

HOUSE FINANCE COMMITTEE

April 16, 2015

2:49 p.m.

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CALL TO ORDER

Co-Chair Thompson called the House Finance Committee meeting to order at 2:49 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Cathy Munoz
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Senator Cathy Giessel, Sponsor; Dr. Jay Butler, Chief Medical Officer, Department of Health and Social Services; Sara Chambers, Administrative Operations Manager, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community and Economic Development; Joe Michel, Staff, Representative Steve Thompson.

PRESENT VIA TELECONFERENCE

Dirk White, Pharmacist and Former President, Board of Pharmacy, Sitka; Daniel Nelson, President, Alaska Pharmacists Association, Fairbanks; Ryan Ruggles, Pharmacist and District Pharmacy Manager, Albertson-Safeway, Anchorage; Lis Houchen, Northwest Regional Director, State Government Affairs, National Association Chain and Drug Stores, Olympia, Washington; Barry

Christensen, Co-Chair, Alaska Pharmacist Association
Legislative Committee, Ketchikan.

SUMMARY

HB 81 EXEMPTION: LICENSING OF CONTRACTORS

HB 81 was SCHEDULED but not HEARD.

SB 26 BUDGET: CAPITAL

CSSB 26(FIN) was HEARD and HELD in committee for further consideration.

SB 71 VACCINE CERTIFICATION FOR PHARMACISTS

SB 71 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (CED); and one previously published zero fiscal note: FN3 (DHS).

#sb71

SENATE BILL NO. 71

"An Act relating to the practice of pharmacy; and relating to the administration of vaccines and related emergency medications."

2:50:38 PM

SENATOR CATHY GIESSEL, SPONSOR, discussed the legislation. She explained that SB 71 allowed pharmacists in Alaska to administer vaccines without a collaborative practice agreement. She detailed that a collaborative practice agreement, established in 2001, was a contract between the pharmacist and a medical provider which allowed the pharmacist to administer vaccines. The contracts cost between \$50 and \$500 and often proved difficult for the pharmacist, especially those in rural areas, to find a provider who will oversee the vaccine administration which involved paperwork. The legislation authorized certified pharmacists to administer the vaccinations without the oversight agreements in place. She relayed that pharmacists had been educated in vaccine administration since 2005 as part of their curriculum and were entering the profession with a doctorate degree in pharmacology. The bill mandated that pharmacists educated prior to 2005 would have to take

a specific course approved by the Board of Pharmacy. She described the training that the pharmacists already received in the administration of vaccinations including adverse reactions response and interactions with other medications. She shared that as a nurse practitioner herself, she relied on the pharmacist's specialized knowledge when prescribing. The bill would particularly help rural pharmacies by removing the collaborative agreement mandate. She shared that in states where pharmacists possessed the independent authority to administer vaccines immunization rates rise. She informed the committee that Alaska had a low vaccination rate. Currently, all vaccinations were recorded in a system called VacTracks and all healthcare providers had access to the information. Alaskan pharmacists administered over 13 thousand flu vaccines in the previous year. She believed that the bill would improve access to immunizations in the state.

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Vice-Chair Saddler wondered if the system of recording immunizations needed to be improved or strengthened. Senator Giessel answered that the VacTracks system had been in place for a number of years and all healthcare providers used the system. She elaborated that the system "vastly" improved the tracking of vaccines and she was not aware of any flaws.

Representative Kawasaki asked for details on how pharmacists currently administered vaccinations. Senator Giessel answered that the healthcare provider must fill out paperwork and review records; they were not required to be physically present. She added that the system for pharmacist administered immunizations was already in place. The bill merely removed the paperwork requirements and allowed highly trained professionals "administer medication." Representative Kawasaki asked whether the State Medical Board or the Medical Association had an opinion about the legislation. Senator Giessel replied that she had not received any opposition from the medical community.

Representative Guttenberg asked whether the bill required pharmacists to administer an expanded list of vaccines that were currently not administered by pharmacists. Senator Giessel responded that she was not sure and deferred to

pharmacists to answer the question. She noted that pharmacist routinely administered flu vaccines, which required needles, syringes, refrigeration, and other relevant supplies therefore, were already equipped.

Representative Guttenberg wondered about logistics and how things would change for the pharmacist and the pharmacy space with passage of the bill, particularly for rural pharmacies.

