

AMENDMENT By Senator Kelly

OFFERED IN THE SENATE

TO: SCS CSHB 72(FIN), Draft Version "S"

1 Page 41, line 33:

2 Delete "30,074,300"

3 Insert "30,687,300"

4 Delete "30,024,300"

5 Insert "30,637,300"

6

7 Page 42, lines 10 - 11:

8 Delete all material and insert:

9 "ALLOCATIONS

10 Legislature State 2,352,000

11 Facilities Rent -

12 Anchorage

13 716 W. 4th Ave.

14 It is the intent of the legislature that the amount appropriated in this allocation be used to
15 make lease payments under the Anchorage 716 W. 4th Ave. lease through January 2016.

16 Legislature State 3,837,600

17 Facilities Rent -

18 Other than

19 Anchorage

20 716 W. 4th Ave."

21

22 Adjust fund sources and totals accordingly.

Lease for 716 W. 4th Ave. Narrative

In the proposed FY 16 Legislature Budget there is a \$4,032,000 request in the "Legislature State Facilities Rent - Anchorage LIO" component for the lease and expenses for 716 W. 4th Ave., that houses legislators, legislative staff, and the ethics office. Of that amount, \$3,380,000 is rent and \$652,000 is for operating expenses for that facility which includes utilities, insurance, taxes, property management, janitorial, maintenance, security, etc.

This proposed amendment creates two separate allocations instead of one consolidated allocation dealing with rent and leasing: an allocation for "Legislature State Facilities Rent 716 W. 4th Ave.," and a separate allocation for "Legislature State Facilities Rent other than 716 W. 4th Ave." In addition, this amendment reduces the appropriation request for 716 W. 4th Ave. to \$2,352,000. That amount will cover the period of July 1, 2015 – January 31, 2016, for rent of \$281,638 per month and operating expenses for that time period. The legislature will not appropriate any additional lease payments under the lease for 716 W. 4th Ave. after termination of the lease on January 31, 2016. Additionally, we are increasing the "Legislature State Facilities Rent - Other Than 716 W. 4th Ave." rent by \$277,000, to cover the remaining five months of Anchorage lease costs at the state Robert B. Atwood Building.

With the adoption of this amendment, and the termination of the lease for 716 W. 4th Ave., and a relocation of the Anchorage legislative information office to the Robert B. Atwood Building after January 31, 2016, there would be a savings of \$1,403,000 for FY 16. The savings per year starting in FY 17 would be \$3,367,224. This translates to \$33,672,240 in savings for a 10-year period.