

29TH ALASKA STATE LEGISLATURE (YEAR ONE)
SECOND SPECIAL SESSION
CONFERENCE COMMITTEE ON HB 2001
June 10, 2015
6:52 p.m.

[Note: Meeting was held in Anchorage, Alaska at the Anchorage Legislative Office.]

[6:52:25 PM](#)

CALL TO ORDER

Chair Neuman called the Conference Committee meeting on HB 2001 to order at 6:52 p.m.

MEMBERS PRESENT:

House:

Representative Mark Neuman, Chair
Representative Steve Thompson
Representative Les Gara

Senate:

Senator Pete Kelly, Vice-Chair
Senator Anna MacKinnon
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT:

Aides to committee members and other members of the Legislature.

SUMMARY

HB 2001 APPROP: OPERATING BUDGET/LOANS/FUNDS

CCSHB 2001 was REPORTED out of committee with a "do pass" recommendation.

#hb2001

CS FOR HOUSE BILL NO. 2001(FIN) am

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; making appropriations for the operating expenses of the state's integrated comprehensive mental health program; capitalizing funds and repealing appropriations; 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."

and

SENATE CS FOR CS FOR HOUSE BILL NO. 2001(FIN)

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs and capitalizing funds; repealing appropriations; 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."

Chair Neuman relayed that the conference committee would address the remaining open items based on motion sheets dated June 10, 2015 (copy on file). He highlighted that the June 3, 2015 conference committee meeting had recessed with a motion on the table. He had objected to the motion. He detailed that the conference committee had taken action on Item 1 of the motion at the previous meeting. The remainder of the motion to adopt the House version of Items 6, 7, 8, 9, 10, 11, 12, and 15 was currently before the committee.

Chair Neuman WITHDREW his OBJECTION.

[6:53:20 PM](#)

Vice-Chair Kelly OBJECTED for the purpose of an amendment. He MOVED to AMEND the motion for Items 6 through 12 to change the fund source from the Constitutional Budget Reserve Fund (CBR)(fund code 1001) to Unrestricted General Funds (fund code 1004); and to move all of the items to Section 1 of the bill. The fund source for Item 15 would remain federal receipts (fund code 1002), which was currently in Section 1.

Representative Gara OBJECTED for discussion. He asked for verification that fund code 1001 was Unrestricted General

Fund as opposed to one-time only funds. Chair Neuman replied in the affirmative.

Representative Gara WITHDREW his OBJECTION. There being NO further OBJECTION, the motion was AMENDED.

There being NO OBJECTION, the motion to approve the House version of Items 6, 7, 8, 9, 10, 11, 12, and 15 was ADOPTED as amended.

[6:54:39 PM](#)

Vice-Chair Kelly MOVED to ADOPT the following items:

- Item 2 House: denies education funding outside the formula
- Item 3 House: adds the salary increases as a one-time item and also adds intent language per Amendment 29-LS0960\I.A.12 Mischel/Wallace 6/10/15
- Item 4 Senate: adds the unlimited FY15 CBR draw
- Item 5 Senate: adds the unlimited FY16 CBR draw
- Item 13 Senate: deletes contingency language
- Item 14 House: adds retroactive effective dates w here necessary
- Item 16 House: adds the unallocated reduction of \$29.8 million and also adds intent language per Amendment 29-LS0960\I.A.11 Wallace 6/10/15

Representative Gara OBJECTED for discussion.

[6:55:05 PM](#)

Chair Neuman asked Vice-Chair Kelly to read the legislative intent language for Item 16.

Vice-Chair Kelly read the legislative intent language for Item 16:

It is the intent of the legislature that the unallocated reduction be implemented in a manner that results in a minimum number of state employee layoffs and that is geared toward finding internal agency and department efficiencies. It is the intent of the legislature that no supplemental funding be requested

during the next regular session to fill the unallocated reduction.

Representative Gara OBJECTED to Item 5.

[6:55:56 PM](#)

AT EASE

[6:56:25 PM](#)

RECONVENED

Chair Neuman asked Vice-Chair Kelly to restate the motion related to Item 3.

Vice-Chair Kelly restated that the motion would adopt the House numbers for Item 3, which added the salary increases as a one-time item and also added intent language per Amendment 29-LS0960\I.A.12 (Mischel/Wallace 6/10/15).

Representative Gara reiterated his OBJECTION on Item 5. He understood that Item 5 used the Senate's CBR language. He believed that a subsequent motion would replace the current language; based on that understanding he WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

[6:57:38 PM](#)

Vice-Chair Kelly MOVED that the conference committee ADOPT new Item 17 in Amendment 29-LS0960\S.3 Wallace 6/5/15 (copy on file), which would make passage of the bill contingent on an affirmative three-quarter CBR vote for FY 16 in each house of the 29th Legislature, Second Special Session. There being NO OBJECTION, it was so ordered.

[6:58:09 PM](#)

Vice-Chair Kelly MOVED that the conference committee ADOPT new Item 18 in Amendment 29-LS0960\I.A.13 Martin/Wallace 6/10/15 (copy on file). The amendment would limit the FY 16 CBR draw to the amounts necessary to fund the operating, mental health, and capital budgets, and this Act, plus the amount necessary, not to exceed \$500 million for future FY 16 appropriations.

Representative Gara OBJECTED for discussion. He clarified that the motion would replace the former CBR language on

Item 5 of the conference committee motion sheet. Chair Neuman replied in the affirmative.

Representative Gara WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Chair Neuman relayed that the action closed all of the items subject to conference committee.

[6:59:31 PM](#)

Vice-Chair Kelly MOVED that the conference committee give Legislative Finance and Legislative Legal the ability to make technical and conforming adjustments to the Conference Committee Substitute for House Bill 2001. There being NO OBJECTION, it was so ordered.

Vice-Chair Kelly MOVED to report CCSHB 2001 from committee.

There being NO OBJECTION, CCSHB 2001 was REPORTED out of committee with a "do pass" recommendation.

Chair Neuman thanked members, staff, the Legislative Finance Division, Legislative Legal Services, and the Office of Management and Budget for their work on the budget.

ADJOURNMENT

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