

HOUSE FINANCE COMMITTEE

March 9, 2017

9:34 a.m.

9:34:08 AM

CALL TO ORDER

Co-Chair Seaton called the House Finance Committee meeting to order at 9:34 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Paul Seaton, Co-Chair
Representative Les Gara, Vice-Chair
Representative Jason Grenn
Representative David Guttenberg
Representative Scott Kawasaki
Representative Dan Ortiz
Representative Lance Pruitt
Representative Steve Thompson
Representative Cathy Tilton
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Lora Reinbold; Representative Justin Parish.

PRESENT VIA TELECONFERENCE

SUMMARY

HB 57 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 57 was HEARD and HELD in committee for further consideration.

HB 59 APPROP: MENTAL HEALTH BUDGET

HB 59 was HEARD and HELD in committee for further consideration.

Co-Chair Seaton addressed the agenda for the morning.

#hb57

#hb59

HOUSE BILL NO. 57

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

HOUSE BILL NO. 57

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

[9:34:08 AM](#)

^AMENDMENTS: ALL REMAINING

[9:34:59 AM](#)

Co-Chair Seaton informed members that the meeting would be about two hours. The committee would continue addressing amendments during the scheduled afternoon meeting.

Representative Wilson MOVED to ADOPT Amendment H DOL 3 (copy on file):

Commissioner and Administrative Services
Commissioner's Office

H DOL 3 - Delete 1 of 2 Special Assistant to the
Commissioner positions

Offered by Representative Wilson

Delete 1 of 2 Special Assistants to the Commissioner.
The work can be reallocated to the remaining 4
personnel.

Co-Chair Foster OBJECTED for discussion.

Representative Wilson read from the amendment description
[see above].

Co-Chair Foster spoke to his objection. He indicated the
department had already cut three positions from the
commissioner's office including a deputy commissioner.
There were only five positions remaining in the
commissioner's office. He asserted that further cuts would
negatively impact the commissioner's ability to effectively
manage and provide support to the department. He would not
be supporting the amendment.

Representative Wilson relayed that she thought her cut was
a pertinent place to start and wanted to be consistent
throughout all of the departments.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson
OPPOSED: Kawasaki, Ortiz, Gara, Grenn, Seaton, Foster

The MOTION to adopt Amendment H DOL 3 FAILED (4/6).

Co-Chair Seaton noted that Vice-Chair Gara had joined the
meeting.

[9:37:16 AM](#)

Representative Tilton MOVED to ADOPT Amendment H DOL 4
(copy on file):

Workforce Investment Board

H DOL 4 - Delete "Other Services"

Offered by Representative Tilton

Delete "Other Services - Authority for expenses yet to be determined" as outlined in the Governor's departmental budget detail.

Co-Chair Foster OBJECTED for discussion.

Representative Tilton explained that the amendment sought to remove \$58 thousand from the services line under the workforce investment board. In the detail of the services it stated, "Other Services - Authority for expenses yet to be determined." She did not agree with funding things that were unknown.

Co-Chair Foster spoke to his objection. The amendment deleted inter-agency receipts, which the Alaska Workforce Investment Board (AWIB) collected for doing work for other state agencies. Removing the funding would not only hamstring AWIB, it would also hamstring the requesting agencies. As the chair of the Department of Labor and Workforce Development (DOL) subcommittee, he would not be supporting the amendment.

Representative Wilson argued that the legislature had the right to know where money was being spent. The appropriation allowed the department to utilize funding at its discretion. She thought it was the legislature's duty to know how the funds were being used.

Co-Chair Seaton commented that inter-agency receipts and contingency monies were generally in budgets in order to function throughout the year. He anticipated that the funds would be helpful in avoiding the department having to come back to the legislature for a supplemental budget request.

Representative Tilton agreed with her colleague that the legislature should be aware of what was happening with the state budget.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson, Grenn
OPPOSED: Ortiz, Gara, Kawasaki, Foster, Seaton

The MOTION to adopt Amendment H DOL 4 FAILED (5/5).

[9:40:42 AM](#)

Representative Tilton MOVED to ADOPT Amendment H DOL 5
(copy on file):

Workers' Compensation
Fishermen's Fund

H DOL 5 - Delete "other services" included in the
Governor's departmental budget detail.

Offered by Representative Tilton

Deletes "Other Services Other services for purposes
yet to be determined" as outlined in the Governor's
departmental budget detail.

Co-Chair Foster OBJECTED for discussion.

Representative Tilton explained that in the FY 16 actual
budget no money was appropriated for purposes "yet to be
determined" in the Worker's Compensation Fishermen's Fund.
Currently, there was \$115 thousand reflected in the same
line item. She sought to remove the amount from the budget.

Co-Chair Foster spoke to his objection. He reported that
the amendment would reduce the funds that were dedicated in
statute specifically for helping disabled fishermen. Any
foreseen expenditure would go towards fulfilling that
purpose. He would not be supporting the amendment.

Representative Thompson remarked that over the past several
years the legislature had attempted to reduce spending. He
suggested that the current amendment and the previous
amendment sought to eliminate slush funds. He argued that
the state could not afford slush funds within departments.
He would be supporting the amendment.

Co-Chair Seaton added that the Fishermen's Fund was one of
the few dedicated funds allowed and carried forward from
before the adoption of the state's constitution. He thought
it was not a good idea to limit the monies used to
compensate fishermen injured at sea. He would be opposing
the amendment.

Representative Tilton appreciated Co-Chair Seaton's comments about the fund being used to take care of injured fishermen. However, she did not agree with the request of \$115 thousand since the FY 16 actual amount was zero. She thought the request was a slush fund solicitation and was requesting it be removed.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson, Ortiz
OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Seaton, Foster,

The MOTION to adopt Amendment H DOL 5 FAILED (5/6).

[9:44:39 AM](#)

Representative Pruitt MOVED to ADOPT Amendment H DOL 6 (copy on file):

Labor Standards and Safety
Wage and Hour Administration

H DOL 6 - Eliminate the Wage and Hour Administration.

Offered by Representative Pruitt

This amendment eliminates all funding for The Wage and Hour Administration.

Co-Chair Foster OBJECTED.

