

State of Alaska

Office of Management and Budget

FY2020 Governor's Amended Budget

Presentation to the Senate Finance Committee

February 19, 2019

Director Donna Arduin



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

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

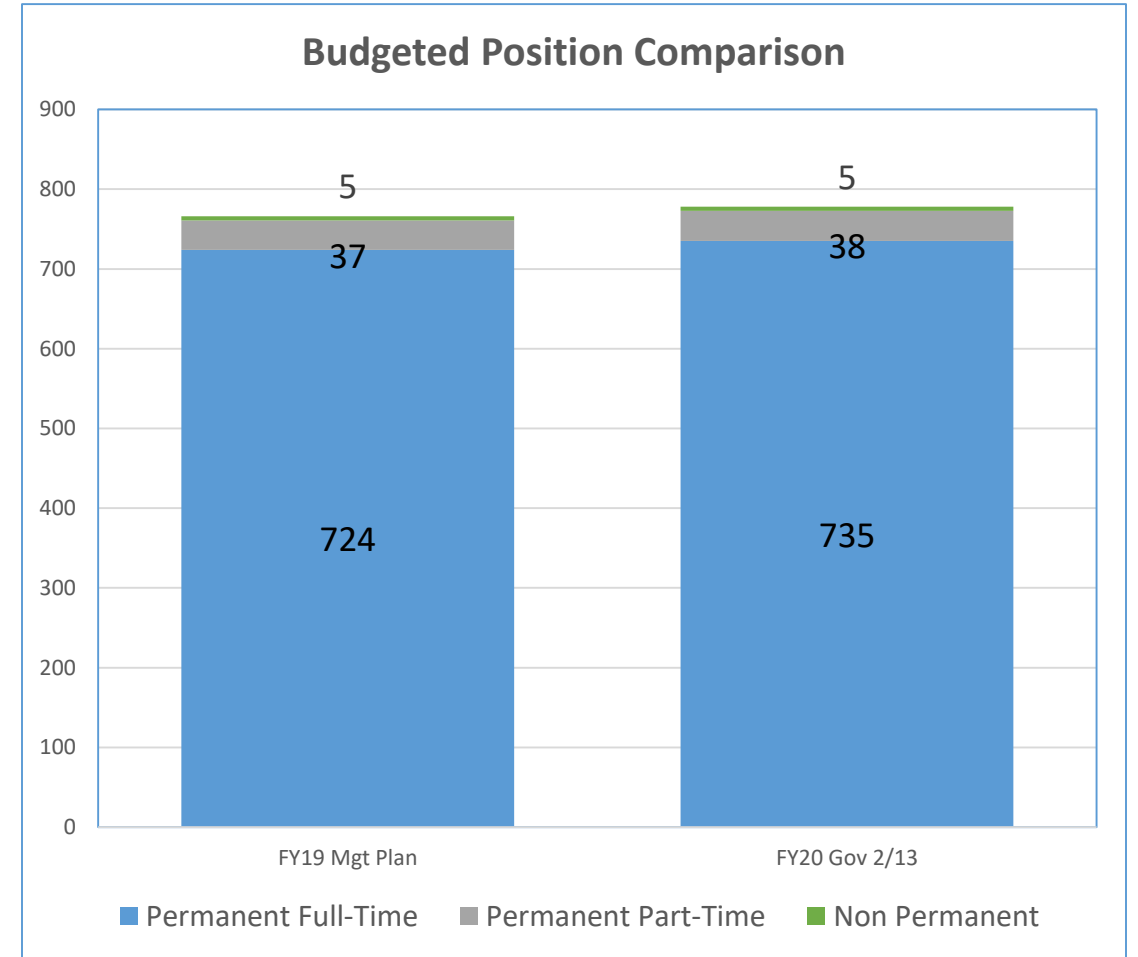
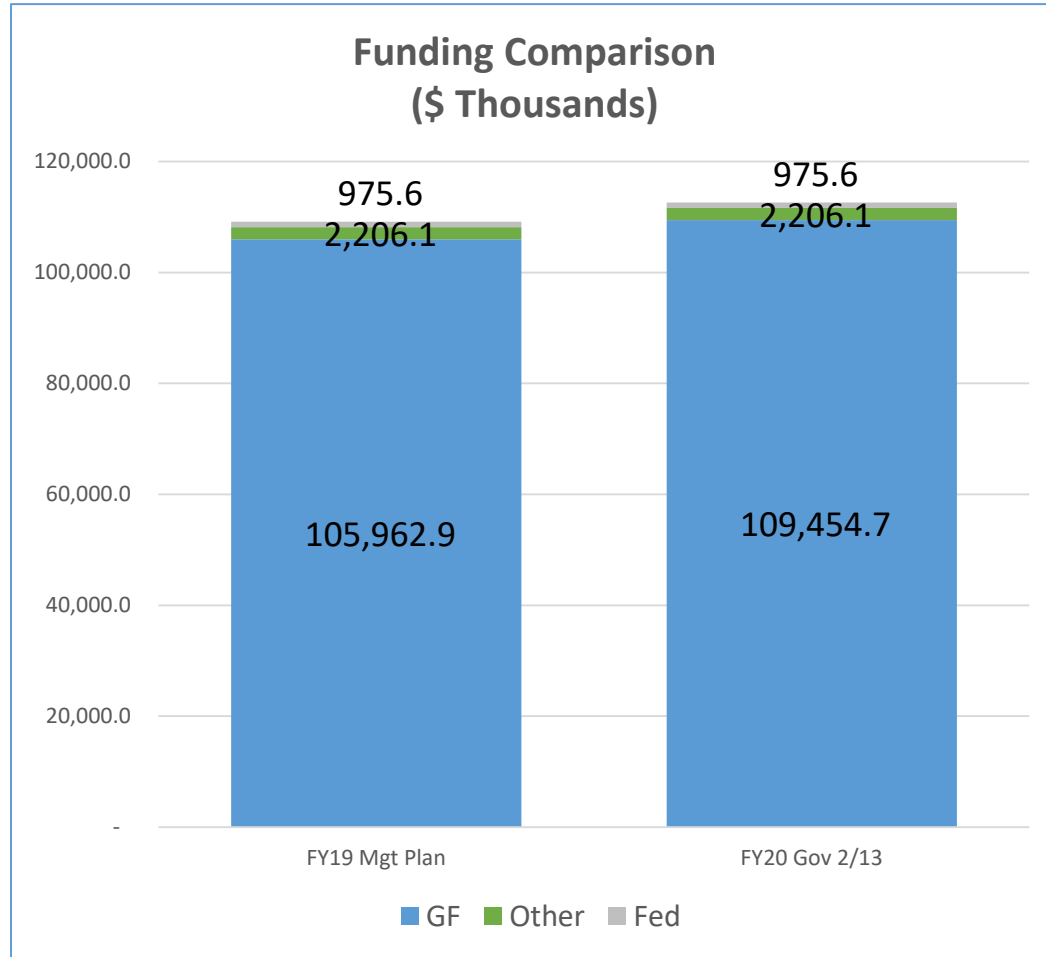
Judiciary

