

SENATE FINANCE COMMITTEE

April 8, 2015

9:04 a.m.

[9:04:00 AM](#)

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:04 a.m.

MEMBERS PRESENT

Senator Anna MacKinnon, Co-Chair  
Senator Pete Kelly, Co-Chair  
Senator Peter Micciche, Vice-Chair  
Senator Click Bishop  
Senator Mike Dunleavy  
Senator Lyman Hoffman  
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT

Laura Pierre, Staff, Senator Anna MacKinnon.

SUMMARY

SB 26            BUDGET: CAPITAL

SB 26 was HEARD and HELD in committee for further consideration.

#sb26

SENATE BILL NO. 26

"An Act making appropriations, including capital appropriations and other appropriations; making appropriations to capitalize funds; and providing for an effective date."

[9:05:02 AM](#)

Co-Chair MacKinnon shared that the stated was facing an unprecedented revenue shortfall. The most recent spring forecast increased the withdrawal from savings at a projection of \$3.9 billion, by June 30, 2015. There was a projected additional \$4 billion in FY 16. The capital budget leveraged federal dollars; attempted to complete projects that were already in the queue; reduced general fund spending; and did not add any additional general fund dollars.

Co-Chair Kelly MOVED to ADOPT the proposed committee substitute for SB 26, Work Draft 29-GS178\N (Martin, 4/1/15). Co-Chair MacKinnon OBJECTED for discussion.

Co-Chair MacKinnon thanked her staff for the work on the capital budget.

LAURA PIERRE, STAFF, SENATOR ANNA MACKINNON, offered an overview of the capital and supplemental portions of the bill. She also addressed the money that would be reappropriated to the Alaska Housing Finance Corporation (AHFC) account, and some other items that were added without the use of general fund dollars.

Ms. Pierre stated that the capital appropriation in the bill was \$108.318 million in UGF; \$13.120 in DGF; \$61.233 in other funds; and \$1.271 billion in federal receipts. The total was \$1.457 billion in the capital appropriation.

9:07:56 AM

AT EASE

9:09:02 AM

RECONVENED

Co-Chair MacKinnon stated that the pause was used to distribute the work draft to those in attendance.

9:09:11 AM

Ms. Pierre explained that the supplemental section of the bill had \$225,000 in UGF for the Exxon Valdez Oil Spill Settlement (EVOSS) funds; \$1.5 million in federal receipts; and \$690,000 in DGF. The total supplemental section was \$2.415 million. She noted that there were several reappropriations that took old project funds to the AHFC account. Those funds totaled \$131.2 million. She explained

that there was additional funding to Department of Fish and Game (DFG) through the EVOSS to the Kenai Peninsula Aquatic Ecosystem Restoration of \$8.175 million. There was also an addition of \$500,000 to DFG in statutory designated program receipts to leverage \$11.250 million in federal funds for the Pittman-Robertson Act program. The bill added a reappropriation request from the Office of the Governor for Arctic Policy planning. The Department of Transportation and Public Facilities had an addition of \$33 million in federal receipts for the Cape Blossom Road Project, which would complete the road to the port. In exchange for the \$33 million, the state would receive \$4.1 million in the Alaska Health Care Commission (AHCC) account.

Co-Chair MacKinnon REMOVED her objection. There being NO further OBJECTION, Work Draft 29-GS178\N was ADOPTED.

SB 26 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

9:12:58 AM

The meeting was adjourned at 9:12 a.m.