Representative Pruitt explained that the state's Wage and Hour Administration was a duplicative service. He thought that since the federal government already offered the service, duplication was unnecessary on the part of the state. He advocated that the state allow the federal government to enforce the law and to do its job. He noted hearing negative feedback from the public about their experiences with the agency. He urged members to support the amendment.

Co-Chair Foster spoke to his objection. He argued that the Wage and Hour Administration was critical to protecting Alaskan Workers. The administration ensured legal working conditions in Alaska. In FY 16, the agency collected \$1

million in wages owed to Alaskan workers. Although the administration cost about \$2.4 million, it collected over \$2.5 million in public construction project filing fees in the previous year, which was deposited into the general fund (GF). He thought cutting the program would hurt Alaskan workers. He would not be supporting the amendment.

Representative Wilson agreed with Co-Chair Foster; however, the question was about a duplication of services. She felt that if the federal government already performed the duties, the state did not need to do so as well. She wondered if the recovered monies were given to the state.

Vice-Chair Gara noted that DOL was a department running on a shoestring. It had faced budget reductions of 35 percent since 2015. The commissioner had stated that the department was strapped to do the work that was needed. He did not agree with the notion that the service was duplicative. He argued that the federal government would not enforce the state wage, which was different from that of the federal government. Alaska also had different wage and hour rules from the federal government. In addition, the federal government did not enforce state wage and hour laws. Unless there was an inquiry as to whether the federal government would increase its staff to enforce what the state was doing, there was no duplication.

Representative Guttenberg mentioned that during his tenure as a legislator he had never heard of a movement to take away state primacy. The state had always fought to put Alaska's mark on programs doing things in a better way than the federal government. He would be supportive if the federal government would protect Alaska's interest in a way that was acceptable to the people of Alaska and the legislature. He wondered what would be lost if the amendment passed. He thought the answer was, "No." He believed the agency protected wages and workers. He thought that passing the amendment would be more than a budget comment.

Representative Pruitt noted that the Division of Labor's website listed the minimum wage and highlighted that in cases where employees were subject to both federal and state minimum wages, they were entitled to the higher of the two. The division helped to enforce state law. He agreed that there had been periods where the state asked for primacy. More recently, he had heard that because of

savings the state would have to figure out other ways of doing things. The crux was that the legislature has decided it did not want to have difficult conversations about education and health care. The committee had added money to the budget in the previous day.

Co-Chair Seaton redirected Representative Pruitt's comments to the amendment under consideration.

Representative Pruitt continued that the legislature would have to look at other places for the federal government to assist the state. He addressed the question asked by the representative from North Pole. He wanted to know if he understood the question correctly about the salaries or the money that went to individuals.

Co-Chair Seaton redirected Representative Pruitt to wrap up his comments regarding the amendment.

Representative Pruitt thought looking at duplicative services and the federal government's role had been highlighted over the previous few days.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Thompson, Tilton, Wilson, Pruitt

OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Foster, Seaton

The MOTION to adopt Amendment H DOL 6 FAILED (4/7).

[9:54:25 AM](#)

Representative Pruitt WITHDREW Amendment H DOL 7 (copy on file).

Representative Pruitt MOVED to ADOPT Amendment H DOL 8 (copy on file):

Occupational Safety and Health

H DOL 8 - Eliminate the Occupational Safety and Health section

Offered by Representative Pruitt

This amendment eliminates all funding for the Occupational Safety and Health Section.

Co-Chair Foster OBJECTED for discussion.

Representative Pruitt conveyed that the reason for the amendment had to do with a duplication of services that the federal government already provided. He read a statement from the website of the Division of Labor Standards and Safety within the Department of Labor and Workforce Development:

The Occupational Safety and Health Section aims to protect Alaska workers from industrial accidents and job-related illness through the enforcement of state and federal standards, and by training employers and employees to follow safe and healthful work practices. The section also administers certification programs for asbestos abatement, hazardous painting, and explosives handlers to assure this work is done safely.

Representative Pruitt then read a statement from the Occupational Safety and Health Administration (OSHA) website:

Congress created the Occupational Safety and Health Administration (OSHA) to assure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education and assistance.

The OSH Act covers most private sector employers and their workers, in addition to some public sector employers and workers in the 50 states and certain territories and jurisdictions under federal authority.

Representative Pruitt asserted that the state was duplicating services at a time when it did not have money. He added that most of the funding was pass through dollars. He thought there should be federal money available to assist in enforcing safety measures. The state was essentially a grant administrator. He believed there were other departments available to ensure the safety of Alaskan employees.

Co-Chair Foster spoke to his objection. He agreed with an earlier statement by Vice-Chair Gara that Alaska was a unique place and had its own laws. He understood that Alaska had to follow federal law but also had its own laws to follow. He also agreed with Representative Guttenberg that he did not want Alaska to give up its primacy. He opined that the Occupational Safety and Health section was critical to protecting Alaska's workers by ensuring safe working conditions. He noted that over the previous 10 years the program had been effective. The rate of workplace lost worktime incidents had decreased by 50 percent. The program was federally required. If the state did not administer it, the federal government would. He felt it would be a disservice to Alaskan workers and businesses. He opined that Alaskans understood Alaska much more so than the federal government. He would not be supporting the amendment.

Representative Wilson relayed a rule of primacy: the state could only be more stringent than the federal government. She felt that by continuing the program the state was doing the federal government's dirty work. The state had the option of being stricter, but if the amendment was in place, the state might have fewer restrictions. The state would potentially be out of compliance with the law. She mentioned the state would potentially benefit if the responsibility shifted to the federal government. She would be supporting the amendment.

Representative Kawasaki stated that the agency ensured that workers had safety and health in the workplace. He thought there was a mischaracterization made at the beginning of the bill hearing was that Alaska was the grant administrator. He clarified that the state was the grantee receiving funds from the federal government, the grant administrator. The state was seeing to it that occupational safety and health existed within Alaska's workforce. He did not want to see the division eliminated without further protections for workers.

