



31st Alaska State Legislature  
 House Finance Budget Subcommittee  
 Department of Commerce, Community & Economic  
 Development

*Chair:*

Rep. Tammie Wilson  
 Capitol Room 511  
 465-4797

*Members:*

Rep. Sara Hannan  
 Capitol Room 432  
 465-4766

Rep. Zack Fields  
 Capitol Room 114  
 465-2647

Rep. Jonathan Kreiss-  
 Tomkins  
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Rep. Josh Revak  
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Rep. Sara Rasmussen  
 Capitol Room 430  
 465-3892

*Committee Aide:*

Remand Henderson  
 Capitol Room 511  
 465-4838

**DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC  
 DEVELOPMENT  
 FY20 HOUSE FINANCE BUDGET SUBCOMMITTEE  
 NARRATIVE REPORT  
 March 19, 2019**

**SUBCOMMITTEE MEETINGS:**

The House Finance Budget Subcommittee for the Department of Commerce, Community & Economic Development held four meetings with the Department during the review of the FY20 budget request.

**RECOMMENDATIONS:**

The House Finance Budget Subcommittee for the Department of Commerce, Community & Economic Development submits a recommended operating budget for FY20 to the House Finance Committee as follows:

The numbers-only budget with amendment recommendations totals:

**Fund Source:** (dollars are in thousands)

Unrestricted General Funds (UGF)	\$7,357.1
Designated General Funds (DGF)	\$46,935.9
Other Funds	\$56,541.3
Federal Funds	\$21,438.3
<b>Total</b>	<b>\$132,272.6</b>

From the FY19 Management Plan, the House Subcommittee recommendation reflects a total decrease in Unrestricted General Funds of \$2,744.5 a 27.2 percent decrease. It also represents a 17% decrease from the FY 20 Adjusted Base.

**Positions:**

Permanent Full-time	499
Permanent Part-time	0
Temporary	7
<b>Total</b>	<b>506</b>

## **SUBCOMMITTEE AMENDMENTS:**

The following Subcommittee budget amendments are submitted to the House Finance Committee for consideration:

- 1) **Department-Wide Travel**-delete 32.7 1004 UGF, 321.5 DGF, 86.4 1002 Fed and 366.5 Other  
This amendment deletes travel for the department in the amounts shown above.
- 2) **Alaska Seafood Marketing Institute** - add 209.6 Other  
This amendment restores the funding to the Alaska Seafood Marketing Institute.
- 3) **Executive Administration** -add 3.3 1004 UGF  
This amendment adds funds to the Office of Information Technology for salary adjustments billed to agencies.
- 4) **Alaska Gasline Development Corporation** - delete 450.0 1235 AGDC-LNG  
This amendment reduces the personal services to reflect the pay differential of the current Executive Director.
- 5) **Community and Regional Affairs** - delete 450.0 1004 UGF and add 450.0 1235 AGDC-LNG  
This amendment deletes unrestricted general funds and replaces it with funds from the AGDC-LNG. Funds are available due to the reduction taken in AGDC-LNG for personal services.
- 6) **Community and Regional Affairs** -delete 1,000.0 1004 UGF  
This amendment deletes the funding for local government support and services. This funding reflects the FY18 actual expenditures.
- 7) **Economic Development**- delete 229.8 1200 DGF and add 229.8 1004 UGF  
This amendment is a fund source change from vehicle rental tax to unrestricted general funds.
- 8) **Economic Development**-delete 243.4 1004 UGF, delete 173.3 1002 Fed Rcpts., delete 182.2 Other and delete 2 positions.  
This amendment deletes economic development funding and 2 positions.
- 9) **Insurance Operations** - add 277.0 Fed Rcpts.  
This amendment adds federal authority for insurance market initiatives in Alaska.
- 10) **Alcohol and Marijuana Control Office** - adds 1,574.4 1005 GF/Prgm.  
This amendment restores marijuana regulation funding from license receipts.
- 11) **Alcohol and Marijuana Control Office**- delete 12.9 1004 UGF and add 12.9 1005 GF/Prgm.  
This replaces unrestricted general funds with general fund program receipts.
- 12) **Alaska Energy Authority**- 381.8 1169 DGF  
This amendment leaves Power Cost Equalization Endowment funding for projects approved by the Alaska Energy Authority.
- 13) **Alaska Seafood Marketing Institute** - 300.0 1002 Fed Rcpts.  
This amendment maximizes federal receipts available from the USDA Market Access Program and Cochran Fellowship Program.
- 14) **Economic Development**- add 713.2 1004 UGF, add 106.8 1200 DGF and delete 713.2 1004 UGF, delete 106.8 1200 DGF  
This amendment returns funding for the 3 positions transferred to the Governor's office, then deletes the funding and the 3 positions as the Governor's office can absorb economic development functions with their existing resources.
- 15) **Delete Wordage** "At the discretion of the Office of Management and Budget funding may be transferred between all appropriations in the Department."

**ATTACHED REPORTS:**

The House Finance Budget Subcommittee for the Department of Commerce, Community & Economic Development adopts the attached reports:

- o Agency Totals
- o Transaction Compare, Adjusted Base to House Subcommittee
- o Transaction Compare. Governor's Amended to House Subcommittee
- o Wordage

Respectfully Submitted

*Jammie Wilson*

Representative Tammie Wilson, Chair  
House Finance Budget Subcommittee for the Department of Commerce, Community & Economic Development.