

HOUSE FINANCE COMMITTEE
May 20, 2003
4:20 PM

Due to Mechanical error, there is no tape of this meeting.

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 4:20 PM.

MEMBERS PRESENT

Representative John Harris, Co-Chair
Representative Bill Williams, Co-Chair
Representative Kevin Meyer, Vice-Chair
Representative Ethan Berkowitz
Representative Mike Chenault
Representative Richard Foster
Representative Mike Hawker
Representative Beth Kerttula
Representative Carl Moses
Representative Bill Stoltze
Representative Jim Whitaker

MEMBERS ABSENT

Representative Berkowitz
Representative Kerttula

ALSO PRESENT

Pete Ecklund, Staff, Co-Chair Williams; Kathryn Daughhete, Director, Administrative Services Division, Department of Law; John Greely, Staff, Representative Joule; Tim Benintendi, staff, Representative Moses.

PRESENT VIA TELECONFERENCE

Steve Branchflower, Department of Law.

SUMMARY

CS SB 100(FIN)

An Act making capital appropriations, supplemental appropriations, and reappropriations; capitalizing funds; making other appropriations; and providing for an effective date.

HCS CSSB 100(FIN) was REPORTED out of Committee with a "do pass" recommendation.

CS SB 215(STA)

"An Act relating to a lease-purchase agreement for, the construction and equipping of, and the financing of a seafood and food safety laboratory facility to be operated by the Department of Environmental Conservation, including the issuance of certificates of participation, and the use of certain investment income for certain construction and equipping costs; and providing for an effective date."

CSSB 215 (STA) was REPORTED out of Committee with "no recommendation" and two fiscal impact notes: #2 from Department of Environmental Conservation and #3 from the Department of Revenue.

#sb215

CS FOR SENATE BILL NO. 215(STA)

"An Act relating to a lease-purchase agreement for, the construction and equipping of, and the financing of a seafood and food safety laboratory facility to be operated by the Department of Environmental Conservation, including the issuance of certificates of participation, and the use of certain investment income for certain construction and equipping costs; and providing for an effective date."

Co-Chair Harris MOVED to report CSSB 215 (STA) out of Committee with the accompanying fiscal note and noted that the fiscal notes were included in the capital budget.

Representative Stoltze OBJECTED for the record. He WITHDREW his OBJECTION. There being NO OBJECTION it was so ordered.

CSSB 215 (STA) was REPORTED out of Committee with "no recommendation" and two fiscal impact notes: #2 from Department of Environmental Conservation and #3 from the Department of Revenue.

#sb100

CS FOR SENATE BILL NO. 100(FIN)

An Act making capital appropriations, supplemental appropriations, and reappropriations; capitalizing funds; making other appropriations; and providing for an effective date.

Vice-Chair Meyer MOVED to ADOPT Work Draft 23-GS1003\B. There being NO OBJECTION, it was so ordered.

Co-Chair Williams MOVED to ADOPT Amendment A (copy on file.) [Amendment A was an omnibus amendment.]

PETE ECKLUND, STAFF, CO-CHAIR WILLIAMS reviewed Amendment A.

Representative Berkowitz asked for more information regarding page 5 of Amendment A.

KATHRYN DAUGHHETEE, DIRECTOR, ADMINISTRATIVE SERVICES DIVISION, DEPARTMENT OF LAW explained that the amendment pertained to section 54, which would allow the Department to pay expert witness costs already incurred in the Planned Parenthood suit.

Representative Berkowitz questioned how much money was appropriated to the private attorney. Ms. Daughhete observed that \$317 thousand was spent to pursue the case.

Ms. Daughhete explained that the Department of Law did not have a contract with the expert; the Legislative Budget and Audit Committee had a contract with the expert. The existing contract was amended to be able to pay the fee.

Representative Whitaker questioned if the claim was legitimate. Ms. Daughhete summarized that the state has an obligation to pay the witness.

Representative Hawker questioned if the State would be litigated if the funds were not available. Ms. Daughhete indicated that litigation could ensue.

