

**SLA 2016 Veto Decisions by Bill**  
**CH. SLA 2016 (HB 256)**  
**CH. SLA 2016 (HB 257)**  
**CH. SLA 2016 (SB 138)**

HB 256 Appropriation Bill																
Line	Dept.	Year	Sec. No.	Bill Page	Bill Line	Project Title	Reason	Amount Pre-Veto	Unrestricted Gen Fund	Designated Gen Fund	Other	Federal	Fund Source	Total Vetoed	Balance Remaining	LFD Comments / Notes
1	Administration	2017	1	2	26	Division of Personnel	Exec Branch to Preserve State Savings	13,795,700	(\$500,000)				1004 General Fund	(500,000)	13,295,700.0	Veto decreases UGF by \$500.0 -- the department could increase unbudgeted inter-agency receipt authority to recover the reduction of UGF, this would be an unallocated reduction to the agencies.
2	Administration	2017	1	3	13	Purchasing	Exec Branch to Preserve State Savings	1,528,100	(\$281,500)				1004 General Fund	(281,500)	1,246,600.0	Veto decreases UGF by \$281.5 -- the department could increase unbudgeted inter-agency receipt authority to recover the reduction of UGF, this would be an unallocated reduction to the agencies.
3	Administration	2017	1	3	27	State Facility Rent	Exec Branch to Preserve State Savings	556,200	(\$50,000)				1004 General Fund	(50,000)	506,200.0	Veto decreases UGF by \$50.0 -- the department could increase unbudgeted inter-agency receipt authority to recover the reduction of UGF, this would be an unallocated reduction to the agencies. The department may also have potential savings in space consolidations or recently re-negotiated lease agreements.
4	Administration	2016	31(b)	94	30	Grant Funding for Public Radio	Exec Branch to Preserve State Savings	750,000	(\$750,000)				1004 General Fund	(750,000)	0	Veto eliminates \$750.0 multi-year appropriation (FY16-FY17). The FY17 level of UGF funding for Public Broadcasting - Radio is \$2,036.6 UGF -- a reduction of \$750.0 UGF or 26.9% from FY16 Management Plan.
5	Commerce	2017	1	6	23	Tourism Marketing Program	Exec Branch to Preserve State Savings	4,528,900	(\$3,028,900)				1004 General Fund	(3,028,900)	1,500,000.0	The UGF grant to Alaska Tourism Industry Association (ATIA) will be \$1.5 million in FY17 -- a reduction of \$6,269.2 UGF or 80.7% from FY16 Management Plan. At this time it is unclear what impact this will have on ATIA's ability to conduct tourism marketing.
6	Commerce	2017	1	8	22	Alaska Seafood Marketing	Exec Branch to Preserve State Savings	22,948,200	(\$1,428,400)				1003 General Fund Match	(1,428,400)	21,519,800.0	The UGF for Alaska Seafood Marketing will be \$2 million in FY17 -- a reduction of \$2,929.0 UGF or 59.4% from FY16 Management Plan. The Alaska Seafood Marketing Institute will be reducing funding in the following areas to absorb the reduction: --International Marketing --Consumer Advertising --Responsible Fisheries Management --Communications and Administrative Services --Matching federal funds
7	Corrections	2017	1	9	28	Anchorage Correctional Complex	Exec Branch to Preserve State Savings	27,259,700	(\$500,000)				1004 General Fund	(500,000)	26,759,700.0	As a result of underutilized beds, DOC recently reduced its contract with the Anchorage Consolidated Community Residential Center (CRC) by 100 beds (approximately \$3 million UGF). A portion of these vetoes may be absorbed by this reduction. DOC is also considering the closure of one or two facilities which would be consistent with the projected prison population reduction attributable to SB91 (SLA 2016 Omnibus Crime Bill).
8	Corrections	2017	1	10	3	Fairbanks Correctional Center	Exec Branch to Preserve State Savings	10,869,200	(\$500,000)				1004 General Fund	(500,000)	10,369,200.0	See comment above in Item #7.
9	Corrections	2017	1	10	5	Goose Creek Correctional Center	Exec Branch to Preserve State Savings	43,423,900	(\$500,000)				1004 General Fund	(500,000)	42,923,900.0	See comment above in Item #7.
10	Corrections	2017	1	10	13	Palmer Correctional Center	Exec Branch to Preserve State Savings	11,165,900	(\$500,000)				1004 General Fund	(500,000)	10,665,900.0	See comment above in Item #7.