Vice-Chair Gara responded to the idea of one member that the state should not be stricter in protecting workplace safety. He had represented people that had been injured, almost killed, and killed doing their jobs properly. He had no problem with the state strictly enforcing workplace safety standards. He supposed the legislature had an easy job. He provided several examples of dangerous workplace

environments. He thought everyone should respect that people with more dangerous jobs deserved a safe workplace so they could go home alive.

Representative Guttenberg was a retired construction worker and spent most of his time outside. If the program were eliminated, Alaska would have the same standards as Texas. He spoke to the state's commitment to health and safety standards in all professions. He did not think it made sense to walk away from providing the service.

Representative Pruitt provided his final comments. He agreed with the previous speaker that if the state did not provide the service, the federal government would. He reiterated that no one was saying Alaska workers should not be safe. He explained that OSHA assured safe and healthful working conditions. There was already an agency available to handle occupational safety if the state did not. He emphasized that the legislature would have to look at cuts like the one he was proposing or at others. He asked members for their support of the amendment.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Tilton, Wilson, Pruitt, Thompson
OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Seaton, Foster

The MOTION to adopt Amendment H DOL 8 FAILED (4/7).

[10:03:32 AM](#)

Representative Pruitt MOVED to ADOPT Amendment H DOL 9 (copy on file):

Alaska Safety Advisory Council
Labor Standards and Safety

H DOL 9 - Eliminate the Alaska Safety Advisory Council

Offered by Representative Pruitt

This amendment eliminates all funding for the Alaska Safety Advisory Council.

Co-Chair Foster OBJECTED for discussion.

Representative Pruitt explained that the amendment eliminated a council funded by the state. One of the key responsibilities of the council was to provide an annual governor's safety and health conference. He wondered if the state was going to continue to fund every board and commission or consider whether the state had too many. He believed that a conversation about potentially merging the council into something else was necessary. He remarked that many of the commissioners were serving on several boards and committees taking time away from their regular duties. He also suggested the 14 members representing industry, labor, the public, and federal, state, and local governments play a larger role by contributing. He thought the duties of the council should be placed in the hands of the private sector. He asked members to support the amendment.

Co-Chair Foster spoke to his objection. He reported that the Alaska Safety Advisory Council was 100 percent self-supporting through the revenue it generated through sponsorships and by collecting attendance fees. Eliminating the council would not save the state any money nor would it help with the state's fiscal concerns. In addition, he noted that the department was looking to privatize the council. He would not be supporting the amendment.

Representative Pruitt summarized that although the council was collecting monies and paying for the conference, the state had people doing the work. He thought it was an appropriate time to let the private sector manage the council.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Wilson, Pruitt, Thompson, Tilton

OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Foster, Seaton

The MOTION to adopt Amendment H DOL 9 FAILED (4/7).

[10:07:48 AM](#)

Representative Tilton MOVED to ADOPT Amendment H DOL 10
(copy on file):

Employment and Training Services
Workforce Services

H DOL 10 - Delete "other services" included in the
Governor's departmental budget detail

Offered by Representative Tilton

Delete "Other Services Other services for purposes yet
to be determined" as outlined in the Governor's
departmental budget detail.

Co-Chair Foster OBJECTED for discussion.

Representative Tilton explained the amendment sought to
remove \$704 thousand from workforce services. The amendment
stated, "Other services for purposes yet to be determined."
She reported that FY 16 actuals reflected a zero dollar
amount. The request was \$938 thousand, almost \$1 million.
The amendment would leave \$233 thousand in the line item,
which she believed was too much without specifying its use.

Co-Chair Foster spoke to his objection. He explained that
the component was comprised of multiple funding sources.
The amendment only deleted the interagency receipts, which
were collected for doing work for other state agencies. He
suggested that restricting that authority inhibited the
workforce services as well as the agencies requesting
services. He added that the funds covered unanticipated
costs not reflected in previous year expenses. For example,
in FY 17 the department received one-time funds to make
upgrades to the online job bank program known as the
ALEXsys System. The funding would help to cover such
unforeseen expenses. He would be opposing the amendment.

Representative Wilson suggested that if the increment was a
one-time amount from FY 17 to FY 18, she thought it should
be removed. In addition, she commented that the inter-
agency receipts came from general funds. The state referred
to the funds as inter-agency receipts because they come
from another department. She noted that she had not seen
the use of the phrase "other services for purposes yet to
be determined" outside of DOT. She brought up a previous
discussion regarding an appropriation of \$25 million within

the Department of Health and Social Services and the possibility of moving the funding. She was happy to know that at least the legislature would know where the funding was going. She thought that if the legislature did not want to hamstring the departments, the terminology would appear for all of the departments.

Representative Tilton concluded that the amount was close to \$1 million. She thought it was prudent for the legislature to know where the money would be spent.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Grenn, Pruitt, Thompson, Tilton, Wilson
OPPOSED: Gara, Guttenberg, Kawasaki, Ortiz, Foster, Seaton

The MOTION to adopt Amendment H DOL 10 FAILED (5/6).

Co-Chair Seaton recognized Representative Lora Reinbold and Representative Justin Parish in the audience.

[10:11:46 AM](#)

Representative Pruitt MOVED to ADOPT Amendment H DOL 11 (copy on file):

Workforce Development

H DOL 11 - Alaska Construction Academy
Offered by Representative Pruitt

This decrease was the original intent of the legislature and realigns the scheduled reductions to this program.

Co-Chair Foster OBJECTED for discussion.

Representative Pruitt explained that the amendment paralleled what the governor originally offered in the budget: \$600 thousand less than what was currently in the budget. The governor was following the intent of the legislature from previous budgets. The legislature had added \$600 thousand back into the budget. The amendment decreased the amount to the governor's budget number. He asked members for their support.

Co-Chair Foster spoke to his objection. He admitted that it was true that in a previous legislature intent language was added that would phase out funding for the construction academies. He relayed that private industry had not stepped in to fill the funding need for the Alaska construction academies, as the legislature had hoped. At present, the state was faced with deciding whether to continue to fund them. He indicated that the subcommittee did not want to see the academies go away and wanted to continue training Alaskans. He would be opposing the amendment.