DIRK WHITE, PHARMACIST AND FORMER PRESIDENT, BOARD OF PHARMACY, SITKA (via teleconference), answered that internally and procedurally the pharmacy would not change. He revealed that a limitation of the collaborative practice agreement was that the agreement was specific to a location and the pharmacist could not leave the pharmacy to administer vaccinations. He highlighted pharmacists' inability to travel to community health fairs as an example. The bill would enable pharmacists to go to other locations and travel to rural areas to administer immunizations.

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Representative Gara asked whether there were any safety issues with the bill.

DR. JAY BUTLER, CHIEF MEDICAL OFFICER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, communicated that pharmacists currently delivered a large number of vaccines throughout the state and therefore, did not have any safety concerns or reservations with allowing pharmacists to administer vaccines. Representative Gara asked whether his answer extended to the ability of the pharmacist to administer emergency medications due to an adverse reaction. Dr. Butler answered that allergic reactions to a vaccine was a rare occurrence and that under the collaborative agreement the pharmacist was currently allowed to administer emergency medications.

Representative Kawasaki stated that currently under a collaborative physician agreement reports were written and reviewed. He asked whether, absent an agreement reporting would still be required. Dr. Butler replied that completion of the vaccine adverse event reporting system was mandatory. He explained that the system was a tool available to pharmacists and patients and was monitored by

the federal Food and Drug Administration and Centers for Disease Control.

Vice-Chair Saddler noted that the bill included administration of emergency medications and asked for an example of emergency medications. Dr. Butler answered that epinephrine administered for rare allergic reactions to immunizations called "anaphylactic reactions" was an example of emergency medication. Vice-Chair Saddler asked whether pharmacists received specialized emergency medication response training. Dr. Butler responded that the critical issue was the ability to recognize the adverse reaction.

DANIEL NELSON, PRESIDENT, ALASKA PHARMACISTS ASSOCIATION, FAIRBANKS (via teleconference), stated his strong support of the legislation.

RYAN RUGGLES, PHARMACIST AND DISTRICT PHARMACY MANAGER, ALBERTSON-SAFEWAY, ANCHORAGE (via teleconference), testified in support of the bill. He shared that Alaskan pharmacist currently administered many types of vaccines. The legislation would remove the collaborative physician agreement mandate which was "difficult to obtain" and limited the pharmacists' ability to serve their patients. He believed that passage of SB 71 would strengthen the continuity of care that pharmacists endeavored to provide patients.

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LIS HOUCHEN, NORTHWEST REGIONAL DIRECTOR, STATE GOVERNMENT AFFAIRS, NATIONAL ASSOCIATION CHAIN AND DRUG STORES, OLYMPIA, WASHINGTON (via teleconference), spoke in favor of the bill. She listed the organization's members. She shared that in 2012 only 1.2 percent of Alaskans had received the flu immunization. The association believed that the legislation would increase access to vaccinations in rural areas.

BARRY CHRISTENSEN, CO-CHAIR, ALASKA PHARMACIST ASSOCIATION LEGISLATIVE COMMITTEE, KETCHIKAN (via teleconference), testified in support of the legislation. He thought that the bill would help reduce the cost of healthcare. He relayed that the association had met with other medical providers prior to the bills introduction to inform them about the legislation.

Co-Chair Thompson CLOSED public testimony.

Representative Kawasaki spoke to the fiscal notes. He pointed to Fiscal Note 1 (CED) and wondered why it cost \$2.5 thousand to amend the regulation. He previously had not seen a fiscal note accompany a bill changing a regulation.

Co-Chair Thompson assumed it was a one-time cost.

Senator Giessel deferred the question to the Department of Commerce, Community and Economic Development.

SARA CHAMBERS, ADMINISTRATIVE OPERATIONS MANAGER, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, answered that the Department of Commerce, Community and Economic Development (DCCED) was implementing the practice of requesting receipt authority for the average cost of a division "regulation project" in an effort "to best and conservatively manage licensing fees" that were charged to the licensees. She elaborated that the division handled "competing interests" between the division and the various board's mission related and statutory authority. In situations when the division had other bills related to regulations and were managing tens of thousands of dollars dealing with regulation changes, the fiscal note added transparency to the process and alerted the boards that their funds were being spent in case funding for their other mission purposes was curtailed.

