

HOUSE FINANCE COMMITTEE
May 8, 2006
2:11 p.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at 2:11:25 PM.

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Kevin Meyer, Co-Chair
Representative Bill Stoltze, Vice-Chair
Representative Richard Foster
Representative Mike Hawker
Representative Jim Holm
Representative Reggie Joule
Representative Mike Kelly
Representative Beth Kerttula
Representative Carl Moses
Representative Bruce Weyhrauch

MEMBERS ABSENT

None

ALSO PRESENT

Pete Ecklund, Staff, Representative Kevin; John MacKinnon, Deputy Director, Department of Transportation and Public Facilities; Sarah Gilbertson, Legislative Liaison, Department of Fish and Game.

PRESENT VIA TELECONFERENCE

There were no teleconference testifiers.

SUMMARY

CSSB 231(FIN) am

An Act making appropriations, including capital appropriations, supplemental appropriations, reappropriations, and appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

HCS CS SB 231 (FIN) was reported out of Committee with a "do pass" recommendation.

#sb231

CS FOR SENATE BILL NO. 231(FIN) am

An Act making appropriations, including capital appropriations, supplemental appropriations, reappropriations, and appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

Co-Chair Chenault MOVED to ADOPT work draft #24-GS2034\C, Kurtz/Kane, 5/08/06. There being NO OBJECTION, it was adopted.

PETE ECKLUND, STAFF, REPRESENTATIVE KEVIN MEYER, explained the changes incorporated into the committee substitute. There were a number of items redirected by legislators within their districts; as well as cleanup in grants, and state funds that were not appropriated in the operating budget, which slightly lowered the general fund appropriation.

[2:14:15 PM](#)

Co-Chair Meyer MOVED to ADOPT Amendments 5 and 5a. Mr. Ecklund explained that Amendment 5 would: change the grant recipient from the City of Dillingham to the Department of Transportation and Public Facilities; remove "tobacco cessation" from a project title; delete "Hatcher Pass" and insert "Fish Hook"; move funding from a project in Thorne Bay to Coffman Cove; move funds between Metlakatla and Gustavus; and delete the requirement to run municipal grants through the capital Matching Grant Program. He explained that the deletion would speed grants.

Mr. Ecklund explained that Amendment 5A would shift an appropriation from the City of Shishmaref to Kawarek, Inc.

There being NO OBJECTION, Amendments 5 and 5A were adopted.

[2:18:14 PM](#)

Representative Joule MOVED to ADOPT Amendment #1(a): add \$1,759,000 to unincorporated communities.

Co-Chair Meyer OBJECTED

Representative Joule explained that the amendment would be in addition to funding in the Department of Commerce, Community and Economic Development for municipalities and boroughs. There are approximately 70 unincorporated communities, which would receive approximately \$25 thousand each, with the adoption of the amendment. He maintained that the funding would help protect the state's investments in these communities in terms of maintaining infrastructure.

Vice-Chair Meyer spoke against the amendment. He acknowledged the need, but emphasized his intent to encourage communities to incorporate. He observed that there is no government to government relationship for transfer of funding.

[2:20:59 PM](#)

Representative Joule observed that unincorporated communities received state funding under the Community Assistance and Safe Communities programs. He did not think that it would be difficult to distribute the funds.

A roll call vote was taken on the motion.

IN FAVOR: Joule, Kerttula, Moses

OPPOSED: Weyhrauch, Foster, Hawker, Holm, Kelly, Stoltze, Meyer, Chenault

The MOTION FAILED (3-8).

[2:22:33 PM](#)

Representative Holm MOVED to ADOPT Amendment #2(a): add \$500,000 General Fund for the University of Alaska Museum.

Co-Chair Chenault OBJECTED for the purpose of discussion.

Representative Holm spoke in support of the amendment and stressed the value of the museum in presenting the history of Alaska. He observed that the museum needs approximately \$4 million.

Co-Chair Meyer spoke in support of the amendment.

Representative Kelly spoke in support. He noted public support and emphasized its statewide benefit.

In response to a question by Representative Hawker, Co-Chair Meyer observed that the tobacco bond contained \$89 million for the University. Mr. Ecklund noted there was over \$100 million in the capital budget for the University.

[2:26:04 PM](#)

In response to a question by Co-Chair Meyer, Representative Holm noted that only 30 percent of the museum's operating costs come from the University.

There being NO OBJECTION, Amendment 2 was adopted.

[2:27:22 PM](#)

SARAH GILBERTSON, LEGISLATIVE LIAISON, DEPARTMENT OF FISH AND GAME, responded to questions by Representative Stoltze. She noted that the department is supportive of the increment requested by the Cook Inlet Aquaculture Fishing Association, but not at the cost of other department projects. The Department will work closely with the Association. Current funding will complement projects relating to Matsu fish runs. The Association will be implementing fish weirs that will help the Department with recapture project(s). There would not be competing science.

[2:29:27 PM](#)

Co-Chair Chenault spoke in support of the project and noted that there have been concerns regarding the salmon runs in the Matanuska Susitna drainage area and how to best address the problem.

[2:30:40 PM](#)

Representative Moses MOVED to ADOPT Amendment #3, #24-LS8009\A.97, Kane, 5/02/06: add \$6 million dollars to King Cove and Cold Bay, road and hovercraft.

JOHN MACKINNON, DEPUTY DIRECTOR, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, explained the amendment represents an allocation of federal funds, which would be expanded. The funds are already in the budget.

There being NO OBJECTION, it was so ordered.

[2:32:42 PM](#)

Representative Joule MOVED to ADOPT Amendment #4, Grants to Municipalities (AS37.05.315), add Northwest Arctic Borough - Northwest Arctic Borough School District for maintenance and equipment in the amount of \$300,000 general fund dollars.

Co-Chair Meyer observed that it would be a new item.

There being NO OBJECTION, it was so ordered.

[2:34:00 PM](#)

Co-Chair Meyer MOVED to ADOPT Amendment 6. Representative Stoltze OBJECTED. Co-Chair Chenault observed that the amendment would change a project description in District 35; no monies are involved. Mr. Ecklund explained the funds are for fire department utility extension for a senior housing project. The title would be changed to reflect the intention.

[2:35:40 PM](#)

Representative Kelly MOVED to ADOPT Amendment 7: page 4, line 27 to insert "American Lung Association". There being NO OBJECTION, it was so ordered.

2:38:00 PM

Co-Chair Meyer MOVED to give the Legislative Finance Division the authority to make technical and conforming changes. There being NO OBJECTION, it was so ordered.

2:38:32 PM

Co-Chair Meyer observed that the legislation contains money for municipal assistance, three rural schools, roads, harbors, and docks; and shares the larges of the state of Alaska.

Representative Foster MOVED to report HCS CSSB 305 (FIN) out of Committee. There being NO OBJECTION, it was so ordered.

HCS CS SB 231 (FIN) was reported out of Committee with a "do pass" recommendation.

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ADJOURNMENT

The meeting was adjourned at 2:43 PM