

**ALASKA STATE LEGISLATURE  
LEGISLATIVE BUDGET AND AUDIT COMMITTEE**

March 30, 2015

8:03 a.m.

**MEMBERS PRESENT**

Representative Mike Hawker, Chair  
Representative Kurt Olson  
Representative Lance Pruitt  
Representative Steve Thompson  
Representative Sam Kito

Senator Anna MacKinnon, Vice Chair  
Senator Lyman Hoffman  
Senator Bert Stedman  
Senator Click Bishop

**MEMBERS ABSENT**

Senator Cathy Giessel  
Senator Pete Kelly (alternate)

Representative Mark Neuman (alternate)

**OTHER LEGISLATORS PRESENT**

Representative Lora Reinbold

**COMMITTEE CALENDAR**

APPROVAL OF MINUTES  
EXECUTIVE SESSION  
OTHER COMMITTEE BUSINESS

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

**ACTION NARRATIVE**

[8:03:44 AM](#)

**CHAIR MIKE HAWKER** called the Legislative Budget and Audit Committee meeting to order at 8:03 a.m. Representatives Hawker, Thompson, and Olson, and Senators MacKinnon, Hoffman, Bishop, and Stedman were present at the call to order. Representatives Pruitt and Kito arrived as the meeting was in progress. Representative Reinbold was also in attendance.

### Approval of minutes

[8:04:43 AM](#)

CHAIR HAWKER announced that the first order of business would be the approval of the minutes.

SENATOR MACKINNON made a motion to approve the minutes of February 26, 2015. There being no objection, the minutes from the meeting of February 26, 2015 were approved.

SENATOR MACKINNON made a motion to approve the minutes of March 10, 2015. There being no objection, the minutes from the meeting of March 10, 2015 were approved.

SENATOR MACKINNON made a motion to approve the minutes of March 17, 2015. There being no objection, the minutes from the meeting of March 17, 2015 were approved.

### Executive Session

[8:05:51 AM](#)

CHAIR HAWKER announced that the next order of business would be an executive session.

SENATOR MACKINNON made a motion to move to executive session under Uniform Rule 22 for the purpose of discussing confidential audit and performance review reports under AS 24.20.301. There being no objection, the committee went into executive session at 8:06 a.m.

[8:06:22 AM](#)

The committee took an at-ease from 8:06 a.m. to 8:49 a.m.

[8:49:59 AM](#)

CHAIR HAWKER brought the committee back to order at 8:49 a.m. Representatives Hawker, Pruitt, Thompson, Olson, and Kito, and

Senators Stedman, Bishop, Hoffman, and MacKinnon were present at the call to order. Representative Reinbold was also in attendance.

[8:50:32 AM](#)

SENATOR MACKINNON made a motion for the final audit for the Statewide Single Audit Fiscal Year ended June 30, 2014 to be released to the public. There being no objection, it was so ordered.

CHAIR HAWKER suggested that these recommendations in the audit be examined by every legislator as "a guide in a road map to us doing our job better."

#### **Other Committee Business**

[8:51:10 AM](#)

CHAIR HAWKER explained that, during executive session, there was a briefing on a request by the Department of Corrections (DOC) to redact portions of the previously issued DOC performance review report. He shared that the report had been currently removed from the Legislative Budget and Audit Committee website and would be reinstated once the redaction process was completed.

[8:51:49 AM](#)

CHAIR HAWKER addressed the 10 year fiscal plan, required under statute, from the Office of Management & Budget (OMB). He explained that, on December 12, 2014, the chairs of the House Finance Committee and the Senate Finance Committee were notified that the administration was planning "to suspend any work on the agency's 10 year plans until such time as there is a Walker administration endorsed budget proposal." He acknowledged that, although this was understood, he was still requesting information for the plans for completion of this 10 year fiscal plan. He reported that, on January 15, 2015, he received a note from Pat Pitney [Director of OMB] requesting a meeting to discuss completion of the 10 year fiscal plan. He noted that, at this meeting, he was given assurance that a revised plan would be submitted shortly after the administration approved a budget. He shared that he had resubmitted his request for an updated fiscal plan to OMB on March 23, 2015 and the response had been that "they have complied with the requirements to distribute a fiscal plan." He relayed that a preliminary fiscal

plan, prepared by the previous administration, had been posted on December 15, 2014. He shared that the administration anticipated the release of an updated version of the 10 year fiscal plan during the interim, which would incorporate the April revenue forecast. He expressed his desire to review the long range financial planning for the state. He offered his belief that the 10 year fiscal plan was "absolutely the road map we need to be following to look at what the state's fiscal situation really is." He declared that he would continue pursuit of an updated 10 year projection from OMB, in order to discuss it in coordination with the House and Senate Finance Committees.

[8:54:20 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the Legislative Budget and Audit Committee meeting was adjourned at 8:54 a.m.