Doug Wooliver
Deputy Administrative Director



FY2020 Budget: Judiciary

Budget requests from agencies of the Judicial Branch are transmitted as requested.



FY2020 Budget: **Judiciary Snapshot (\$ Thousands)**

Budget requests from agencies of the Judicial Branch are transmitted as requested.

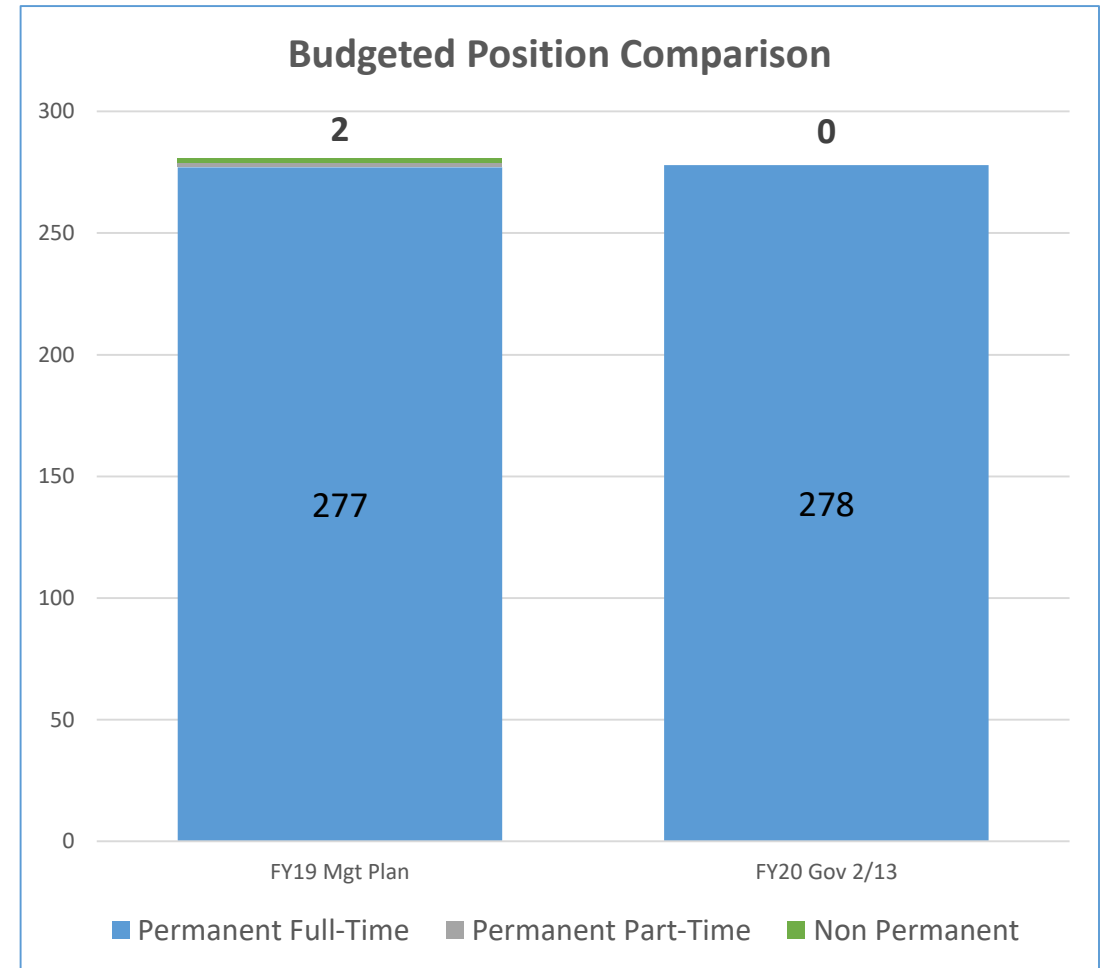
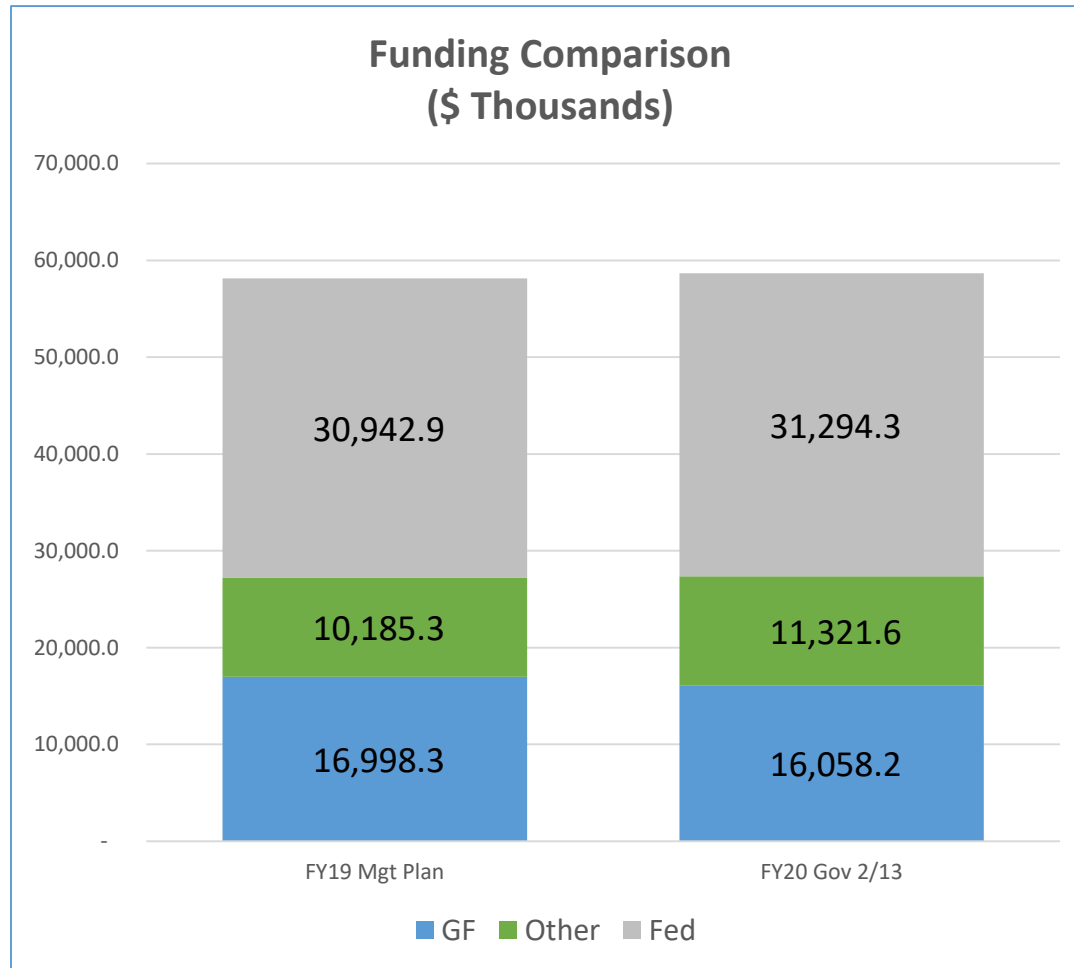
- Trial Courts - Re-Open Courts on Friday Afternoons
(+\$3,098.0 GF & +15 PFT)