Representative Kawasaki supported adding the receipt authority in the fiscal note as long as the practice would continue into the future.

Representative Wilson wondered how many hours it would take to amend the regulation and how the department calculated the \$2.5 thousand expenditure.

[3:17:14 PM](#)

Ms. Chambers replied that the expense was calculated based upon a variety of expenses including the charges from the Department of Law (DOL) review and DCCED regulation specialist time. She added that the bulk of the cost came from printing and postage for sending copies of the new regulations to the licensees'; mandated by statute. She

shared that \$2.5 thousand was an average board expense. Representative Wilson asked whether there was an option to send the regulations by email. Ms. Chambers answered that the department was exploring the option with DOL. The current legal interpretation required the paper option. Representative Wilson believed the email option should be pursued.

Representative Pruitt voiced that previously the division spread the cost among all boards. He thought that the division was attempting to shift to using the receipt authority to charge the actual costs on to the specific board affected. He hoped it would be the direction the department would take on any future adjustments or regulation projects for any licensee group. He asked for confirmation on his comments. Ms. Chambers agreed with his comments and related that the division was ensuring that "the expenses were directly correlated to the licensing fees of the particular licensed profession that incurred the costs."

Representative Kawasaki cited Fiscal Note 3 (DHS) and relayed that the analysis noted that the Medicaid program would be expected to incur costs resulting from changes needed to the claims processing system. He wondered what the total costs amounted to. Dr. Butler replied that the original fiscal note had included a one-time capital request of \$50 thousand for the claims processing without the collaborative agreement. Subsequently, it was discovered that the bonus performance money from the Children's Health Insurance Program (CHIP) could be used to implement the changes to the claims processing system. Therefore, the fiscal note had been zeroed out.

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Vice-Chair Saddler MOVED to REPORT SB 71 out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

SB 71 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (CED); and one previously published zero fiscal note: FN3 (DHS).

#sb26
CSSB 26(FIN)

"An Act making and amending appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making 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 Neuman MOVED to ADOPT the proposed committee substitute for CSSB 26(FIN), Work Draft 29-GS1781\F (Martin, 4/16/15). There being NO OBJECTION, it was so ordered.

JOE MICHEL, STAFF, REPRESENTATIVE STEVE THOMPSON, explained the changes in the Committee Substitute. He noted that a few changes were made to Section 1; the numbers section. He pointed to page 5, line 30 under the Department of Natural Resources (DNR): Snowmobile Trail Development Program and Grants in the amount of \$250,000 and clarified that the funding was collected from the sales of snow machines and were designated program receipts and not general funds (GF). In addition, the Cooperative Water Resources Program pass through grant to the United States Geological Survey (USGS) for stream gauging projects was removed from DNR. He explained that the item was removed at the request of DNR because the project was not currently going forward. He addressed the section related to the Department of Transportation and Public Facilities (DOT) on page 14. He highlighted three substantially different changes from the governor's amendments. He pointed to line 23, the Knik Arm Crossing in the amount of \$45.3 million and emphasized the item was comprised of federal receipts. The \$45.3 million was originally reflected in the item on line 27 National Highway System and Non-National Highway System Pavement and Bridge Reconstruction and Refurbishment which was used as a placeholder in case the state could receive extra federal receipts. Therefore, the inclusion of the Knik Arm Crossing federal receipt authority item was a net zero. He cited line 24, Kotzebue Cape Blossom Road in the amount of \$33 million, which was recently granted federal receipt authority for the total amount which eliminated the previously \$4 million GF appropriation.

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Mr. Michel moved to page 23, which contained the numbers section for the Supplemental Budget amendments. He cited

line 22, Emergency Repair of State Forest Road Systems in the Tanana Valley State Forest in the amount of \$896 thousand that was added by request of the governor. He turned to the Supplemental Operating Budget section on page 26. He referenced page 27, line 22 that included \$40 million for Medicaid services in FY 15. The last item concluded the changes to the numbers sections of the bill.