Vice-Chair Gara asked the maker of the amendment to clarify what training would disappear with the amendment. In the previous amendment, there was an argument that the reduction was state funding, but in actuality, it was outside federal grant funding. Applying for federal grant funding would not cost the state money. He requested that legislators offering amendments include the impact that the amendments would have on the corresponding service.

Representative Pruitt responded to Vice-Chair Gara's comments indicating he had never simply read any of his amendments. He explained the appropriation was an addition to the budget. He agreed that previously the legislature had looked to the private sector to play a larger role. However, he posed the question as to why the private sector would play a larger role, when the legislature added the funds back into the budget. He reiterated that the appropriation was an increase to the budget. He was trying to hold the line on the budget. He added that the public sector was not going to participate if the state did not push. He thought that if the legislature did not push on many accounts, certain things would not happen within the private sector. He suggested that the legislature continue asking the private sector to participate. He asked members for their support.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Grenn, Pruitt, Thompson, Tilton, Wilson

OPPOSED: Gara, Guttenberg, Kawasaki, Ortiz, Seaton, Foster

The MOTION to adopt Amendment H DOL 11 FAILED (5/6).

10:16:45 AM

Representative Tilton MOVED to ADOPT Amendment H DOL 12 (copy on file):

Alaska Vocational Technical Center

H DOL 12 - Delete "other services" included in the Governor's departmental budget detail

Offered by Representative Tilton

Deletes "Other Services Other services for purposes yet to be determined".

Co-Chair Foster OBJECTED for discussion.

Representative Tilton explained the amendment. There was a line item for other services with no actual spending. The amount of the line item was \$411 thousand GF. There was no detail for the appropriation. She believed the line item created a slush fund and sought to remove the funding.

Co-Chair Foster spoke to his objection. He explained that the monies went towards unforeseen expenses not reflected in previous year expenses. The authority allowed the department to avoid interrupting services while compensating for unforeseen expenses. The component was comprised of multiple funding sources, but the amendment only deleted UGF. Essentially, it created an unallocated reduction of UGF for the department. One example was snow removal when Alaska had a heavy snow year. He could not support the amendment.

Representative Wilson commented that the amendment had to do with Alaska' Institute of Technology (AVTEC), which had been in existence for a long time. She thought AVTEC had been removing snow for a significant time as well. She indicated that moving UGF and leaving other funds in place left a contingency fund available. She had a difficult time believing AVTEC needed such a large reserve. She asked if there was a process in place to account for the funds. She reiterated that AVTEC had been in existence for a long time and had an idea of needed contingency monies.

Representative Tilton reiterated that AVETEC was very familiar with things such as snow removal or related items.

She thought \$400 thousand in anticipated costs in a budget that AVTEC had been budgeting for a long time was large. She affirmed that it was the legislature's job to appropriate funds and to know where those funds would be spent.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Ortiz, Pruitt, Thompson, Tilton, Wilson
OPPOSED: Guttenberg, Kawasaki, Gara, Grenn, Foster, Seaton

The MOTION to adopt Amendment H DOL 12 FAILED (5/6).

[10:20:43 AM](#)

Representative Grenn MOVED to ADOPT Amendment H LAW 3 and H Law 5 (copy on file):

H LAW 3:

Criminal Division
Third Judicial District: Anchorage

H LAW 3 - Money for two prosecutors and associated personal services for Anchorage

Offered by Representative Grenn

The Department of Law has seen a significant decrease in its ability to prosecute crime since 2013; many good cases are being turned away. The funds added by this amendment will be used to fill existing, vacant positions.

H LAW 5:

Criminal Division
Fourth Judicial District

H LAW 5 - Money for one prosecutor and associated personal services in Bethel.

Offered by Representative Grenn

The Department of Law has testified that it is declining to prosecute cases due to lack of resources. The funds added by this amendment will be used to fill an existing, vacant position.

Representative Thompson OBJECTED for discussion.

Representative Grenn explained that Amendment H LAW 3 and Amendment H LAW 5 sought to do similar things. He would speak to both amendments at once.

Co-Chair Seaton asked if Representative Grenn wanted to move Amendment H LAW 5 as well.

Representative Grenn MOVED to ADOPT Amendment H LAW 5 (See above).

Co-Chair Seaton clarified that Amendment H LAW 3 and Amendment H LAW 5 were before the committee because they were tied to each other.

Representative Wilson OBJECTED.

Representative Grenn indicated that during the subcommittee process the Department of Law had reported having to cut 22 prosecutors and 19 support staff in the previous three years. In the same period, the department had had a decrease in almost 7000 prosecutions even though crime had not decreased to the same extent. In fact, in both urban and rural areas statistically crime had increased. Outside of the budget crisis, crime was the number one issue he heard about from constituents. His constituency thought crime needed to be addressed in Anchorage. The misdemeanors and felonies that the department failed to prosecute were cases in which evidence was available to prosecute but where the department did not have the resources to take legal action. The amendments were acknowledgements that reductions had cut to the bone and were not working. The amendments added two prosecutors in Anchorage and one in Bethel. He reported that Bethel, in particular, faced a larger squeeze. The community faced some of the highest domestic violence and sexual assault rates in the nation. The amendment added one prosecutor in the region to assist with crime at a trying time. He asked members for their support.

Representative Thompson spoke to his objection. He agreed that the state likely needed additional prosecutors because of growing caseloads, but he could not agree to spend more. He suggested that if the legislature was going to add to the budget there should be a reduction elsewhere. There had been plenty of opportunity over the previous several days to make cuts that would offset the addition of three positions. However, reductions had not been made. He opined that the state could not afford to add to the budget. Without reductions to compensate for the additional spending, he would be a "no" vote on the amendments.

Vice-Chair Gara commented on Representative Thompson's remarks about other ways to cut the budget. He had a problem with some of the amendments such as the previous one discussed. The fund that was referred to as a slush fund was actually money used to fund job training.

Representative Wilson remarked that Vice-Chair Gara was speaking on an amendment that the committee was not currently addressing.