Department of Military of Veterans' Affairs

Keith Silver
Administrative Services Director



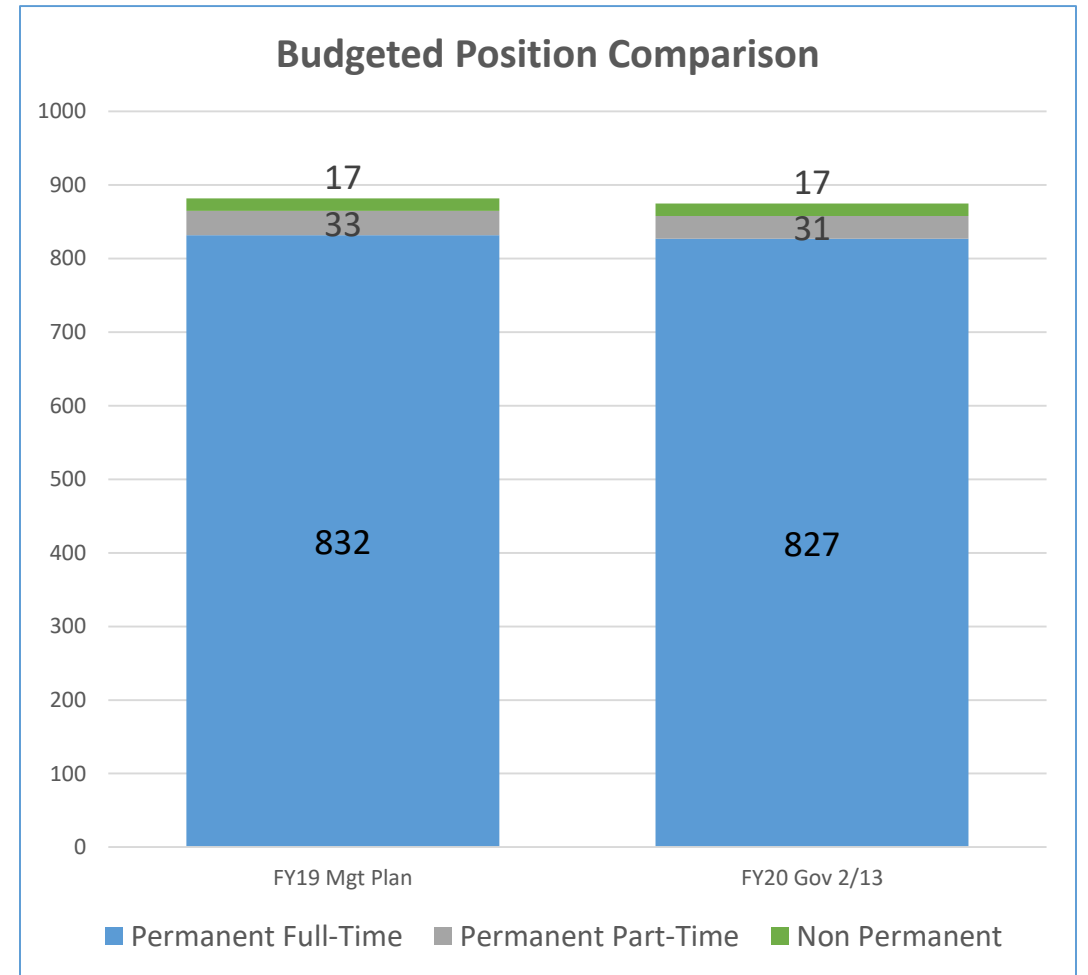
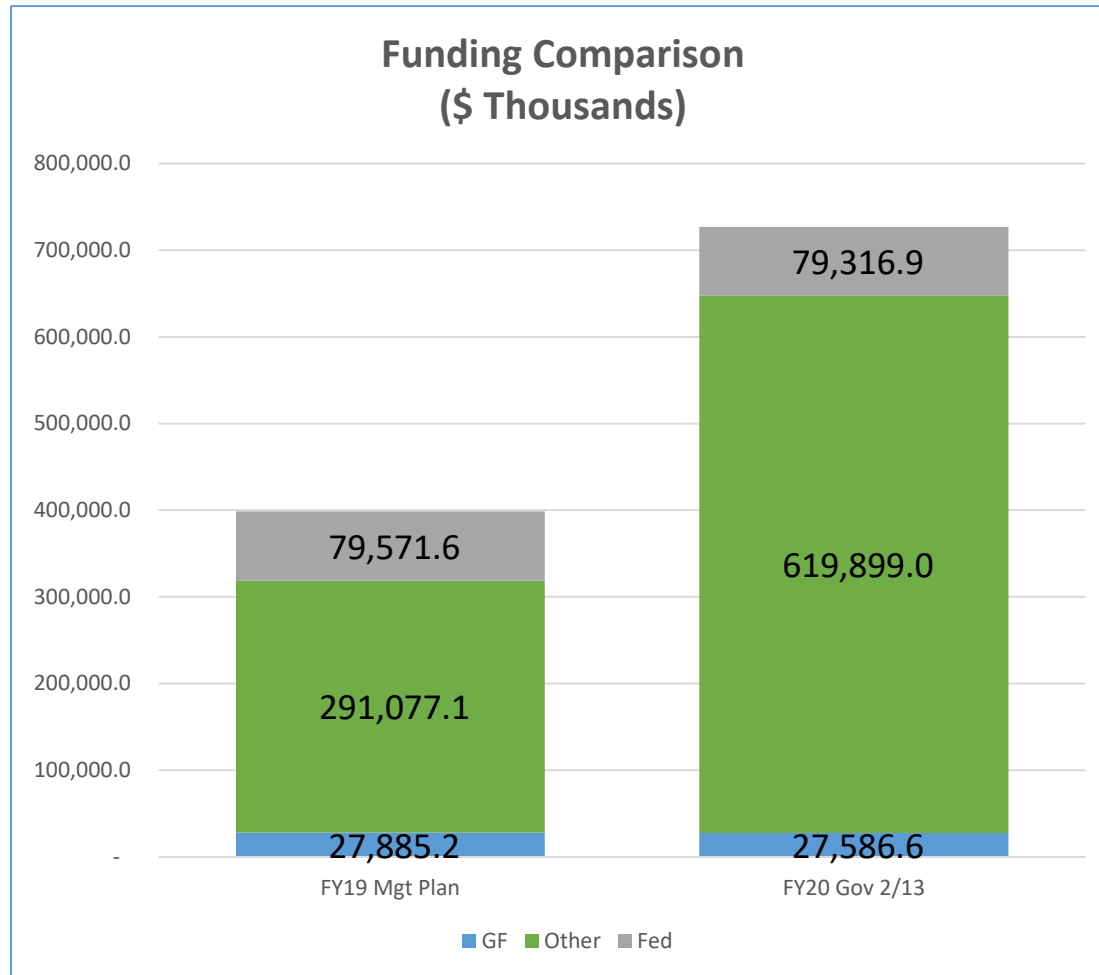
FY2020 Budget: Department of Military and Veterans' Affairs



