

HOUSE FINANCE COMMITTEE
SECOND SPECIAL SESSION
July 24, 2019
5:18 p.m.

[5:18:41 PM](#)

[Note: Meeting was recessed and reconvened on 7/25/19 at 9:00 a.m.]

CALL TO ORDER

Co-Chair Johnston called the House Finance Committee meeting to order at 5:18 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Jennifer Johnston, Co-Chair
Representative Dan Ortiz, Vice-Chair
Representative Andy Josephson
Representative Gary Knopp
Representative Bart LeBon
Representative Colleen Sullivan-Leonard
Representative Cathy Tilton
Representative Adam Wool

MEMBERS ABSENT

Representative Ben Carpenter
Representative Kelly Merrick

ALSO PRESENT

Erin Shine, Staff, Representative Jennifer Johnston

SUMMARY

HB 2003 APPROP: PAYMENT OF PFD

HB 2003 was HEARD and HELD in committee for further consideration.

Co-Chair Johnston reviewed the agenda for the meeting. She clarified that the committee would hear an introduction of HB 2003.

#hb2003

HOUSE BILL NO. 2003

"An Act making special appropriations for the payment of permanent fund dividends; and providing for an effective date."

5:19:50 PM

Vice-Chair Ortiz MOVED to ADOPT proposed committee substitute (CS) for HB 2003, Work Draft 31-LS1141\M (Caouette 7/24/19).

Co-Chair Foster OBJECTED for discussion.

Vice-Chair Johnston asked her staff to review the bill.

5:20:27 PM

ERIN SHINE, STAFF, REPRESENTATIVE JENNIFER JOHNSTON, reviewed the changes in the CS. The CS removed the \$1 billion transfer from the Permanent Fund Earnings Reserve Account (ERA) to the General Fund. She explained that the language was included in separate legislation that had just been considered on the House floor. She noted that the deleted language was located in version A of HB 2003, page 1, lines 4 through 6.

Co-Chair Foster WITHDREW his OBJECTION.

Ms. Shine explained that the bill would appropriate a Permanent Fund Dividend (PFD). She noted the bill language had been considered in a previous piece of legislation. The bill would appropriate \$172,200,000 from the Statutory Budget Reserve (SBR) to the dividend fund and \$901,470,000 from the General Fund to the dividend fund. The appropriation equated to a PFD of approximately \$1,605. She added that the bill assumed the reverse sweep was obtained and there were sufficient funds in the SBR. She detailed that without the reverse sweep the bill would have hollow authority under Section 1(b), which would lower the PFD to \$1,336.

5:22:35 PM

Representative Wool stated that \$172 million from the SBR would bring the PFD amount from approximately \$1,300 to approximately \$1,600. He wondered if the \$172 million transfer was contingent on HB 2002, which contained the reverse sweep and transfer language. Alternatively, he wondered if the \$172 million was part of a reverse sweep.

Ms. Shine responded that in SB 2002 the reverse sweep would need to be achieved to repopulate the SBR account, which currently had a zero balance (without the reverse sweep, HB 2003 gave hollow authority). She explained that the reverse sweep was necessary in order to transfer the funds for the payment of PFDs.

Co-Chair Johnston set the bill aside and recessed the meeting.

HB 2003 was HEARD and HELD in committee for further consideration.

#

RECESSED

[5:23:57 PM](#)

[Note: Meeting was recessed and reconvened on 7/25/19 at 9:00 a.m.]