Mr. Michel addressed the following supplemental appropriations in the language section of the bill. He began with the Department of Administration (DOA) in Section 10 on page 32 in the amount of \$3 million for paying costs associated with the Alaska Correctional Officers Association settlement for FY 15. He moved to subsection b (line 5), and stated that \$1.317 million was appropriated to pay for the single audit for the Department of Health and Social Services (DHSS). He related that subsection (c) was a new item totaling \$792 thousand for costs related to labor contract negotiations. He moved to the DCCED in Section 11, (line 12) in the amount of \$2.3 million for the costs associated with the regulation of marijuana in FY 15 and FY 16. He noted that in subsection (b) (line 17), \$57.5 million originally appropriated for the Interior Energy Project was reappropriated. He directed attention to DHSS in Section 12 (line 26) and noted that additional language had been added [to the Medicaid Services expenditure]. He read the following:

No money appropriated in this appropriation may be expended for an abortion that is not a mandatory service required under AS 47.07.030(a).

He moved to subsection (b) (line 10) and explained that in the prior year an oversight occurred and the appropriation language had not included the words, "general fund" which was originally a reappropriation from the Fairbanks virology laboratory. The reappropriation was for an emergency medical services match for community ambulances for the Code Blue project. He pointed to the Department of Law appropriations in Section 13 (page 33, line 18) in the amount of \$8.889.9 million to pay for judgments and settlements against the state.

Mr. Michel addressed Sections 14 (page 33, line 27) regarding DNR and noted the sum of \$3 million appropriated for fire suppression activities. He cited the Department of Revenue (DOR) appropriations in Section 15 (page 33, line

30) and noted the amount of \$50 thousand for the costs associated with updating the tax revenue management system and tax forms and drafting regulations to implement a new surcharge on refined motor fuels for the fiscal year ending June 30, 2015. He added that Section 16 (page 34, line 3) was related to reappropriations for the Department of Transportation and Public Facilities. He reported that subsections (a) and (b) dealt with the class 5 injection well compliance and remediation project in the amount of \$3.4 million. He shared that subsection (c) was a reappropriation for terminal improvements and a renovation project at the Ted Stevens Anchorage International Airport. He stated that subsection (d) reappropriated funds for the Kalsin Bay maintenance station that had burned down and needed replacement. Subsection (e) was the appropriation for the Dalton Highway disaster emergency repairs totaling \$5 million. He directed attention to Section 17 (page 35, line 12) regarding Debt and Other Obligations and noted that the school bond debt decreased by \$5 million dollars. He reported that Section 18 (page 36, line 22) contained Ratifications which reflected expenditures already paid. He added that Section 19 (page 35, line 21) included language related to Medicaid. Section 20 (page 36, line 27) included a fund transfer in the amount of \$13.3 million to the Alaska Housing Capital Corporation account. Section 21 (page 36, line 29) reappropriated \$750 thousand from the Digital Teaching Initiative three year demonstration project to the Alaska Housing Capital Corporation. Subsection (b) reappropriated \$875 thousand from the Alaska Public Safety Information Network (APSIN) to the Alaska Housing Capital Corporation. He noted that Section 22 (page 36, line 27) Federal and Other Program Receipts had not changed and granted Legislative Budget and Audit authority to issue Revised Program Legislation (RPL) during the interim. Section 23 (page 37, line 25) Insurance Claims authorized receipt and expenditure of settlements related to insurance claims.

[3:37:26 PM](#)

Mr. Michel continued with Section 34 (page 37, line 30), National Petroleum Reserve - Alaska Impact Grant Program that granted federal money to communities related to impacts from the oil and gas activities on the North Slope. He detailed that Section 25 (page 38, line 20) Alaska Aerospace Corporation, reappropriated funds from the corporation to the Hope Community Resources, Inc., for

upgrades to housing to meet state licensing requirements. Subsection (b) reappropriated \$3 million to the Alaska Housing Finance Corporation for the supplemental housing program.

Vice-Chair Saddler asked what amount was reappropriated to Hope Community Resources, Inc. for licensing fees. Mr. Michel answered that there was a variety of capital appropriation items Hope Community Resources requested. The state requirements for licensing would cost Hope \$125 thousand, which was the amount specified in the bill.

Co-Chair Thompson asked members to hold questions until after Mr. Michel ended his sectional presentation.