FY2020 Budget: Department of Military and Veterans' Affairs Snapshot (\$ Thousands)

- Additional funding for Funeral Honor Support for Alaska Veterans (+\$50.0 GF)
- Delete funding for non-statutory/volunteer programs
 - Local Emergency Planning Committee (-\$300.0 GF)
 - Alaska State Defense Force (-\$210.9 GF)
- Delete Special Assistant to the Commissioner (-\$161.2 GF & -1 PFT)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$103.3 GF)

FY2020 Budget: Department of Revenue



FY2020 Budget: Department of Revenue Snapshot (\$ Thousands)

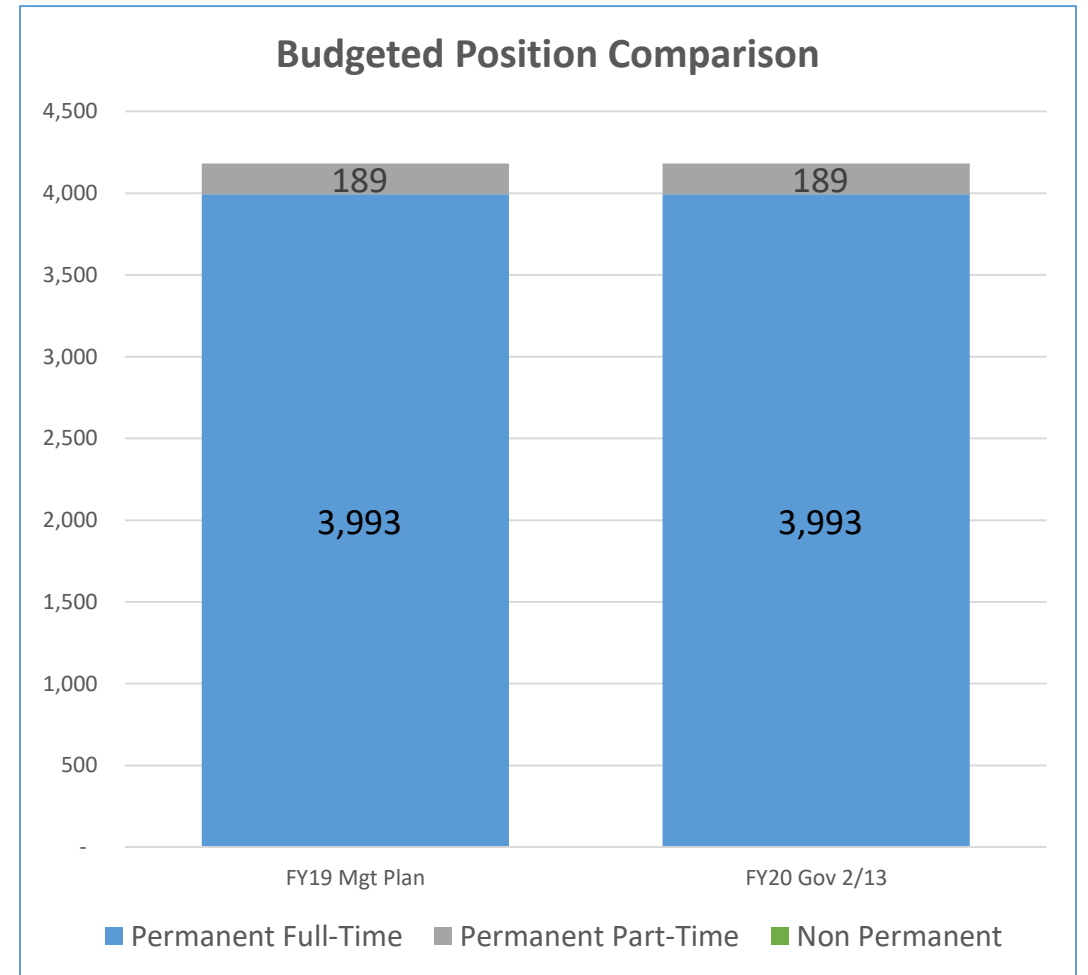