Vice-Chair Gara continued that the amendments did not reflect what was going on. The previous amendment did not pertain to a slush fund. He was not confident in the accuracy of the amendments. In terms of the need for prosecutors, he did not feel there was a choice. He reported having sat on the Department of Law subcommittee the previous year and was shocked to find out that prosecutors were turning away more criminals because of lack of staff. He proposed that legislators either adopt the amendments or accept the fact that criminals would be let go without being prosecuted. He added that the decision to adopt amendments was not the only choice to make. The legislature could adopt a fiscal plan that would allow the state to afford more persecutors and avoid letting criminals back on the street.

Representative Pruitt agreed that there was a legitimate need for prosecutors. However, the problem was that the state did not have money. He had not heard of any offsets in the budget to ensure that the budget did not increase overall. He responded to Vice-Chair Gara's comments about a fiscal plan solving the problem. He suggested that adopting a fiscal plan did not mean the state should begin spending more. He asserted that no matter what the state needed to get its house in order. He thought a long-term conversation

was necessary about controlling the size and growth of government. He furthered that the state should not add to the budget currently. He believed the state should be looking at government expenditures. He agreed that additional prosecutors were needed. However, he did not see a corresponding offset. He could not just add to the budget.

Representative Wilson remarked that legislators had spent a significant amount of time vetting SB 91 [Crime Bill passed in 2016] which had not gone into effect completely. She did not know how things would change in Alaska communities. She thought it might be possible to move prosecutors from one area to the next. The state could change the way it did business. She thought it was jumping the gun to add prosecutor positions back into the budget before implementing all of the pieces of the crime bill.

Representative Ortiz argued that the conversation had to be about cost containment and the basic level of services government should provide. He thought that public safety was a basic service. There was an agreement that public safety was a baseline in terms of government services. The Department of Law had been reduced 20 percent since 2015. He thought there had been cost containment. He emphasized the need for prosecutors to help enforce the law and promote public safety.

Representative Grenn explained that the numbers he talked about began in 2013 before the passage of SB 21 [SB 91] or anything else that had changed in the past 6 months. He reported that the department had missed out on 7000 prosecutions. He thought it was a scary number when raising a family, living, working, and playing in the State of Alaska. There were criminals in the state not being prosecuted. The amendments were acknowledgements that the criminal division of the department had been cut too far. He believed the amendments would help to keep Alaska safe. He asked for the support of members.

Vice-Chair Gara requested an "at ease."

[10:31:17 AM](#)

AT EASE

[10:31:59 AM](#)

RECONVENED

Representative Thompson MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Kawasaki, Ortiz, Gara, Grenn, Seaton, Foster

OPPOSED: Pruitt, Thompson, Tilton, Wilson

Representative Guttenberg was absent from the vote.

The MOTION to ADOPT Amendment H LAW 3 and Amendment H Law 5 PASSED (6/4).

Co-Chair Seaton indicated that the committee would stand "at ease" for five minutes.

[10:32:52 AM](#)

AT EASE

[10:39:05 AM](#)

RECONVENED

Representative Wilson MOVED to ADOPT Amendment H LAW 4 (copy on file):

Criminal Division

Third Judicial District: Anchorage

H LAW 4 - Closure of Dillingham Office.

Offered by Representative Wilson

This amendment closes the Dillingham office. Grand juries are held in Anchorage requiring frequent travel cost for staff and witnesses. Additionally, the Dillingham office is supervised by the Anchorage District Attorney's office.

Representative Grenn OBJECTED for discussion.

Representative Wilson read from the amendment description [see above]. She added that the closure of the office was recommended the previous year by the department. The explanation provided by the department made sense because it was based on the numbers. She reported that the department had suggested there could be a savings resulting

from the efficiencies of technology and being able to provide the services through technological means.

Representative Grenn spoke to his objection. He confirmed that Representative Wilson was correct that the appropriation had been eliminated in House Finance and restored during conference committee. Since that time, the Department of Law had focused on making the Dillingham office very strong and a part of the community. The District Attorney's Office knew the community and had built trust over time leading to better results for the community. Closing the office would undo the great work of the department to make the Dillingham office strong. He thought the removal of the presence would be an added burden to the Anchorage office. He opposed the amendment.

Representative Thompson admitted the former Attorney General had recommended closing the Dillingham office, but the appropriation was put back in the budget. He noted that the position worked more from the Anchorage office than the Dillingham office. The travel costs associated with commuting back and forth was very expensive. The office was supervised out of the Anchorage office. He suggested that closing the office would result in potential savings to the state. He noted grand juries were held in Anchorage and there was no reason to continue spending additional money for travel. He would be voting in favor of the amendment.

Representative Pruitt agreed with the previous speaker. The legislature had consistently asked departments to come up with savings. He thought the amendment would be a savings to the state rather than a slight to the community of Dillingham. He added that the service could still be provided from the Anchorage office. Therefore, he would be supporting the amendment.

Representative Wilson heard from the subcommittee chair that the department was making the office in Dillingham strong. The position was still coming from Anchorage rather than Dillingham. Treatment would still be available to residents of the community. She referred to Representative Grenn's comments about the office in Dillingham doing great work. However, she had not heard of anything changing from the previous to the current year. She was aware the state had continued to fund the position in a higher fashion than what could be done otherwise. She argued that the legislature needed to support the cuts suggested by the

department. Otherwise, she wondered why the department would do the work to provide recommended reductions. She asked members for their support.

Representative Grenn MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson, Kawasaki
OPPOSED: Ortiz, Gara, Grenn, Guttenberg, Foster, Seaton

The MOTION to adopt Amendment H LAW 4 FAILED (5/6).

[10:45:11 AM](#)

Representative Wilson MOVED to ADOPT Amendment H LAW 6 (copy on file):

Civil Division
Legislation/Regulations

H LAW 6 - Delete one attorney position.

Offered by Representative Wilson

This amendment deletes one attorney position funded in this allocation requiring the agency to redistribute any remaining obligated duties to remaining staff.

Representative Grenn OBJECTED for discussion.

Representative Wilson explained that the amendment deleted one attorney from the Civil Division for legislation and regulations and returned \$175,500 to GF.

Representative Grenn spoke to his objection. There were only three attorneys in the division responsible for making sure regulations were consistent with state law and the constitution. The office was the administration's equivalent to the legislature's Legislative Legal Division. He thought the reduction would inhibit the administration's ability to create correct regulations and could increase future litigation costs. He would be a "no" vote on the amendment.

