

State of Alaska

Office of Management and Budget

FY2020 Governor's Amended Budget

Presentation to the Senate Finance Committee

February 18, 2019

Director Donna Arduin



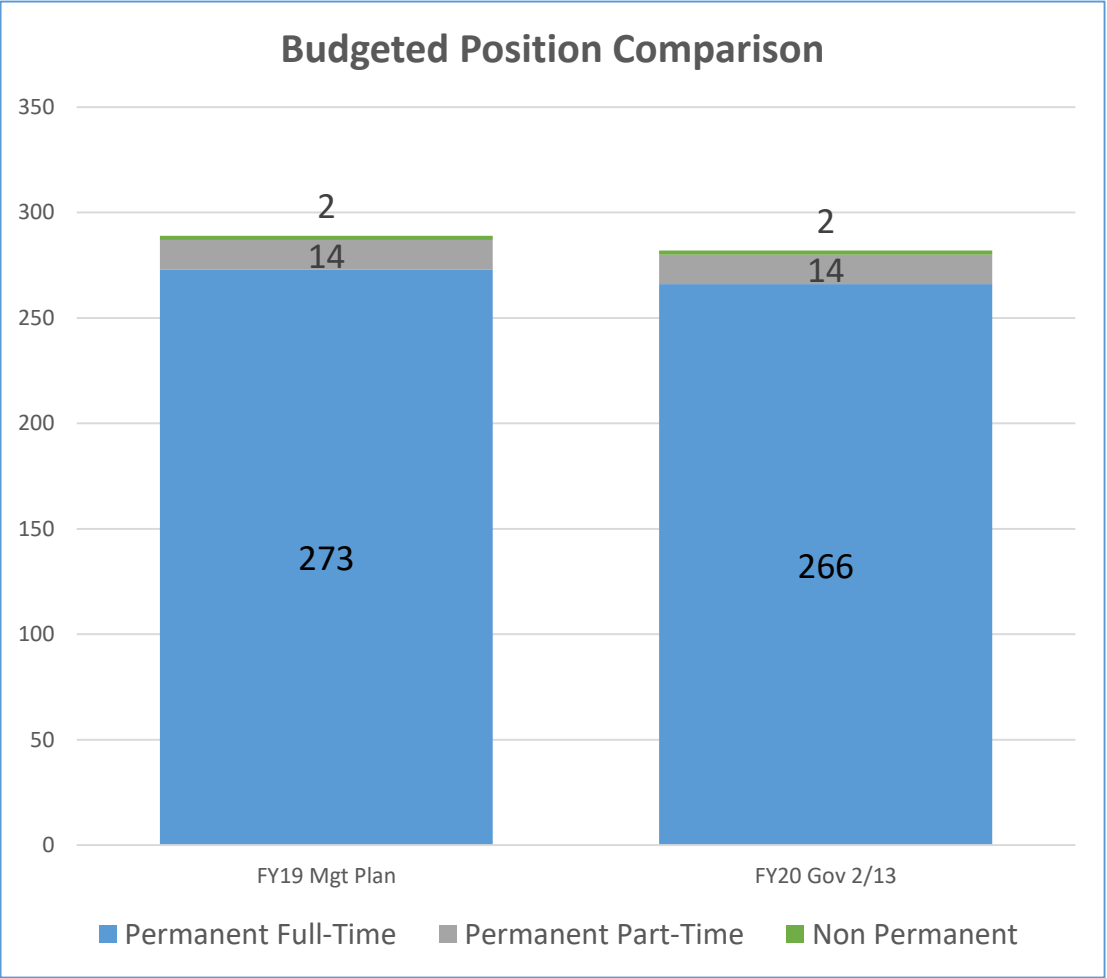
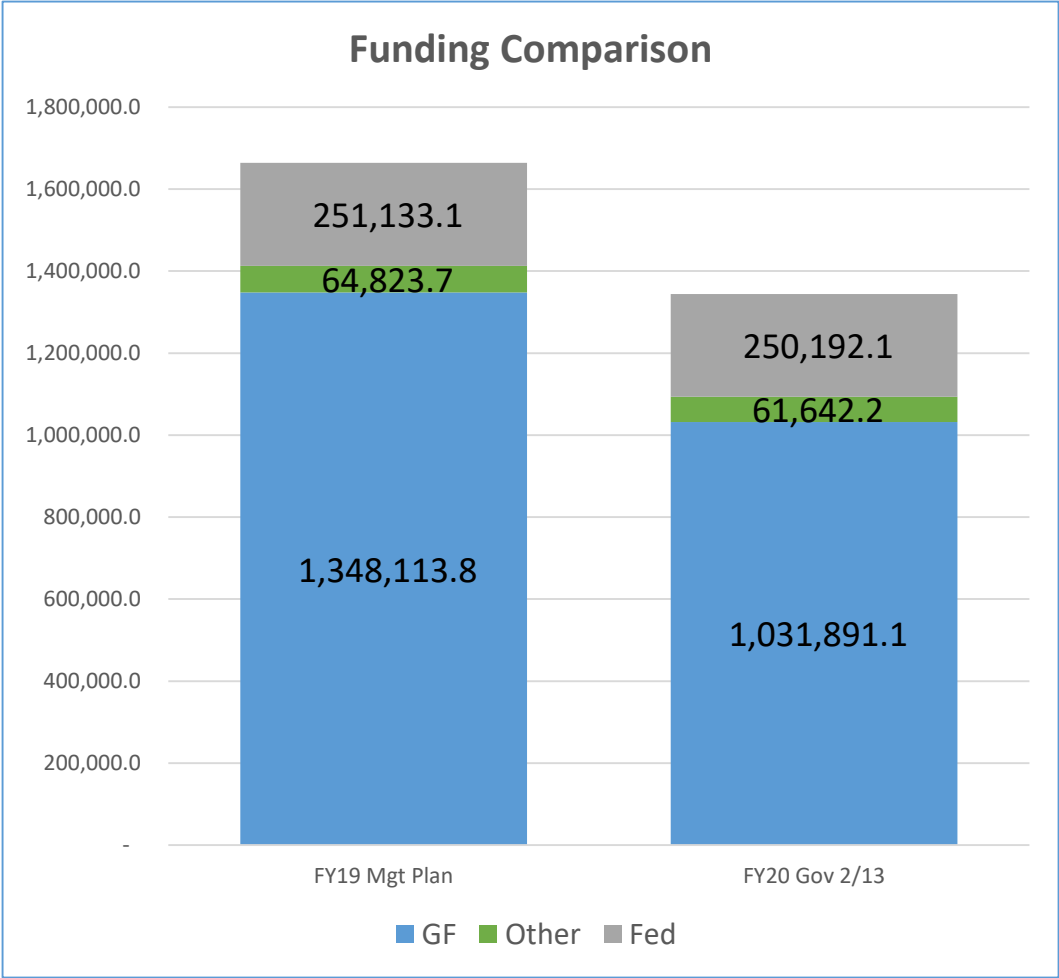
THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Education & Early Development