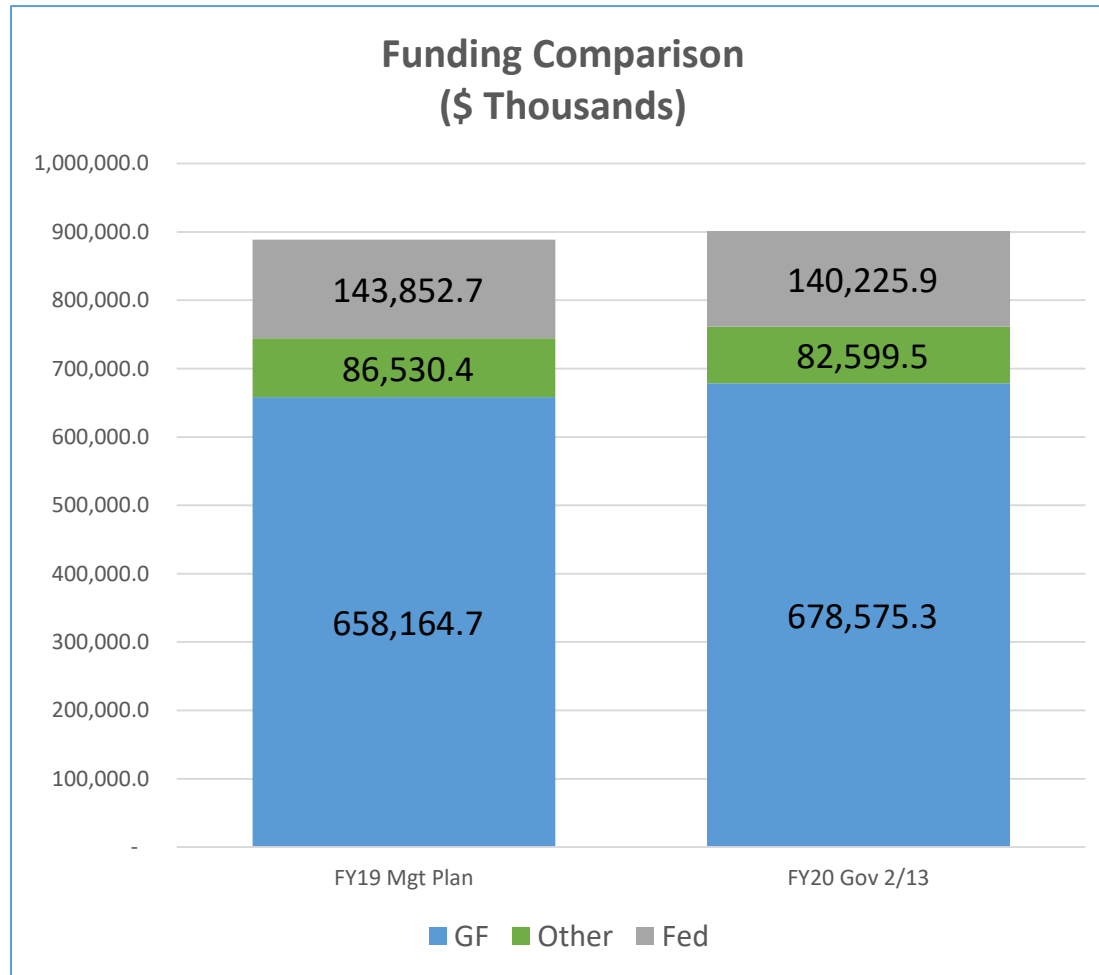
- Statewide Support – Executive Branch 50% Travel Reduction (-\$53.3 GF)
- Tax Division reductions in positions (-\$78.6 GF/-\$212.2 Other & -3 PFT)
- Child Support Services Division efficiency gains (-\$68.0 GF/-\$132.0 Fed)
- Permanent Fund Dividend Division efficiency gains (-\$176.5 Other/-1 PFT & -2 PPT)
- Align Manager Fees with Actuals
 - Alaska Permanent Fund Corporation (+\$269,501.3 Other)
 - Alaska Retirement Management Board (+\$60,000.0 Other)
 - Treasury Division (+\$117.2 GF/+\$70.4 Other)

