

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**THIRTIETH LEGISLATURE**  
**SECOND SPECIAL SESSION**

**Juneau, Alaska**

**Monday**

**July 3, 2017**

**Eighteenth Day**

Pursuant to adjournment the Senate was called to order by President pro tempore MacKinnon at 10:01 a.m. The Senate was convened for the purpose of a technical session.

Senators Egan, MacKinnon were present for the technical session.

**Messages from the Governor**

**HB 137**

Message was read stating the Governor signed the following bill on June 30 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE BILL NO. 137(FIN) "An Act redesignating the Alaska State Council on the Arts as a public corporation and governmental instrumentality of the state; defining the powers and duties of the Alaska State Council on the Arts; providing exemptions from certain statutes for the Alaska State Council on the Arts; making conforming amendments; and providing for an effective date."

Chapter 16, SLA 2017

Effective Date: 7/1/17

**HB 59**

Letter dated June 30 was read stating:

Dear President Kelly:

On this date I have signed the following bill passed by the first special session of the Thirtieth Alaska State Legislature and am transmitting the engrossed and enrolled copies to the Office of the Lieutenant Governor for permanent filing:

CONFERENCE CS FOR HOUSE BILL NO. 59 "An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

Chapter 1, FSSLA 2017  
Effective Date: 7/1/17

I am committed to a responsible budget that provides for essential mental health services to the public. I am encouraged to see that the legislature shares this vision and has funded the FY2018 comprehensive mental health program contained in this bill within less than one-half of one percent of my December proposal.

Sincerely,  
/s/  
Bill Walker  
Governor

**HB 57**

Letter dated June 30 was read stating:

On this date, I have signed the following bill passed during the second special session of the Thirtieth Alaska State Legislature and am transmitting the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR HOUSE BILL NO. 57 "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; repealing appropriations; making supplemental appropriations and reappropriations; 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."

Chapter 1, SSSLA 2017  
Effective Date: See Chapter

The State of Alaska finds itself at a critical juncture. Unrestricted general fund revenue has fallen significantly over the past three years and even under optimistic assumptions, neither oil prices nor production are expected to increase sufficiently to make up for these large revenue shortfalls in the near term. Projected FY2018 unrestricted general fund revenue is \$1.9 billion which is \$7.6 billion and 80 percent less than in FY2012, and as a result a significant savings draw is still needed even after substantial reductions to the budget. The balance of the Constitutional Budget Reserve is projected to be just \$2 billion by the end of FY2018, representing a drawdown of over \$14 billion since FY2014 of our primary savings account. In short, there will be insufficient savings to fund the FY2019 budget.

I'm encouraged to see many priorities such as funding for K-12 education and State Troopers included in the budget and I remain optimistic that the Legislature will act on revenue measures such as Permanent Fund restructuring, broad-based taxes, oil and gas tax credit reform, and motor fuels taxes. As a result, I have not utilized my line item veto power on this piece of legislation. Without additional fiscal plan elements, the uncertainty for Alaskans continues.

My administration remains committed to providing any assistance necessary to enact a long-term, sustainable fiscal plan that is balanced and fair. Our savings will not last much longer and our bond rating is falling. All Alaskans embrace a vision for the state that provides government services to needy Alaskans, maintains infrastructure, educates our children, and creates an environment where businesses want to invest and grow the economy.

I urge you to pass appropriate revenue measures to give Alaskans and investors greater certainty and confidence in Alaska's future.

Sincerely,

/s/

Bill Walker

Governor

#### **Announcements**

Rule 23(d) of the Alaska State Legislature Uniform Rules is currently in effect.

Announcements are at the end of the journal.

#### **Adjournment**

Senator Egan, Acting Majority Leader, moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., July 7, 2017. Without objection, the Senate adjourned at 10:05 a.m.

Liz Clark  
Secretary of the Senate

**Announcements**

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

No Meetings Scheduled