Heidi Teshner
Administrative Services Director



FY2020 Budget: Department of Education & Early Development



FY2020 Budget: Department of Education & Early Development Snapshot

- Statewide Support – Executive Branch 50% Travel Reduction (-\$146.6 GF)
- Reduction to the Foundation Funding Formula Program (-\$269,396.9 GF)
- Withdraw One-Time Future Funding to School Districts (-\$30,000.0 GF)
- Withdraw funding for the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Medical Education Program (-\$3,096.4 GF)
- Reduction to Pre-Kindergarten Programs & Other Grant Programs (-\$16,847.7 GF)

Statewide Items

Mike Barnhill, Policy Director
Amanda Holland, Management Director



FY2020 Budget: Legislative Proposals

Revenue

- Repeal Local Petroleum Property Tax (+\$398 million)
- Repeal Sharing of Fisheries Business/Resource Landing Taxes (+\$28.4 million)
- 50% of Alcohol Tax as a Shared Tax (-\$20 million)

Debt Reimbursement

- Repeal School Debt Reimbursement (-\$100 million)
- Repeal Project Debt Reimbursement (-\$4.5 million)

O&G Tax Credit Paydown

- Replace UGF with surplus AIDEA funds
 - FY19 \$84 million (Align w/Statutory Calculation)
 - FY20 \$170 million (Statutory Calculation)

FY2020 Budget: [Legislative Proposals](#)

Program Reform

- Exempt position reform
- Pay increment reform
- Bi-weekly payroll
- Begin to eliminate quasi-dedicated funds
 - Power Cost Equalization Endowment Fund (~\$1.1 billion)
 - Community Assistance Fund (\$60 million)
 - Higher Education Investment Fund (~\$344 million)

Unleashing Entrepreneurialism

- Eliminate most revolving loan funds

Examples:

- Agriculture Revolving Loan Fund (~\$5 million)
- Mariculture Revolving Loan Fund (~\$4 million)
- Alaska Microloan Revolving Loan Fund (~\$2.4 million)
- Development Initiative Revolving Loan Fund (~\$3.5 million)

FY2020 Budget: Administrative Orders

Business process realignment

- Alaska Oil and Gas Conservation Commission to Department of Commerce, Community and Economic Development

Program reform

- Procurement Consolidation
- HR Consolidation

Eliminate duplication

- Statewide Investigator Unit

FY2020 Budget: Governor's Directives

Unleashing Entrepreneurialism

- Alaska Marine Highway System

Maximizing Return on Assets

- Property Disposal
- Rural Airport System

Program reform

- Laboratory Consolidation
- Travel – Hire Policy

Sustainable, Predictable, Affordable
