

HOUSE FINANCE COMMITTEE  
January 21, 2009  
1:32 p.m.

CALL TO ORDER

Co-Chair Hawker called the House Finance Committee meeting to order at [1:32:13 PM](#).

MEMBERS PRESENT

Representative Mike Hawker, Co-Chair  
Representative Bill Stoltze, Co-Chair  
Representative Bill Thomas, Jr., Vice-Chair  
Representative Allan Austerman  
Representative Harry Crawford  
Representative Anna Fairclough  
Representative Richard Foster  
Representative Les Gara  
Representative Reggie Joule  
Representative Mike Kelly  
Representative Woodie Salmon

MEMBERS ABSENT

None

ALSO PRESENT

Tam Cook, Director, Legislative Legal Services, Legislative Affairs Agency; David Teal, Director, Legislative Finance Division; Louanne Christian, Finance Committee Assistant

PRESENT VIA TELECONFERENCE

None

SUMMARY

**Call to Order - Introductions**

[1:32:32 PM](#)

Co-Chair Stoltze brought the meeting to order. He welcomed members of the Committee.

Co-Chair Hawker described changes within the Committee. He introduced members of his staff.

[1:37:21 PM](#)

Co-Chair Hawker thanked Representative Foster for his service of sixteen years in the legislature.

[1:38:07 PM](#)

Representative Foster introduced his staff.

[1:39:08 PM](#)

Representative Austerman introduced his staff.

[1:40:01 PM](#)

Representative Kelly introduced his staff.

[1:40:56 PM](#)

Representative Fairclough introduced her staff.

[1:41:35 PM](#)

Vice-Chair Thomas introduced his staff.

[1:42:27 PM](#)

Representative Gara introduced his staff.

[1:43:12 PM](#)

Representative Crawford introduced his staff.

[1:43:35 PM](#)

Representative Salmon introduced his staff.

[1:44:05 PM](#)

Representative Joule introduced his staff.

[1:45:56 PM](#)

Co-Chair Stoltze introduced his staff.

[1:48:57 PM](#)

Co-Chair Hawker reiterated thanks for the House Finance Committee staff.

Co-Chair Hawker requested that Tam Cook introduce her staff.

[1:50:41 PM](#)

TAM COOK, DIRECTOR, LEGISLATIVE LEGAL SERVICES, LEGISLATIVE AFFAIRS AGENCY, related her experience moving up the ranks. She introduced her staff.

[1:56:17 PM](#)

Co-Chair Hawker thanked the whole legislative legal staff.

[1:58:09 PM](#)

DAVID TEAL, DIRECTOR, LEGISLATIVE FINANCE DIVISION, introduced his staff.

[2:00:57 PM](#)

Co-Chair Hawker voiced appreciation for Mr. Teal's staff.

[2:01:18 PM](#)

LOUANNE CHRISTIAN, FINANCE COMMITTEE ASSISTANT, introduced her staff.

[2:04:38 PM](#)

Co-Chair Hawker expressed appreciation for the House Finance staff.

[2:05:32 PM](#)

Co-Chair Hawker discussed Committee rules, which haven't changed much. He detailed Co-Chair Stoltze's role as well as his own. He highlighted the donut rule. He emphasized that meetings would start on time and a quorum is not necessary to begin. He discussed that no member could vote by teleconference.

[2:09:08 PM](#)

Co-Chair Hawker noted that it takes a minimum of 5 votes to pass an amendment and 6 to move the bill from Committee.

[2:09:46 PM](#)

Ms. Christian reviewed the role of the Committee staff. She noted that all handouts would be routed through the Committee aide. She described the role of the page and the process of notifying legislators when a meeting is to start. She shared the email method of notifying staff.

[2:13:06 PM](#)

Ms. Christian described how backup would be posted on the web, as well as available in members' files. She explained how the microphones work.

[2:15:59 PM](#)

Co-Chair Hawker emphasized that the meeting streams until the red light is shut off.

Representative Austerman asked how the microphones can be turned off. Ms. Christian explained the process.

[2:17:48 PM](#)

Co-Chair Stoltze recalled embarrassing conversations.

Representative Gara shared a story. He asked about improving coverage of public testimony through the legislative information offices. Ms. Christian agreed it was an on-going problem. Representative Gara requested the problem be researched. Co-Chair Hawker said it was in process.

[2:20:00 PM](#)

Representative Crawford said that earphones help when listening to public testimony.

[2:20:57 PM](#)

Ms. Christian shared how the budget books were prepared and made available. She pointed out where the statute books were kept.

Co-Chair Hawker emphasized that any material distributed must be attributed to the source. Co-Chair Stoltze thought the administration should use letterhead on their handouts.

[2:23:38 PM](#)

Ms. Christian noted that all handouts would be posted in real time on the web site. Co-Chair Hawker agreed with the importance of posting in real time. He requested electronic copies be submitted.

[2:25:42 PM](#)

Co-Chair Hawker recognized Sharon Kelly who is now working as a liaison between the Speaker's office and the House Finance Committee.

Co-Chair Hawker introduced a member of the press, Judy Erickson. He introduced LIO staff and the Gavel to Gavel staff.

[2:29:10 PM](#)

Co-Chair Hawker reviewed the operating budget basics and listed subcommittee members. He spoke of deadlines regarding the operating budget. The administration's current budget, which came out December 15, indicates a \$400 million surplus based on \$74.41 oil. Legislative Finance predicts that at \$50 per barrel, there would be a \$2 billion deficit. At \$40, there would be a \$3 billion deficit. He maintained that more discussion on the proposed budget is needed.

[2:31:22 PM](#)

Co-Chair Hawker commented on the wealth in Alaska. Last year \$5 billion went into savings. The two big issues that will be discussed this session are oil prices and the possible need to spend savings, and the sustainability of the current level of spending in order to balance the capital and the operating budgets. He pledged to have an open discussion and do as much as possible to develop an understanding of the challenges.

Co-Chair Hawker reported that the Governor's supplemental amendments for the FY 09 budget are due February 3. The administration will also submit a revision to the FY 09 revenue forecast on February 3. The regular FY 10 budget amendments are due on February 18, and the FY 10 revenue forecast update will also be submitted on that date.

Co-Chair Hawker thought that the budget closeout would take place about day 50 of the session. He noted that the current session began a week later than last year's

session, and closeout falls during the Energy Conference in Washington, D.C. The closeout schedule is yet to be determined. He targeted the end of February as the deadline for subcommittees.

[2:34:11 PM](#)

Co-Chair Hawker reiterated that the scheduling of room 519 goes through his office.

[2:34:57 PM](#)

Co-Chair Stoltze addressed the capital budget process and the lack of investment opportunities. He noted that bills with fiscal impacts will have heightened scrutiny this session. Co-Chair Hawker described it as a challenging year. Co-Chair Stoltze suggested looking closely at bills with fiscal notes before they are submitted.

[2:37:10 PM](#)

Co-Chair Hawker noted a hearing request memo in today's packet.

Co-Chair Stoltze stated appreciation for today's format.

Co-Chair Hawker emphasized the collaborative process.

#### ADJOURNMENT

The meeting was adjourned at 2:38 PM.