11	Corrections	2017	1	10	27	Community Residential Centers	Exec Branch to Preserve State Savings	26,078,100	(\$1,500,000)				1004 General Fund	(1,500,000)	24,578,100.0	See comment above in Item #7.

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12	Education	2017	1	12	6	K-12 Foundation Program	Reduce Spending to Preserve State Savings	50,791,000		(\$6,350,000)			1066 Public School	(6,350,000)	44,441,000.0	This veto reduced the Public School Trust Fund portion of the K-12 Formula, but did not reduce total spending. The UGF deposit into the Public Education Fund is in the amount necessary to fully fund the formula, so UGF will increase to compensate for the reduction in DGF.
13	Education	2017	14	76	28	Grant to Mat-Su District for Transporting Students to AK Middle College School	Reduce to Governor Request Amount	116,482	(\$116,482)				1004 General Fund	(116,482)	0.0	Veto eliminates an increment added by the legislature to provide funds to the Mat-Su School District to cover the cost of transporting students to the Alaska Middle College School.
14	Education	2017	26(i)	87	16	K-12 Pupil Transportation	Reduce Spending to Preserve State Savings	72,619,800	(\$6,350,000)				1004 General Fund	(6,350,000)	66,269,800.0	The Pupil Transportation formula will be pro-rated by the department to pay out the amount of the deposit. There will be no meaningful balance in the Public Education Fund at the beginning of FY17. This is an 8.7% reduction to the Pupil Transportation formula, based on projected enrollment numbers.
15	Education	2017	32(b)	95	13	Foundation Funding Outside of Formula	Reduce to Governor Request Amount	4,727,200	(\$4,727,200)				1004 General Fund	(4,727,200)	0	This funding outside the formula was added by the Operating Budget Conference Committee.
16	Education	2017	32(c)(2)	95	21	Parents as Teachers	Reduce Spending to Preserve State Savings	700,000	(\$200,000)				1004 General Fund	(200,000)	500,000.0	This reduces Parents as Teachers from \$700.0 to \$500.0, which matches the FY16 level.
17	Education	2017	32(f)	95	28	Online With Libraries	Reduce Spending to Preserve State Savings	761,800	(\$100,000)				1004 General Fund	(100,000)	661,800.0	Veto reduces OWL funding from \$761.8 to \$661.8. Funding is used primarily to match federal e-rate dollars. The federal e-rate funding goes directly to local libraries, therefore LFD is unable to determine the impact to the individual libraries. The funding could be made up from other sources, or it could result in a loss of funds.
18	Health	2017	1	22	7	Child Care Benefits	Exec Branch to Preserve State Savings	47,104,800	(\$1,000,000)				1004 General Fund	(1,000,000)	46,104,800.0	Previously, all eligible recipients who applied for child care benefits received benefits. This veto reduces the number of people who will be eligible to receive benefits (impacts lower income).
19	Health	2017	32(h)	96	3	Family Reunification and Retention Grants	Exec Branch to Preserve State Savings	2,300,000	(\$575,000)				1004 General Fund	(575,000)	1,725,000.0	The Operating Budget Conference Committee increased Family Reunification and Retention grants by \$2.3 million UGF in FY17. This veto reduces the grant funding by \$575.0 UGF, bringing the FY17 total to \$1,725.0 UGF.
20	Labor	2017	1	26	32	Alaska Technical Center Grant Funding	Exec Branch to Preserve State Savings	32,208,900	(\$206,400)				1004 General Fund	(206,400)	31,706,500.0	Veto eliminates all UGF grant funding to Alaska Technical Center. It does not impact TVEP grant funding.
21	Labor	2017	1	26	32	Northwestern Alaska Career and Technical Center Grant Funding	Exec Branch to Preserve State Savings	32,208,900	(\$134,700)				1004 General Fund	(134,700)	31,706,500.0	Veto eliminates all UGF grant funding to Northwestern Alaska Career and Technical Center. It does not impact TVEP grant funding.
22	Labor	2017	1	26	32	Alaska Construction Academy Grant Funding	Exec Branch to Preserve State Savings	32,208,900	(\$100,000)				1004 General Fund	(100,000)	31,706,500.0	Veto increases the total UGF reduction from \$600.0 to \$700.0 compared to FY16 Management Plan -- leaving \$1,864.2 UGF in FY17.