Vice-Chair Gara and Representative Wilson had a common interest in getting children back with families as quickly

as possible. He maintained that by deleting the position the workload would be spread to other people who were already working in sections of the Department of Law that had been cut. One of the places that had been badly cut were attorneys that represent parents. If the attorneys did not show up on time then the parents would not show up on time to try to get their children back in an Office of Children Services (OCS) case. He believed that the amendment distributed the workload to people who were already affected from cuts in their department. He thought the amendment would be costly impacting someone else.

Representative Wilson pointed out that the previous speaker had indicated the legislature was duplicating Legislative Legal Services. She did not believe a separate legal service was needed for the administration. She asked members for their support.

Representative Grenn MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson

OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Seaton, Foster

The MOTION to adopt Amendment H LAW 6 FAILED (4/7).

[10:48:20 AM](#)

Representative Tilton MOVED to ADOPT Amendment H LAW 7 and Amendment H LAW 8 together (copy on file):

H LAW 7:

Civil Division: Natural Resources

H LAW 7 - Decrease to services for Civil Division - Natural Resources

Offered by Representative Tilton

The Governor's request includes the restoration of one-time funding (previously in the Oil, Gas and Mining allocation) for representation of the Department of Revenue and Natural Resources disputes relating to the collection of oil and gas taxes and

royalties. Taxes (\$1,184.0) and Royalty Reopeners (\$941.0) will be handled in the department's Natural Resources allocation.

In a time of fiscal crisis, it is not prudent that the State increase the budget.

H LAW 8:

Civil Division: Regulatory Affairs Public Advocacy

H LAW 8 - Decrease in professional services

Offered by Representatives: Tilton, Wilson

As the department adapts and refines case management under the organizational structure begun in FY 17, some work will be brought in house while contracts with outside counsel and consultant experts having expertise in specialized oil, gas and mining issues will continue to be used as necessary.

In a time of fiscal crisis, it is not prudent to increase expenditures.

Representative Grenn OBJECTED for discussion.

Representative Tilton did not believe there was anyone who would disagree that there were times the legislature needed to seek outside counsel. The proposed decreases would eliminate the restorations of one-time funding. She opined that one-time funding was limited to a single time. Otherwise, the funding should be included in the budget as a regular line item.

Representative Guttenberg clarified that there was no objection to combining the two amendments.

Co-Chair Seaton saw no objection to combining the amendments.

Representative Grenn spoke to his objection. He reported that the funding was provided to the department every year in anticipation of their outside counsel and expert needs. Since 1982, the funding had resulted in over 8 billion in collections owed to the state. He relayed that the department did not always use the funding. The money that

they did not use went back into the GF. During the subcommittee process, the committee heard about what the department was doing in the current year and its plans for the following year. In the prior year, there had been approximately \$72 million in royalty cases handled by the civil division. He also noted that there was a recovery of \$234 million in a tariff case regarding Regulatory Affairs and Public Advocacy (RAPA). The funding obviously paid for itself. He did not think the state could afford the proposed reduction especially during a fiscal crisis.

Vice-Chair Gara relayed that this section of the department made money for the state. They went after oil and gas companies that underpaid their taxes and royalties. He spoke of having worked at the Department of Law noting its internally strong workforce. However, the department had been losing staff and experienced attorneys due to budget cuts and had been doing more contracting. He explained that budget reductions were not always free. He opined that the department would have to contract out more cases if there were additional cuts to the department.

Representative Wilson wondered if the intended use of the one-time increment had been fulfilled. She wondered if a case had been delayed. She remarked that a one-time increment was typically inserted into the budget because the department was requesting funding for special cases. She asked if anything had been reported from the department about incomplete cases. She thought the legislature should carefully examine one-time increment requests. She also urged members to be very careful about increasing base funding slated for very specific reasons.

Representative Guttenberg suggested that in talking with the Department of Natural Resources they would initiate a Reimbursable Services Agreement (RSA) with Department of Law to provide the service. He noted having advanced something similar in the DNR subcommittee. However, the committee had objected. It was argued that the Department of Law was the division that did the work for DNR; standing up for the state's rights including collecting back taxes and royalties.

Representative Thompson clarified that he was addressing H Law 8. He had been under the impression that the Regulatory Affairs Public Advocacy section was the public utility watchdog making sure to save the public monies by ensuring

that utilities were not overcharging ratepayers. He spoke of its importance in Fairbanks because of the high cost of energy there. He asked the maker of the amendment to clarify H LAW 8 in wrap-up.

Representative Kawasaki asked the maker of the amendment about money being placed into the oil, gas, and mining allocations and mining, land, and water allocations in order to sue the federal government. The current governor had relayed his intent to pursue litigation when the state's natural resources were being stopped or hindered from being utilized. He wanted to make sure the legislature did not negatively impact the state's ability to pursue utilizing its public lands more soundly. He asked the maker to respond to his comments in wrap-up.

Representative Tilton appreciated the discussion and the questions that had been asked. She thought members agreed that there was a need for expertise. The question had to do with the funding request being a one-time increment. As the representative to the right of her had said, the increment was provided for every year in the budget. However, it was not provided for, as the legislature was asking to put something in that had been a one-time increment.

Representative Tilton WITHDREW Amendment H LAW 7 and Amendment H LAW 8.

[10:56:44 AM](#)

Representative Wilson MOVED to ADOPT Amendment H LAW 9 (copy on file):

Administration and Support
Office of the Attorney General

H LAW 9 - Delete a Special Assistant position.

Offered by Representative Wilson

This amendment deletes the Special Assistant to the Commissioner position requiring the agency to redistribute any remaining obligated duties to existing staff.

Representative Grenn OBJECTED for discussion.

Representative Wilson explained the amendment deleted the special assistant position, which she had proposed for all of the agencies. The amendment would place \$175,500 back into the GF.