Representative Berkowitz MOVED to Divide the question and separate out the language on page 5 of Amendment A. There being NO OBJECTION, it was so ordered.

A roll call vote was taken on the motion to adopt page 5 of Amendment A.

IN FAVOR: Foster, Hawker, Kerttula, Meyer, Moses, Stoltze,
Whitaker, Chenault, Harris, Williams
OPPOSED: Berkowitz

The MOTION PASSED (10-1).

There being NO OBJECTION, Amendment A was adopted.

Amendment B was not offered.

Representative Stoltze MOVED to ADOPT Amendment C. He explained that the amendment would appropriate \$28.8 million from the Railbelt energy fund to the general fund.

A roll call vote was taken on the motion.

IN FAVOR: Moses, Stoltze, Chenault
OPPOSED: Hawker, Kerttula, Meyer, Whitaker, Berkowitz,
Foster, Williams, Harris

The MOTION FAILED (3-8).

Amendment D was WITHDRAN.

Representative Kerttula MOVED to ADOPT Amendment E. Amendment E would appropriate the unexpended and unobligated balance, not to exceed \$300,000, of the Alaska Technical and Vocational Education Program Account as a grant to the Kotzebue Technical Center for operational costs.

JOHN GREELY, STAFF, REPRESENTATIVE JOULE explained that state grants are needed. He emphasized the high unemployment rate.

Representative Kerttula WITHDREW Amendment E.

Representative Kerttula MOVED to ADOPT Amendment F. Amendment F would add \$3.4 million to Kawerak for Shishmearef erosion control revetment.

Co-Chair Harris noted his support, but expressed concern over the funding.

Mr. Greely noted that matching money is available.

Representative Kerttula WITHDREW the Amendment.

Representative Moses MOVED to ADOPT Amendment G. Amendment G would add an additional project to reappropriation 23-LS 8002/A.118: pneumatic heating system, redesign and reconstruction of the school roof.

TIM BENINTENDI, STAFF, REPRESENTATIVE MOSES spoke in support of the amendment. Co-Chair Harris added his support.

There being NO OBJECTION, it was so ordered.

Representative Moses MOVED to ADOPT Amendment H. Amendment H would reappropriate \$102 thousand from the Department of Transportation and Public Facilities harbor deferred maintenance program to the Department of Community and Economic Development for payment as a grant to the Lake and Peninsula Borough for the Perryville Barge Ramp/Dock project.

Co-Chair Harris questioned if the harbor would be taken over by the local community. Mr. Benintendi explained that the funds would assist in that goal.

Co-Chair Williams pointed out that it is statewide funding. Mr. Benintendi explained that there is no legal restriction, which would prevent the reappropriation.

A roll call vote was taken on the motion to adopt Amendment H.

IN FAVOR: Berkowitz, Kerttula, Moses

OPPOSED: Chenault, Foster, Hawker, Meyer, Stoltze,
Williams, Harris

The MOTION FAILED (3-8).

Representative Moses MOVED to ADOPT Amendment I. Amendment I would add a reappropriation of \$500 thousand from one Unalaska dock project to another.

Mr. Benintendi explained that the dock project is in the same community.

Co-Chair Williams OBJECTED.

IN FAVOR: Berkowitz, Kerttula, Moses
OPPOSED: Chenault, Foster, Hawker, Meyer, Stoltze,
Williams, Harris

The MOTION FAILED (3-8).

Representative Moses MOVED to ADOPT Amendment J. Amendment J would reappropriate \$153.7 thousand available in Legislative Budget and Audit for settlement of attorney fees associated with reapportionment lawsuits.

IN FAVOR: Berkowitz, Kerttula, Moses
OPPOSED: Chenault, Foster, Hawker, Meyer, Stoltze,
Williams, Harris

The MOTION FAILED (3-8).

Co-Chair Harris observed that money was received from the state.

Co-Chair Williams MOVED to allow the Legislative Finance Division to make technical corrections to the bill. There being NO OBJECTION, it was so ordered.

Representative Foster MOVED to report HCS CSSB 100 (FIN) out of Committee with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

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ADJOURNMENT

The meeting was adjourned at 6:21 PM