23	Labor	2017	1	26	32	Southwest Alaska Vocational and Education Center Grant Funding	Exec Branch to Preserve State Savings	32,208,900	(\$61,300)				1004 General Fund	(61,300)	31,706,500.0	Veto eliminates all UGF grant funding to Southwest Alaska Vocational and Education Center. It does not impact TVEP grant funding.
24	Law	2017	1	28	9	Attorney Generals Office	Exec Branch to Preserve State Savings	465,800	(\$179,500)				1004 General Fund	(179,500)	286,300.0	Veto eliminates one of the department's two deputy attorney general positions (equal to deputy commissioner in other departments).

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25	Law	2017	1	28	12	Collections and Support	Exec Branch to Preserve State Savings	3,272,800	(\$380,500)	(\$16,500)			1004 General Fund 1005 GFPR	(397,000)	2,645,300.0	Veto eliminates three vacant positions (two attorneys and one support position) that were previously tasked with modifying child support orders for private parties. Regulation changes made last March gave the department discretion to move away from this service.
26	Law	2017	1	28	12	Collection of Victim Restitution	Exec Branch to Preserve State Savings	3,272,800		(\$230,500)			1005 GFPR	(230,500)	2,645,300.0	Veto winds down the collection of private party victim restitutions over a seven month period. It represents the loss on 7/1/16 of one vacant attorney position, and after the seven month wind-down, the loss of one attorney, one paralegal, and one support position.
27	Law	2017	1	28	23	Natural Resources RSA	Changed Funding Structure	25,549,000			(\$17,200,000)		1007 Inter Agency	(17,200,000)	8,349,000.0	This veto reduces excess inter-agency receipt authority that remained in Law's budget for the Alaska Liquefied Natural Gas Pipeline project. The Alaska Gasline Development Authority may contract using an unbudgeted Reimbursable Services Agreement (RSA) for LNG services if needed.
28	Law	2017	1	29	6	Administrative Position Funding	Exec Branch to Preserve State Savings	3,141,500	(\$100,000)				1004 General Fund	(100,000)	3,041,500.0	Veto eliminates one procurement position in the administrative division.
29	Military & Veterans Affairs	2017	1	29	13	Consultant Funding for Base Realignment and Closure Act (BRAC)	Exec Branch to Preserve State Savings	6,523,300	(\$120,000)				1004 General Fund	(120,000)	6,403,300.0	Veto eliminates all funding for BRAC consultation in FY17.
30	Natural Resources	2017	1	30	31	Citizens Advisory Commission on Federal Areas	Reduce to Governor Request Amount	272,900	(\$272,900)				1004 General Fund	(272,900)	0	The Governor's budget eliminated CACFA, but it was restored by the legislature as a one-time item. This veto eliminates all CACFA funding in FY17.
31	Natural Resources	2017	1	31	11	Funding to Accelerate Land Claims	Reduce to Governor Request Amount	26,403,400	(\$78,500)				1004 General Fund	(78,500)	26,324,900.0	This veto eliminates an increment added by the legislature of \$78.5 UGF to accelerate land claims.
32	Revenue	2017	1	35	14	Treasury Division Reduction in Personnel	Exec Branch to Preserve State Savings	9,534,800	(\$73,800)				1004 General Fund	(73,800)	9,461,000.0	The Treasury identified a vacant Research Analyst position that was deemed expendable. This veto eliminates funding for the position.
33	Revenue	2017	1	36	20	Child Support Specialist Reduction in Personnel	Exec Branch to Preserve State Savings	27,330,400	(\$412,500)			(\$800,800)	1003 General Fund Match 1002 Federal Rcpts	(1,213,300)	26,117,100.0	CSSD had 91 Child Support Specialist I positions of which approximately 15-20 have been vacant the last couple of budget cycles. This was accounted for in the vacancy factor, however, with the difficulty of filling these positions and needing to reduce the budget, 16 of them were deleted and both their state and federal funding cut. There will be minimal impact to operations due to the deleted positions being vacant.
34	Revenue	2017	1	36	20	Child Support Administrative Support Funding	Reduce Spending to Preserve State Savings	27,330,400	(\$100,000)				1003 General Fund Match	(100,000)	27,230,400.0	In addition to the cut to the Child Support Specialist positions, an additional reduction was made to the administrative functions of CSSD to be made at the discretion of the director. This will result in 5 additional positions eliminated. Most likely the positions are vacant but it is not clear at this time.
