cost than existing contract attorneys.
- Intent Language
  - Add the following intent: It is the intent of the legislature that the Department of Administration prepare a report outlining a multi-year plan that includes past and future savings resulting from consolidation of shared services and information services. This report should be sent to the Finance co-chairs by January 15, 2020.

- Add the following intent: It is the intent of the legislature that the reduced funding allocated to public radio and public television be granted in a manner which retains essential service.

#### **ATTACHED REPORTS:**

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

- Agency Totals – FY2020 Operating Budget
- Transaction Comparison 1 – FY20 Adjusted Base to Senate Subcommittee
- Transaction Comparison 2 – Governor's Amended to Senate Subcommittee
- Transaction Comparison 3 – House Budget to Senate Subcommittee
- Wordage

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Senator Peter A. Micciche, Chair