

HOUSE FINANCE COMMITTEE  
April 5, 2019  
1:33 p.m.

1:33:17 PM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:33 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Tammie Wilson, Co-Chair  
Representative Jennifer Johnston, Vice-Chair  
Representative Dan Ortiz, Vice-Chair  
Representative Ben Carpenter  
Representative Andy Josephson  
Representative Gary Knopp  
Representative Bart LeBon  
Representative Kelly Merrick  
Representative Colleen Sullivan-Leonard  
Representative Cathy Tilton

MEMBERS ABSENT

None

ALSO PRESENT

Brodie Anderson, Staff, Representative Neal Foster;  
Representative David Eastman.

PRESENT VIA TELECONFERENCE

None

SUMMARY

HB 39        APPROP: OPERATING BUDGET/LOANS/FUNDS

CSHB39 (FIN) was REPORTED out of committee with one "do pass" recommendation, two "no recommendation" recommendations, and eight "amend" recommendations.

HB 40            APPROP: MENTAL HEALTH BUDGET

CSHB40 (FIN) was REPORTED out of committee with seven "do pass" recommendations, two "no recommendation" recommendations, and two "amend" recommendations.

Co-Chair Foster noted the committee had been joined by Representative Eastman.

#hb39

#hb40

HOUSE BILL NO. 39

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

HOUSE BILL NO. 40

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program, including supplemental appropriations; and providing for an effective date."

[1:34:00 PM](#)

Co-Chair Foster reported that in the previous meeting the committee completed amendments to the operating budget and Legislative Finance Division and Legislative Legal Services had developed two new committee substitutes for HB 39 and HB 40 based on the amendments that were adopted. He thanked both entities for working into the night to have the drafts before the committee presently. He appreciated all of their efforts. He noted that reports would be online once the committee substitutes were adopted.

[1:34:51 PM](#)

Co-Chair Wilson MOVED to ADOPT proposed committee substitute for HB 39, Work Draft 31-GH1905\C (Bruce, 4/3/19) (copy on file).

Representative Sullivan-Leonard OBJECTED.

1:35:29 PM

Co-Chair Foster asked his staff to review the changes made from the prior committee substitute to the new committee substitute.

BRODIE ANDERSON, STAFF, REPRESENTATIVE NEAL FOSTER, reported that committee substitutes for HB 39 and HB 40 reflected all of the amendments passed by the committee in the prior two days. The House Finance committee substitutes for HB 39 and HB 40 reflected a total budget of \$10,220,499,500 in all funds. Of the total, \$4,255,937,300 were unrestricted general funds (UGF). The total agency operations portion (for day-to-day operations) of the budget was \$3,840,761,200 UGF. The new committee substitute reflected a reduction of \$86.1 million from the previous House Finance committee substitute and was a \$113.9 million reduction from the FY 20 adjusted base. In statewide items UGF totaled \$415.1 million, a reduction of \$143 million from the FY 20 adjusted base. The total agency and statewide operations had been reduced by the committee in the amount of \$257 million from the FY 20 adjusted base.

1:37:32 PM

AT EASE

1:37:55 PM

RECONVENED

Representative Sullivan-Leonard spoke to her objection. She appreciated the committee's work. Although there were reductions made, she felt they were not deep enough. She thought the reductions should have been more intent in nature to bring down the budget to a more sustainable level. She could not support the bill.

Representative Sullivan-Leonard MAINTAINED her OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Josephson, Johnston, Knopp, Lebon, Ortiz, Wilson, Foster

OPPOSED: Sullivan-Leonard, Tilton, Carpenter, Merrick

The MOTION PASSED (7/4). There being NO further OBJECTION, Work Draft 31-GH1905\C for HB 39 was ADOPTED.

Co-Chair Wilson MOVED to ADOPT proposed committee substitute for HB 40, Work Draft 31-GH1901\K (Bruce, 4/3/19) (copy on file).

Representative Tilton OBJECTED.

[1:40:33 PM](#)

AT EASE

[1:40:58 PM](#)

RECONVENED

Representative Tilton MAINTAINED her OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Josephson, Johnston, Knopp, Lebon, Ortiz, Wilson, Foster

OPPOSED: Tilton, Wilson, Merrick, Sullivan-Leonard

The MOTION PASSED (7/4). There being NO further OBJECTION, Work Draft 31-GH1901\K for HB 40 was ADOPTED.

[1:42:16 PM](#)

Co-Chair Wilson MOVED to report CSHB39 (FIN) out of Committee with individual recommendations.

There being NO further OBJECTION, CSHB39 (FIN) was REPORTED out of committee with one "do pass" recommendation, two "no recommendation" recommendations, and eight "amend" recommendations.

[1:42:51 PM](#)

AT EASE

[1:44:39 PM](#)

RECONVENED

Co-Chair Wilson MOVED to report CSHB40 (FIN) out of committee with individual recommendations.

There being NO further OBJECTION, CSHB40 (FIN) was REPORTED out of committee with seven "do pass" recommendations, two "no recommendation" recommendations, and two "amend" recommendations.

Co-Chair Foster thanked the members and their staff for their work to develop the budget in a timely manner. He also thanked the staff from the Legislative Finance Division and Legislative Legal Services. He gave special thanks to David Teal, Amanda Ryder, Megan Wallace, and Linda Bruce. He also thanked his staff, Brodie Anderson and Ryan Johnston for their work on the budget. He indicated Legislative Legal Services was available to begin drafting floor amendments to the operating budget over the weekend. He instructed members to use the adopted committee substitutes to draft their amendments to the operating budget.

Co-Chair Wilson reviewed the agenda for the following Monday. The committee would be hearing HB 106 and HB 41.

#

ADJOURNMENT

1:46:50 PM

The meeting was adjourned at 1:46 p.m.