35	Revenue	2017	1	36	23	Commissioners Office Funding Reduction	Exec Branch to Preserve State Savings	1,012,200	(\$100,000)				1004 General Fund	(100,000)	912,200.0	A reduction to the Commissioner's Office will result in the elimination of a Program Manager (that is currently vacant, but has served multiple roles over the years) and Executive Secretary positions.
36	Revenue	2017	1	36	25	State Facility Rent	Exec Branch to Preserve State Savings	342,000	(\$342,000)				1004 General Fund	(342,000)	0.0	The State Facilities Rent allocation provided an amount of general funds for DOR facilities rent that will now be absorbed within other receipts of the agency. This cut effectively allows some reduction to other non-GF allocations within the budget, but making them absorb additional costs related to their facilities rent.

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37	Transportation	2017	1	40	30	Chitna and Central Maintenance Stations	Reduce to Governor Request Amount	62,873,500		(\$911,900)			1200 Vehicle Rental Tax	(911,900)	61,961,600.0	The Governor's FY17 budget included decrements closing the Central, Birch Lake, Chitina, O'Brien Creek and Northway maintenance stations in the Northern Region. The Legislature added funding to the budget to keep Northway, Chitina, and Central open. This veto removes the funding for Chitina and Central, thereby closing them permanently.
38	University	2016	31(d)	95	5	University Multi-Year Funding	Reduce Spending to Preserve State Savings	10,000,000	(\$10,000,000)				1004 General Fund	(10,000,000)	0.0	Veto eliminates \$10 million multi-year appropriation (FY16-FY17). FY17 level of UGF funding for the University is \$324.9 million in FY17 -- a reduction of \$25.9 million UGF or 7.4% from FY16 Management Plan.
39	Debt Service	2017	24	84	7	2016AB Bonds to Reflect Actual Cost	Reduce Spending to Preserve State Savings	20,000,000	(\$5,000,000)				1004 General Fund	(5,000,000)	15,000,000.0	This reduction is a result of a revised estimate on the amount needed for debt service on the 2016 Series A & B GO Bonds.
40	Debt Service	2017	24	85	18	School Debt by 25%	Reduce Spending to Preserve State Savings	121,996,375	(\$30,498,400)				1004 General Fund	(30,498,400)	91,497,975.0	This program is typically over budgeted by \$3-5 million, however, a reduction of this size will impact the municipal bond holders and require them to absorb the additional cost in their budgets. The reduction will impact all municipal school debt on a pro-rata basis (meaning they will equally share an approximate 25% reduction in their state reimbursement).
41	Fund Capitalization	2016	2	47	15	Tax; Credits; Interest; Refund; O&G	Reduce Spending to Preserve State Savings	430,000,000	(\$430,000,000)				1004 General Fund	(430,000,000)	0.0	This was a supplemental appropriation of \$430 million to the Oil and Gas Tax Credit Fund that was included as a fiscal note to HB 247. The FY17 budget contains the statutory calculation for the deposit into the fund.
42	Fund Transfers	2017	9	72	19	Alaska Housing Finance	Reduce Spending to Preserve State Savings								0.0	This provision placed any un-appropriated AHFC Dividends into the Alaska Capital Income Fund. The capital budget has a veto of \$750.0 AHFC Dividend, which with this provision stricken from the budget, will now flow to the general fund instead of the Capital Income Fund.
43	Fund Transfers	2017	10(b)	73	15	Permanent Fund Dividend Fund	Reduce Spending to Preserve State Savings	1,362,000,000		(\$666,350,000)			1041 PF Earn Rs	(666,350,000)	695,650,000.0	The veto of this funding effectively reduces the Permanent Fund Dividend from an estimated \$2,000 to \$1,000 per person.
44	Fund Transfers	2016	27	89	21	FY16 Fund Transfer GF to Higher Ed Fund	Reduce Spending to Preserve State Savings	80,000,000	(\$80,000,000)				1004 General Fund	(80,000,000)	0.0	This supplemental appropriation of \$80 million into the Higher Education Fund increased the balance to allow for \$89.8 million to be used to reduce UGF retirement system payments in FY17 without impacting the fund's balance. Without this appropriation, the fund balance will be reduced to approximately \$348 million at the end of FY17. There will be no impact in paying scholarships in FY17.
