

SENATE FINANCE COMMITTEE
March 31, 2025
9:02 a.m.

9:02:56 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:02 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Mike Cronk
Senator James Kaufman
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

None

ALSO PRESENT

Senator Cathy Giessel; David Scott, Staff, Senator Bert Stedman.

PRESENT VIA TELECONFERENCE

Samuel Laffey, Appointee, State Assessment Review Board, Anchorage.

SUMMARY

SB 57 APPROP: CAPITAL/SUPPLEMENTAL/FUNDS

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

CONSIDERATION OF GOVERNOR'S APPOINTEES: STATE ASSESSMENT REVIEW BOARD - SAM LAFFEY

Co-Chair Stedman discussed the agenda. He noted that Senator Cathy Giessel was present. He noted that the

committee had two items on the agenda, including consideration of the governor's appointee to the State Assessment Review Board. After consideration of the appointee, the committee would take up SB 57, the capital budget. He would look to the committee to consider adoption of a committee substitute (CS).

^CONSIDERATION OF GOVERNOR'S APPOINTEES: STATE ASSESSMENT REVIEW BOARD - SAM LAFFEY

[9:03:49 AM](#)

Co-Chair Stedman asked the appointee to introduce himself and provide his background, as well as his understanding of the position and why he wanted the job. He thanked the appointee for his willingness to serve the state.

[9:04:22 AM](#)

SAMUEL LAFFEY, APPOINTEE, STATE ASSESSMENT REVIEW BOARD, ANCHORAGE (via teleconference), introduced himself and discussed his background. He lived in Anchorage and was a lawyer by training and trade. He had a law degree and Masters of Business Administration (MBA) from the University of Wyoming. He had practiced law for almost five years and currently worked for the state in the Office of Public Advocacy. He was interested in serving on the State Assessment Review Board due to his passion for oil and gas work and his financial background. He thought he would be an asset to the board, its members, and work for the best interests of the citizens of the state. He felt honored to be considered.

Mr. Laffey continued to discuss his background and thoughts. He assessed the function of the board, which considered initial appeals from the oil and gas tax and pipeline tax appeals after an assessment and evaluation had been determined by the Department of Revenue (DOR). He thought the board was generally considered a finder of fact, which generally significant review of the financial record, the posing of questions, and coming up with a factual basis for a decision. He thought the decisions could ultimately be considered by the Alaska Superior Court and then potentially the Alaska Supreme Court.

[9:07:32 AM](#)

Senator Kiehl thanked Mr. Laffey for his public service and willingness to volunteer. He asked him to discuss his background in assessing real estate values, whether through construction or appeals.

Mr. Laffey relayed that he had taken a couple of property law classes while in law school and had some laymen's experience from looking at hundreds of houses including commercial properties around the country in the course of his life. He was fairly familiar with statutes pertaining to the process for assessments and property taxes in the state, but it had not been his focus while residing and working in the state.

Senator Kiehl referenced legal aspects, which he thought had substantial value. He asked if Mr. Laffey could reference specifics related to pipelines, production facilities, and equipment.

Mr. Laffey thought some members were aware that over the previous two decades there had been a number of Alaska Supreme Court decisions related to the valuation of property - pipelines and various other legal aspects. He mentioned timing of appeals and final decisions granted by the court with monetary terms. He felt his training as a lawyer made him uniquely prepared (especially given the current composition of the board) to review and cite case law and come to his own independent judgement about the meaning. He did not think there were currently any other lawyers on the board and thought he would be in a position to offer his "two cents" about a particular case and how it should be applied.

[9:11:38 AM](#)

AT EASE

[9:12:25 AM](#)

RECONVENED

Co-Chair Stedman OPENED public testimony.

[9:13:06 AM](#)

Co-Chair Stedman CLOSED public testimony.

Senator Merrick MOVED to FORWARD the appointment of Sam Laffey for consideration in accordance with AS 39.05.080.

She relayed that this did not reflect an intent by any member of the Senate Finance Committee to vote for or against the confirmation of the individuals during any further sessions. There being NO OBJECTION, it was so ordered.

#sb57

SENATE BILL NO. 57

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

[9:13:55 AM](#)

Senator Kiehl MOVED to ADOPT proposed committee substitute for SB 57, Work Draft 34-GS1460\I (Walsh, 3/27/25).

Co-Chair Stedman OBJECTED for discussion.

[9:14:54 AM](#)

DAVID SCOTT, STAFF, SENATOR BERT STEDMAN, addressed the committee substitute, which was a "pared-down, bare-bones, match-only" capital budget. He explained that all Unrestricted General Funds (UGF) that were not matching funds had been removed. He elaborated that in the simplest terms, matching funds were state dollars that leveraged federal dollars. He mentioned examples such as the Statewide Transportation Improvement Program (STIP), the Airport Improvement Program (AIP), and rural ferry funds for the Department of Transportation and Public Facilities. He mentioned village safe water and rural sanitation needs, for which the state received federal funds. He continued that the Department of Commerce, Community and Economic Development (DCCED) received the Development Block Grant, which he thought was one of the state's largest matches at a ratio of ten federal dollars to one state dollar.

Mr. Scott mentioned the Alaska Energy Authority (AEA), which received funding for bulk fuel upgrades for rural power upgrades and grid resilience. He noted that the Alaska Housing Finance Corporation (AHFC) received federal funds for weatherization and housing projects. He used the example of the Department of Military and Veterans Affairs (DMVA), which received federal dollars for maintenance of

armories and modernization of assets around the state. The CS contained \$173 million in state UGF matching funds. The funding leveraged \$2.355 billion of federal funds and other funds for a total \$2.793 billion. He explained that the CS was a starting point for the committee, and there would be updated versions forthcoming.

[9:17:56 AM](#)

Co-Chair Stedman understood that all the projects were submitted in the governor's original budget proposal.

Mr. Scott relayed that all projects that were removed were in the governor's original submitted budget, and there were zero legislative additions.

Co-Chair Stedman asked if all the issues in the CS were submitted by the governor.

Mr. Scott answered "yes."

Co-Chair Stedman affirmed that there were no legislative additions in the CS.

Co-Chair Stedman relayed that there would be another CS forthcoming in several days.

Co-Chair Stedman WITHDREW his objection. There being NO OBJECTION, it was so ordered. The CS for SB 57 was ADOPTED.

Co-Chair Stedman discussed the agenda for the following day.

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

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ADJOURNMENT

[9:19:50 AM](#)

The meeting was adjourned at 9:19 a.m.