University of Alaska

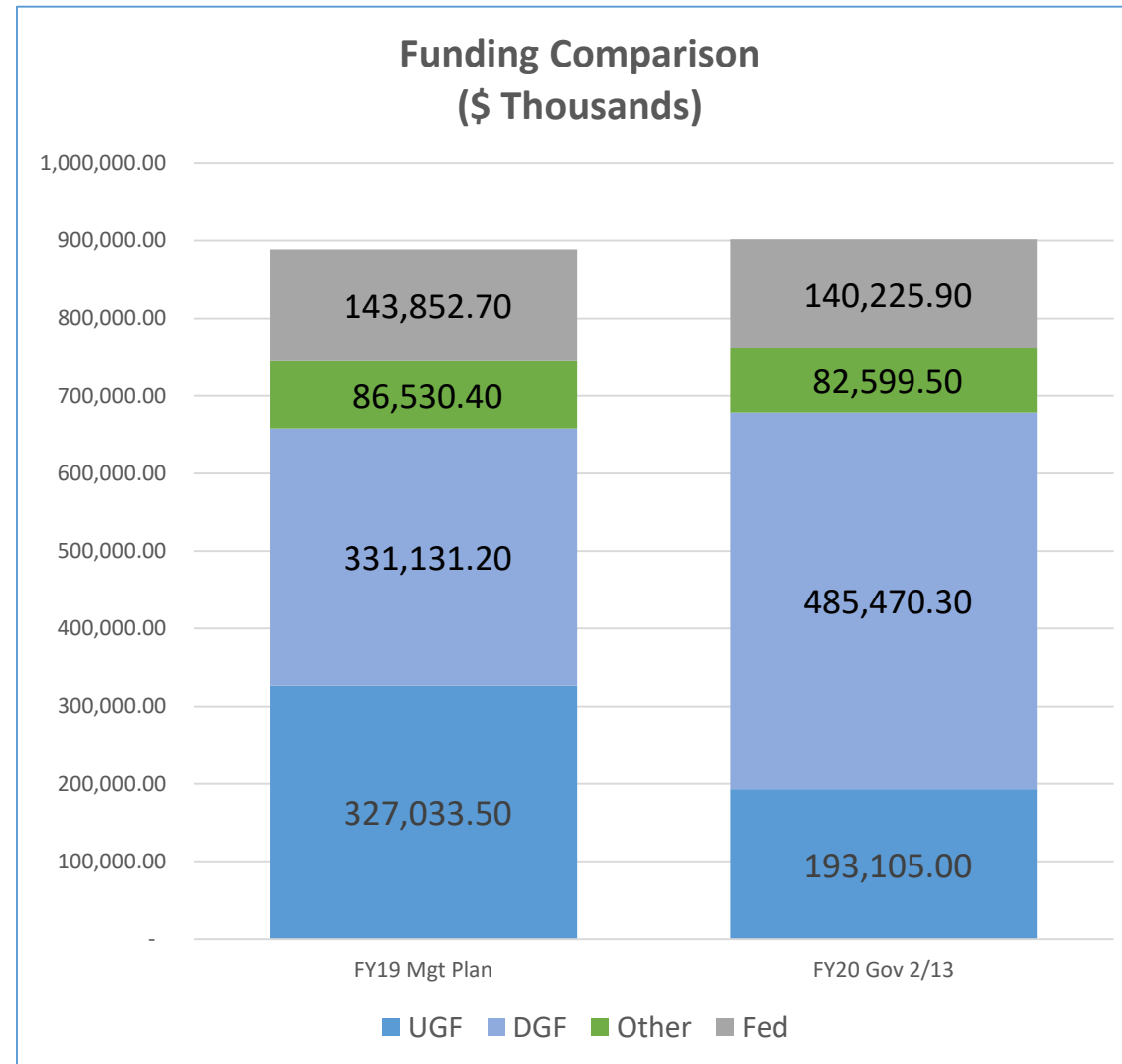
Mike Barnhill
Policy Director



FY2020 Budget: University of Alaska



FY2020 Budget: University of Alaska



FY2020 Budget: University of Alaska Snapshot (\$ Thousands)