45	Fund Transfers	2017	27	90	10	REAA Funding by 25%	Reduce Spending to Preserve State Savings	41,640,000	(\$10,410,000)				1004 General Fund	(10,410,000)	31,230,000.0	The effect of the reduction to the REAA School Fund transfer is minimal and really kind of an odd amount. The statute sets a \$70 million cap on the fund balance. With the \$40.6 million deposit for FY17, LFD was projecting \$3.2 million to lapse to the general fund. With the veto, nothing will lapse and the fund balance will sit at approx. \$62.8 million.
<b>HB 256 TOTALS</b>								<b>2,717,191,757</b>	<b>(\$591,177,982)</b>	<b>(\$673,858,900)</b>	<b>(\$17,200,000)</b>	<b>(\$800,800)</b>		<b>(1,283,037,682)</b>	<b>1,434,154,075</b>	

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<b>HB 257 Appropriation Bill</b>																	
47	Health	2016	9	19	4	Pilot Program to Develop Additional Substance Use Disorder Services	Sufficient Funding for Program Start Up	11,000,000	(\$5,000,000)				1004 General Fund	(5,000,000)	6,000,000.0	Substance use disorder grants will be more competitive and the pilot projects may need to become more targeted. Communities are required to have a needs assessment in order to be eligible. According to the Mental Health Trust Authority, the Mat-Su Borough is the only known community with a completed assessment while Fairbanks is in the process of conducting such a study. This is a multi-year appropriation for FY16-FY19.	
48	<b>HB 257 TOTALS</b>							<b>11,000,000</b>	<b>(5,000,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>(5,000,000)</b>	<b>6,000,000</b>	
<b>SB 138 Appropriation Bill Operating</b>																	
49	Education	2017	20	36	22	Operating Budget Item: Every Student Succeeds Act	Sufficient Funding for Program Start Up	500,000	(\$200,000)				1004 General Fund	(200,000)	300,000	This is a multi-year appropriation to the Department of Education and Early Development to ensure that the department had sufficient funding to implement the federal Every Student Succeeds Act. After the veto, \$300.0 will remain for this purpose.	
50	<b>TOTALS</b>							<b>500,000</b>	<b>(200,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>(200,000)</b>	<b>300,000</b>	
<b>SB 138 Appropriation Bill Capital</b>																	
51	Natural Resource	2017	1	5	33	Snowmobile Trail Development Program and Grants	Reduce Spending to Preserve State Savings	250,000		(\$250,000)			1195 Veh Rcpts	(250,000)	0	These special vehicle registration receipts lapse to the general fund like all DMV receipts, if not appropriated. This veto will result in an additional \$250.0 to lapse. Currently, there is \$52.8 remaining from prior Snowmobile Trail Development capital appropriations.	
52	Revenue	2017	1	6	33	AHFC Supplemental Housing Development Program	Reduce Spending to Preserve State Savings	3,000,000	(\$750,000)				1139 AHFC Div	(750,000)	2,250,000	LFD pointed out during the regular session that Supplemental Housing had sufficient existing funding on the books totaling just over \$9.4 million from appropriations from FY12-16. This veto will not hamper the program.	
53	Reappropriation	2016	26(b)	42	31	Reapprop for AHFC Weatherization Program from \$6.6 Million to \$4.95 Million	Reduce Spending to Preserve State Savings	0					1004 General Fund	0	0	Currently the Weatherization program has ~\$7 million that will be expended by March of 2017 at which time this remaining \$4.95 million will fund the program through March of 2018.	
54	Reappropriation	2016	31	48	25	Reapprop to the University of Alaska Construction of the U-Med District Northern Access Project - Est \$18,852,256	Reduce Spending to Preserve State Savings	0					1004 General Fund	0	0	The veto of this reappropriation keeps the U-Med Northern Access project as a grant to the Municipality of Anchorage. The Governor stated in his press release that the funding will be suspended and returned to the general fund along with three other projects totaling \$100 million UGF. LFD does not count this as additional revenue in FY16. It will be counted when action is taken to return the funding to the general fund.	
55	<b>SB 138 TOTALS</b>							<b>3,250,000</b>	<b>(750,000)</b>	<b>(250,000)</b>	<b>0</b>	<b>0</b>			<b>(1,000,000)</b>	<b>2,250,000</b>	
56	<b>TOTAL VETOS</b>							<b>2,731,941,757</b>	<b>(597,127,982)</b>	<b>(674,108,900)</b>	<b>(17,200,000)</b>	<b>(800,800)</b>			<b>(1,289,237,682)</b>	<b>1,442,704,075</b>	