



30th Alaska State Legislature

House Finance Budget Sub-Committee

University of Alaska

FY19 Operating Budget

Chair:

Rep. David Guttenberg
Capitol Room 501
465-4457

Members:

Rep. Jonathan Kreiss-Tomkins
Capitol Room 411
465-3732

Rep. Gabrielle LeDoux
Capitol Room 216
465-4998

Rep. Adam Wool
Capitol Room 412
465-4976

Rep. Chris Tuck
Capitol Room 204
465-2095

Rep. Gary Knopp
Capitol Room 424
465-2693

Rep. Chris Birch
Capitol Room 112
465-4931

Rep. Delena Johnson
Capitol Room 405
465-4958

Alternate Member:

Rep. Andy Josephson
Capitol Room 102
465-4939

Sub-Committee Aide:

Alliana Salanguit
Capitol Room 501
465-4457

FY2019 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT

February 22, 2018

SUBCOMMITTEE MEMBERS:

Rep. Guttenberg, Chair	Rep. Birch	Rep. Johnson
Rep. Josephson	Rep. Knopp	Rep. Kreiss-Tomkins
Rep. LeDoux	Rep. Tuck	Rep. Wool
Rep. Josephson (Alternate)		

SUBCOMMITTEE MEETINGS:

The House Finance Budget Subcommittee for the University of Alaska held 6 meetings with the University of Alaska during the review of the FY19 budget request.

RECOMMENDATIONS:

The Chair of the House Finance Budget Subcommittee for the University of Alaska recommends that the House Finance Committee accept the University of Alaska's FY19 Amended Budget as follows:

Fund Source (dollars are in thousands):

Unrestricted General Funds (UGF)	336,033.5
Designated General Funds (DGF)	331,131.2
Other Funds	86,530.4
Federal Funds	143,852.7
Total	897,547.8

The Unrestricted General Fund difference from FY15 Management Plan to the FY19 House Subcommittee Recommended budget is a reduction of \$34.56 million, a decrease of 9.3%.

The Unrestricted General Fund difference from FY18 Management Plan to the FY19 University of Alaska House Finance Subcommittee recommended \$19 million, an increase of 6.0%.

Positions:

Permanent Full-time	3,993
Permanent Part-time	189
Temporary	0
Total	4,182

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

- 1. H UOA 1:** Is an increment of \$150,000, but it was included in last year's budget so it is considered flat funding. These funds, in conjunction with the Alaska Mental Health Trust's \$225.0 MHTAAR, are required for the operations of the Alaska Justice Information Center. The AJiC mission is "to compile, analyze, and report on criminal justice topics to policymakers and practitioners in order to improve public safety, increase criminal justice system accountability, and to reduce recidivism." This function is critical as the State tries to implement data-driven policy to address rising crime rates.
- 2. H UOA 5:** This amendment originally added \$24.5 million to the UA Budget. It was amended down to \$19 million to help bridge the budget shortfall between the Governor's number and the Board of Regent's request. The Board of Regent's number is believed to be the correct number but during these times, it cannot be provided.

The following statutory recommendation/s is/are submitted to the House Finance Committee.

1. Amend AS 14.42.033 (a) to read (a) Except as provided under (b) and (c) of this section, as a condition of participating in a medical education program under AS 14.42.033, a program participant shall agree to either return to the state and actively engage in professional medical practice or repay financial support provided by the state on behalf of the program participant. The financial support to be repaid is equal to the full [50 percent of the] amount paid for each program participant by the state to the contracting postsecondary institution, plus interest. The rate of interest is equal to the 12th Federal Reserve District discount rate in effect on March 1 of the year in which the financial support is provided plus two percentage points. Interest imposed under this subsection begins to accrue when the person terminates studies under the medical education program. Accrued interest shall be added to the principal balance of the repayment obligation at the time the borrower is obligated to commence repayment and at the end of a deferment period.

ATTACHED REPORTS:

- UA Multi-year agency totals
- UA Allocation Summary, FY19
- UA Multi-year Allocation Summary
- UA Transaction Detail

Respectfully submitted,

Representative David Guttenberg, Chair
House Finance Budget Subcommittee for the University of Alaska