Mr. Michel addressed subsection (c) that reappropriated funds to the Cold Climate Housing Research Center. He turned to subsection (d) that reappropriated funds to the Fairbanks North Star Borough School District for renovations at the Barnette Magnet School. Subsection (e) reappropriated funds to DOT for the Alaska Marine Highway System vessel overhaul and rehabilitation. He moved to Section 26 (page 39, line 31) Commercial Vessel Passenger Tax Account, which reappropriated lapsed funds from the account back into the passenger tax account. Section 27 (page 40, line 7) Department of Commerce, Community and Economic Development, included a reappropriation for \$33 thousand from the Alaska Energy Authority (AEA) Mount Spurr Geothermal Project reappropriated to the AEA electrical emergencies program. Subsection (b) reappropriated \$9.5 million from the Mount Spurr Geothermal Project to the renewable energy grant fund. He shared that subsection (d) was a reappropriation to the Denali Commission, for a federal-state partnership grant. He moved on to Section 28 (page 40 line 28) Department of Education and Early Development which included reappropriations to pay for the current year's major maintenance projects for schools. He discussed Section 29 (page 41, line 19) Department of Environmental Conservation (DEC) which included reappropriations amounting to \$3.026 million for a number of DEC projects for the Department of Environmental Conservation. He specified that \$800 thousand was reappropriated to the Spill Prevention and Response (SPAR) account.

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Mr. Michel shared that the numbered subsections under Section 29 listed the reappropriations made for the Naknek sewer relocation and system upgrade. He stated that Section 30, (page 45, line 28) Department of Health and Social Services included reappropriations that mitigated the mistake from the prior year when the words "general fund" was inadvertently omitted from the Fairbanks Virology Laboratory reappropriation. He reported that Section 31 (page 46, line 23) Department of Natural Resources, reappropriated funds to the unified permit automation and document management system for permit streamlining. Section 32 (page 46, line 28) Department of Public Safety reappropriated funds from the video judicial conference arraignment study in the amount of \$100,000 for state trooper video equipment and storage. He noted that Section 33 (page 47, line 3) House Districts, were reappropriations that changed the scope of the same projects. He stressed that the projects were not new. Section 34 (page 47, line 21) House Districts 29 - 31 reflected a change in the same project. He noted that Section 35 (page 48, line 1) House Districts 29 - 31 was a reappropriation for the Inner Island Ferry Authority in the amount of \$200 thousand. He stated that Section 36 House Districts 38 - 39 reflected a reappropriation for lapsing funds for the exact same project. Subsection (b) related to a pilot project program study that would enable the Norton Sound Health Corporation to takeover a juvenile justice facility for a behavioral health or wellness center to be paid entirely by federal money. Section 37 (page 48, line 21) Office of the Governor, reappropriated \$500 thousand that was designated for Arctic Policy back into the general fund; other monies were reappropriated for Arctic policy. He voiced that Section 38 (page 48, line 31) Reappropriation of Legislative Appropriations reappropriated funds to the Alaska Legislature, Legislative Council, Senate Special Committee on the Arctic, for work conducted last session. Subsection (b) totaled approximately \$7.5 million and reappropriated funds for the Capitol building seismic retrofit. He noted that Section 39 (page 50, line 11) Shared Taxes and Fees, reflected the amount necessary to refund to local governments and other entities their share of taxes and fees collected for various programs for the fiscal year. Section 40 (page 50, line 19) Non-general Fund Receipts which pertained to the Mental Health Budget and related to Medicaid. He read the following language from Section 40:

... [for the proposed expansion of the state's Medicaid program] may not be accepted or expended without an acceptable reformation plan and appropriation approved by the legislature.]

Mr. Michel referred to Section 41 (page 51, line 7) Alaska Housing Capital Corporation (AHCC), which reappropriated funds from many items and deposited the money into the AHCC account.

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He highlighted that subsection (a) reappropriated the remaining funds from the Mount Spurr Geothermal Project and that subsection (b) reappropriated the remaining balance of the Alaska Aerospace Corporation launch pad construction funds into the corporation's account. He reported that subsection (c) reappropriated the remaining \$250 thousand from the state ferries \$2.5 million appropriation into the AHCC account. He turned to subsection (d) totaling \$27,108,103 of various lapsing project funds that reappropriated the lapsing funds into the AHCC account versus depositing the capital funds back into the general fund. The AHCC account funds were expended similarly to general funds. He delineated that the purpose of the account was to keep the previous capital dollars as capital funds for future capital expenditures.