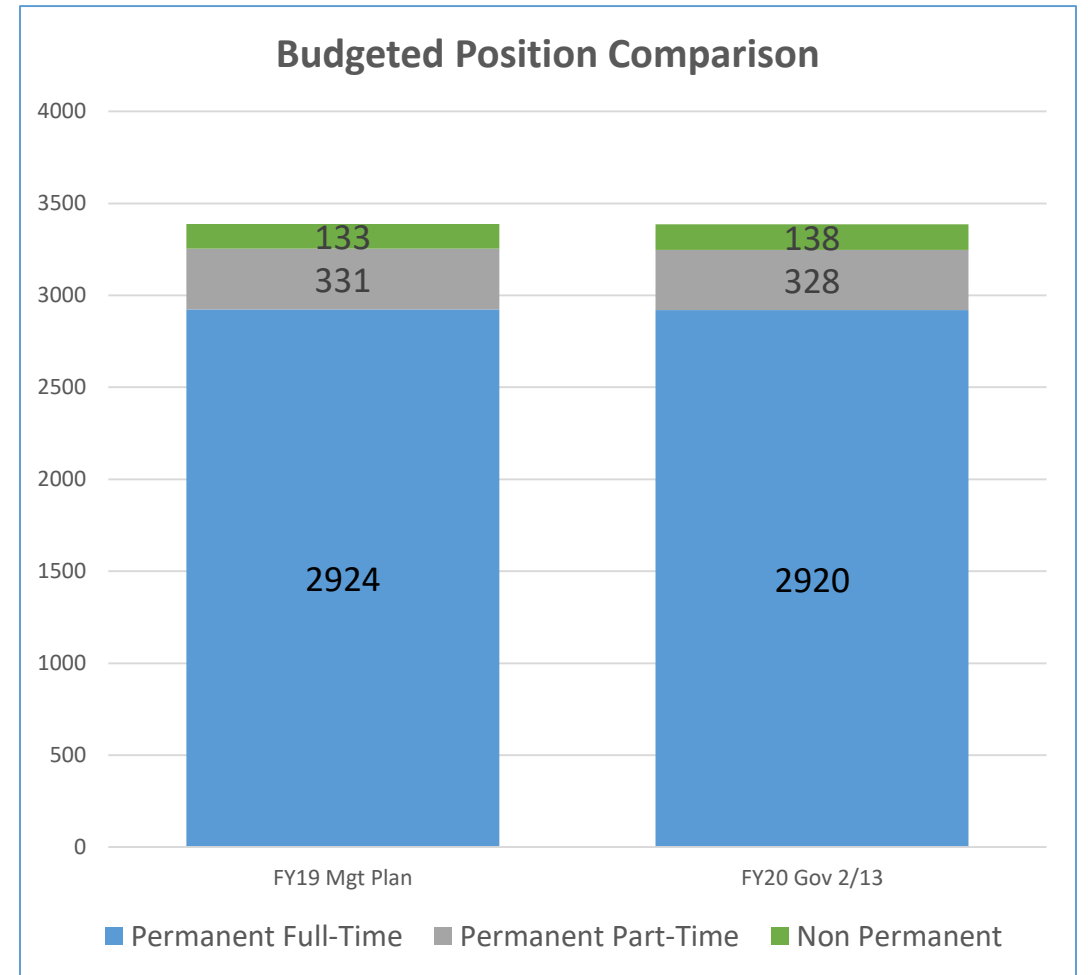
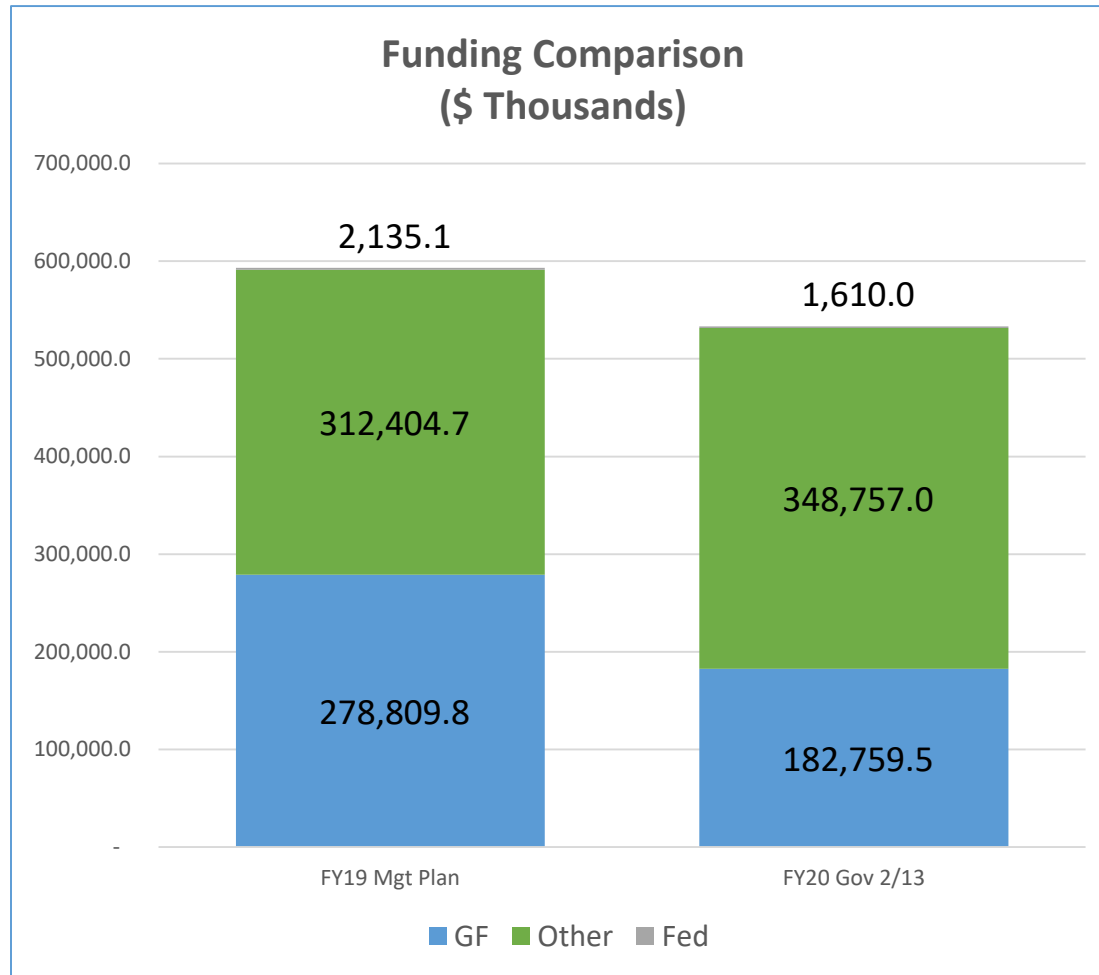
- Withdraw the State Subsidy for University of Alaska System-wide Campuses (-\$154,339.1)
- Increase Subsidy for University of Alaska Community Campuses (+\$20,410.6)

Department of Transportation & Public Facilities

Amanda Holland
Management Director



FY2020 Budget: Department of Transportation & Public Facilities



FY2020 Budget: Department of Transportation & Public Facilities Snapshot (\$ Thousands)

- Alaska Marine Highway System Transition (-\$97,988.8 GF)
- Rural Airport Evaluation (-\$46.9 GF)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$694.1 GF)

Sustainable, Predictable, Affordable