Representative Grenn spoke to his objection. He explained that the special assistant played a unique role inside of the department. They did not have to be a lawyer but had to have a high degree of knowledge about legal operations. The person in the position managed the technology exclusive to the Department of Law such as case management. If the special assistant position was deleted the duties would have to be taken on by a lawyer given the knowledge the position required of the legal world. The deletion would place an undue burden on lawyers already overburdened. He would be a "no vote" on the amendment.

Representative Wilson commented that the special assistant was not a lawyer in the Office of the Attorney General. She disagreed with the argument that a lawyer would have to assume the duties of the position. She thought the department could find someone else in-house to do the job. She remarked that sometimes the special assistants take off vacation time or furlough days and the questions were not being answered and brought back to the legislature by a non-lawyer. She asked members for their support.

Representative Grenn MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Thompson, Tilton, Wilson, Pruitt

OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Foster, Seaton

The MOTION to adopt H LAW 9 FAILED (4/7).

Co-Chair Seaton directed members to page 70 of the amendments to address the amendments to the Department of Military and Veterans Affairs.

[10:59:30 AM](#)

Representative Wilson MOVED to ADOPT Amendment H MVA 4 (copy on file):

Military and Veterans' Affairs

Local Emergency Planning Committee

H MVA 4 - Deletes Sub-Recipient
Pass-Through Grants to local emergency planning
committees.

Offered by Representative Wilson

This amendment deletes all funding for Sub-Recipient
Pass-Through Grants to local emergency planning
committees for hazard emergency operations planning,
training, exercise, and outreach preparedness
education. These functions are the responsibility of
local communities and the cost of performing them
should not be borne by the state.

Representative Kawasaki OBJECTED for discussion.

Representative Wilson explained the amendment. She thought
it was worth having the conversation as to whether the
service could be provided by local governments or by the
grant recipients. She read from the amendment description
[see above].

Representative Kawasaki spoke to his objection. He reported
having a robust conversation about the Local Emergency
Planning Committee (LEPS) during the budget subcommittee
discussions. At the time, the committee saw the \$300
thousand decrement as simple and easy. What the
subcommittee found was that there was a real public purpose
to having it. Local governments were able to share
information along with a small administration fee within
state government. The rest of the money was passed through
to local communities - from Anchorage to the Aleutians,
from Copper River to Ketchikan. There were over 20
organized LEPS, each having a role in responding to
emergencies. There were either federal declared natural
disasters or state declared natural disaster. He furthered
that the LEPS were very important in terms of having
coordinating responses so local communities could take the
lead role unless the threat or hazard became so large the
state had to get involved.

Representative Wilson understood that reductions were not
easy to make. However, it came down to discussing what the
state was required to do. She wondered if the

responsibility fell on the state or on the local entities utilizing the grants.

Representative Kawasaki MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Tilton, Wilson, Pruitt

OPPOSED: Grenn, Guttenberg, Kawasaki, Ortiz, Thompson, Seaton, Foster

Vice-Chair Gara was absent from the vote.

The MOTION to adopt Amendment H MVA 4 FAILED (3/7).

[11:04:02 AM](#)

Representative Wilson MOVED to ADOPT Amendment H MVA 5 (copy on file):

Military and Veterans' Affairs
National Guard Military Headquarters

H MVA 5 - Position deletion to decrease state spending and encourage operational efficiencies.

Offered by Representative Wilson

This amendment deletes one of two Division Director positions located at the Joint Base Elmendorf-Richardson location in order to reduce state expenditures. The Department is encouraged to seek efficiencies in delivering programs that the Department is responsible for administering.

Representative Kawasaki OBJECTED for discussion.

Representative Wilson read from the amendment description [see above].

Representative Kawasaki spoke to his objection. He reported that the reduction would have an impact on the Department of Military and Veterans Affairs' (DMVA) ability to do outreach with members of the armed services and the state's veterans. The small department had already encountered more than 31.5 percent in reductions over the previous 3 years. The department was increasingly important, as Alaska had

over 73 thousand veterans and 115 thousand dependents in the state. The numbers and percentages continued growing. Although the reduction seemed simple, without the critical director-level, day-to-day oversight the organization could quickly find itself exposed to challenges for non-compliance with federal rules. He argued that removing one position did not necessarily create efficiencies but rather, at best, introduced difficulties in an already stretched department. The Department of Military and Veterans Affairs, while having been cut, has done an excellent job with military outreach. Alaska had recently won an award from the federal government for its outreach efforts. He noted that the Alaska program model only cost the state \$100 thousand whereas Utah's model cost them \$3.5 million. He thought it was money well spent and that further cuts to the department would harm and hamper the ability to reach out to veterans.

Representative Wilson was unsure how cutting the position would make the state non-compliant with federal law. She argued that the state already had organizations doing outreach to veterans and that the position was a duplication of services.

Representative Kawasaki MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Wilson, Pruitt, Tilton
OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz,
Thompson, Foster, Seaton

The MOTION to adopt Amendment H MVA 5 FAILED (3/8).

[11:07:30 AM](#)

Representative Wilson MOVED to ADOPT Amendment H DNR 2 (copy on file):

Administration & Support Services
Commissioner's Office

H DNR 2 - Deletion of a Special Assistant to the
Commissioner

Offered by Representative Wilson

Deletion of the Special Assistant to the Commissioner. The work can be reallocated to the remaining 8 personnel.

Representative Guttenberg OBJECTED for discussion.

Representative Wilson read from the amendment description [see above]. She indicated she was trying to be consistent.

Representative Guttenberg spoke to his objection. He conveyed there were three special assistants in the commissioner's office. One spent 3 to 5 months in Juneau for session. The other two worked on considerable things that mattered to the state. He explained that there were over 30 oil and gas royalty orders repealed that were stacked up in the commissioner's office and equated to approximately \$35 million in royalty payments if the state prevailed. However, the state could not collect the royalties until the repeals were concluded. He argued that eliminating one of the assistants would slow the process down. He continued that the Division of Mining, Land, and Water had about 80 outstanding appeals that went through the commissioner's office. The Department of Natural Resources' special assistants provided support around some of the most significant issues facing Alaska. He elaborated that arctic energy, arctic policy, LNG, and oil and gas appeals were areas with significant issues in which millions of dollars were at stake. There used to be an entire office of staff assigned to governmental coordination. However, currently only one special assistant handled those duties. The legislature had asked many things of the department including disposing of the Mount McKinley Meat and Sausage plant, handling all oil and gas taxes, managing material sale leases, dealing with authorizations, and overseeing the day-to-day operations of the commissioner's office. The special assistants were the people the legislature went to with requests. They were responsible for responding to the needs of the legislature along with all of the other responsibilities they had within their department. He would not be supporting the amendment.