Co-Chair Thompson interjected that the AHCC account was created by the legislature several years ago "as a place to park money that was not sweepable."

Mr. Michel noted that there were 93 numbered subsections of capital reappropriations into the AHCC account.

Mr. Michel pointed to Section 42 (page 60, line 1) Repeals, and explained that in previous versions of the bill language was inserted that referred to the Constitutional Budget Reserve and was removed from the current version. He added that subsection (a) related to whether interest accrued for Alaska Marine Highway System (AMHS) could remain in the AMHS and subsection (b) referred to one-time education money. He addressed Section 43 (page 60, line 5) Lapse, which related to the various sections with lapsing funds. Subsection (b) related to funds that did not lapse. He detailed that Subsection (d) was language that designated all of the appropriations in the bill as capital

in order to prevent the appropriations to be deposited into the department's operating budget. He remarked that Section 44 (page 60, line 15) Contingency, was contingency language. Section 45 (page 60, line 18) related to the supplemental appropriations contained in the legislation. Section 46 (page 60, line 19) related to "regular appropriations." Finally, Section 47 (page 60, line 21) were effective dates for Sections 45 and 46.

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Mr. Michel reverted to Section 43, subsection (c) and remembered that \$1,000.075 million for redistricting purposes was removed in the original governor's budget request.

Co-Chair Neuman apologized to Pat Pitney, Director, Office of Management and Budget, Office of the Governor for an occurrence during budget discussions in his office earlier in the day.

Representative Wilson asked for a breakdown of capital budget totals of general funds and federal funds. Mr. Michel replied that the capital budget was comprised of \$114 million in unrestricted general funds, \$60.8 million of designated general funds, \$70.4 million of other state funds, and \$1,277.650 billion of federal funds.

Representative Gara asked whether the capital budget increased compared to the prior version of the bill. Mr. Michel answered that the bill included the supplemental budget and additional supplemental requests were included after discussions between the House and Senate occurred. He delineated that the difference between the two versions of the legislation totaled \$48.415 million in general funds. He noted that \$40 million was appropriated as FY 15 supplemental funds for Medicaid. An additional \$250 thousand in designated general funds were included in the Senate version. The Senate decreased general funds by \$2.5 million in other state funds for supplemental items.

Representative Gara pointed to page 14 of the bill related to Knik Arm Crossing money in the amount of \$45.3 million in federal funds. He wondered where the money was included in the prior version. Mr. Michel replied that the funds represented future federal receipt authority. He cited the item on page 14, line 26, the National Highway System and

Non-National Highway System Pavement and Bridge Reconstruction and Refurbishment (\$109,920,000) and explained that the item had been \$45.3 million higher in the previous version of the bill.

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Representative Gara wondered whether there was future receipt money in the prior bill version for the Knik Arm Crossing. Mr. Michel replied in the negative. Representative Gara referenced page 14, line 23, Knik Arm Crossing, and asked whether the money was future federal receipt authority. Mr. Michel affirmed.

Mr. Michel, in response to a question by, Representative Gara answered that the item on line 26 was reduced by the same amount as the federal receipt authority of \$45.3 million for the Knik Arm Crossing when included in the current version.

Representative Munoz asked whether the \$45.3 million for Knik Arm Crossing was consistent with former Governor Parnell's budget. Mr. Michel expressed uncertainty. Representative Munoz asked for a follow up on the information and in addition information on the Juneau Access numbers as well.

Representative Guttenberg wondered what the impact of dedicating the federal receipt authority of \$45.3 million had on other projects. Mr. Michel replied that, in discussions with DOT he discovered that removing the Knik Arm Crossing receipt authority from the item on line 26 was appropriate. The Highway System item acted as a placeholder for future receipt authority. He did not know the direct impact but was assured by the department and governor that the remaining \$109 million was sufficient.

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Representative Guttenberg pointed out that when the Statewide Transportation Improvement Program (STIP) committee met the STIP would be amended and some projects would move off of the list due to the large Knik Arm receipt authority.

Co-Chair Neuman asked for verification that the increment had been requested by the DOT. Mr. Michel responded in the affirmative.

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ADJOURNMENT

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The meeting was adjourned at 4:01 p.m.