



Bill Walker
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

December 26, 2014

ADMINISTRATIVE ORDER NO. 271

I, Bill Walker, Governor of the State of Alaska, under the authority of Article III, Sections 1 and 24 of the Constitution of the State of Alaska, implement this fiscal restraint order to all State agencies.

PURPOSE

With the extensive drop in market oil prices contributing to a large budget deficit, there is a need to take immediate and responsible action to ensure the State remains in a healthy fiscal position. Consequently, pending further review, I am directing all State agencies to halt to the maximum extent possible discretionary expenditures for the following projects (each a "Project"):

- A. Ambler Road Project (Alaska Department of Transportation and Public Facilities, Alaska Department of Natural Resources);
- B. Juneau Access Project (Alaska Department of Transportation and Public Facilities);
- C. Susitna-Watana Dam Project (Alaska Energy Authority);
- D. Kodiak Launch Complex (Alaska Aerospace Corporation);
- E. Knik Arm Crossing Project (Knik Arm Bridge and Toll Authority, Alaska Department of Transportation and Public Facilities); and
- F. Alaska Stand Alone Pipeline Project (Alaska Gasline Development Corporation).

ORDER

Under the authority of Article III, Sections 1 and 24 of the Constitution of the State of Alaska, I order that each agency working on a Project shall:

- A. Immediately cease all discretionary spending on the Project and
 - (1) not incur new or additional expenses or obligations including hiring personnel or entering into or amending any contracts (unless entering or amending a contract would reduce agency costs);
 - (2) not spend any unobligated or unencumbered funds that have been appropriated to the agency by the Alaska Legislature;
 - (3) not spend funds received from the federal government or from other sources through contracts, grants, donations, or other instruments or transfer, unless such funds have been obligated or encumbered by the agency.

- B. To the extent spending is non-discretionary, such as contractually required spending and salaries of existing agency personnel, continue to work on the Project until further notice.
- C. Submit to the director of the Office of Management and Budget by 5:00 p.m. on January 5, 2015, a report that includes the following information for the Project:
 - (1) a spreadsheet of discretionary funding obligations subject to this Administrative Order;
 - (2) a spreadsheet of non-discretionary funding obligations, including contracts, and the sources of funds for payment of those obligations, and potential costs to delay, suspend or terminate each contract or obligation;
 - (3) budgeted personnel costs for the remainder of Fiscal Year 2015; and
 - (4) operating costs status to date.

OTHER PROVISIONS

This Order takes effect immediately.

Dated at Juneau, Alaska, this 26th day of December, 2014

/s/Bill Walker
Governor

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