Representative Wilson argued that the amendment would reduce only one of three special assistants. The Department of Natural Resources was the only department that had three special assistants to the commissioner. Two assistants would still be employed. She argued that a special

assistant was not necessary for the department to have in Juneau during session. She asked for member support.

Representative Guttenberg MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson

OPPOSED: Gara, Grenn, Guttenberg, Kawasaki, Ortiz, Foster, Seaton

The MOTION to adopt Amendment H DNR 2 FAILED (4/7).

[11:11:56 AM](#)

Representative Ortiz MOVED to ADOPT Amendment H DNR 3 (copy on file):

Fire Suppression, Land & Water Resources
Forest Management & Development

H DNR 3 - Haines State Forest, Timber & Mining Access

Offered by Representative Ortiz

The part-time Forester II position in Haines supports timber sales, firefighting, and all other activities in and near the Haines State Forest (HSF). The HSF is the longest established state forest in Southeast Alaska, and Southeast Alaska timber sales make up 75% of statewide timber sales. It is important to note that while supporting timber related activities, the same activities support other valuable industries such as providing road access to the developing Constantine-Palmer mine.

Funding the position ensures that recent timber sales have sufficient on-site oversight, maintains the area's firefighting posture, and ensures there is a position to deal with forest road issues as the Constantine-Palmer mine moves from exploration toward production.

Representative Thompson OBJECTED for discussion.

Representative Ortiz explained that the amendment was an addition to the budget. He hoped members could all support

the addition, which acknowledged that Alaska was a resource development state. He suggested that it was particularly important to remember that the addition came in the wake of DNR being cut by 32 percent from 2015. He read from the amendment description [see above]. He indicated that businesses that depended on state timber sales in the Haines State Forest (HSF) would be severely limited in their ability to obtain wood supply without the passage of the amendment under consideration. The Division of Forestry personnel in the Haines office completed timber sales work on behalf of the Mental Health and University Trust programs generating revenues for their respective trust programs and was an efficient use of staff to meet forestry management needs for different state agencies. The state forests are renewable resources and Alaska's future would depend on the development of both renewable and finite natural resources. Recreational activities of all types including motorized and human powered would be more difficult to undertake on state lands due to the closed road systems that would occur if the amendment did not pass. He supposed that while the state needed to contain its costs, sometimes the state's reductions went too far and ended up being counter-productive to the overall good of the economy. He thanked members.

Representative Thompson spoke to his objection. He wondered about an offset to the proposed addition. He could not support the amendment because it increased the budget. He remarked that there had been several additions to the budget without reducing spending in other areas. Although the amendment had the potential to make the state money, without an offset he could not support it.

Representative Wilson asked why the Alaska Mental Health Trust Authority was not contributing funding. She asked if someone was being paid \$102 thousand for a part time position.

Representative Pruitt thought it was very possible that the position was needed. He had been the chair of the subcommittee in the previous 2 years and recalled reducing the position. He explained that at the time there was a concern about restricting support to an industry that was not as robust as it had been in the past. He admitted that it was possible the circumstances had changed. In committee, a fee for service concept had been considered. He expressed his excitement about the possibility of

another mine in Haines similar to Greens Creek. He wondered if the mine should play a role in funding the position. He pointed out that no offsets had been offered for any of the amendments. He thought it was a good idea to approach industry about contributing. Restoring the position could be the right thing to do if the state had money or if industry provided some support.

Representative Guttenberg relayed that the position was full time. The funding for the position was still in place through the end of the year. The funding request was for the following year. The position accomplished many things. In terms of the mine, the state did not receive any benefit until it reached production. Regarding timber sales, the position was necessary to complete some of the regulatory work associated with previous sales. The person in the position was also doing things to facilitate further timber sales. He thought a forester was needed in a town that was largely resource driven. He thought that without one it would be a decrement to both mining activity and ongoing and future timber sales. He did not want delays or stalls by not having the position in place.

Vice-Chair Gara thought the question was fair regarding the offsets to pay for the position. He relayed that the legislature had cut DNR funding by 58 percent since 2015. He thought that that percentage accounted for an offset. He noted that the other offsets included \$600 million in budget cuts to agency operations since 2015. He furthered that other offsets included \$65 million to \$67 million of agency operation cuts in the current budget compared to the previous year and about \$100 million in budget cuts compared to the cuts passed by the legislature in the prior year before the governor's vetoes. He thought "offset" was code for whether the legislature had cut the budget. The current and previous years' budgets were reduced. He reported that there had been \$3.3 billion in budget cuts since 2013. He did not believe that cutting people was the only way to run state government. He reiterated that offsets had been made in the form of agency reductions of more than 50 percent.

Representative Ortiz indicated the previous speaker had said many of the things he had planned to say. He added that the amendment promoted economic opportunity at a time when the state was seeing a decline in economic opportunity. He commented that when legislators worked in

Juneau were living in the Tongass National Forest. It was a national forest because over 90 percent of it was controlled by the federal government. The state controlled very little land. However, the state was offering the few available timber sales to provide access to timber and to provide jobs for those in the industry. He urged member support. The amendment was in the spirit of promoting economic opportunity.

Representative Thompson MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Grenn, Guttenberg, Kawasaki, Ortiz, Gara, Seaton, Foster

OPPOSED: Pruitt, Thompson, Tilton, Wilson

The MOTION to adopt Amendment H DNR 3 PASSED (7/4).

HB 57 was HEARD and HELD in committee for further consideration.

HB 59 was HEARD and HELD in committee for further consideration.

Co-Chair Seaton indicated that the committee would be taking up amendments beginning with the Department of Public Safety at the 1:30 p.m.

#

ADJOURNMENT

[11:24:18 AM](#)

The meeting was adjourned at 11:24 a.m.