



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Pat Pitney, Director

Court Plaza Building
240 Main Street, Suite 802
Juneau, Alaska 99811-0020
Main: 907.465.4660
Fax: 907.465.2090

March 30, 2018

The Honorable Anna MacKinnon
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 516
Juneau, AK 99801-1182

The Honorable Lyman Hoffman
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Paul Seaton
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 505
Juneau, AK 99801-1182

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 410
Juneau, AK 99801-1182

Re: FY 2018 Supplemental and FY2019 Capital Amendments

Dear Finance Committee Co-Chairs,

Enclosed, please find requests for three recent Department of Law judgements and settlements impacting the FY 2018 supplemental, a request for amended budget language to utilize existing FY2018 receipt authority within the Department of Administration for shared services operations, and an amendment to receive recently approved federal funds for modernization of the state's voting system. Under separate cover, Governor Walker is also requesting re-direction of funding for a significant Statewide public safety priority.

The most recent judgements and settlements amendment totals \$3.4 million in unrestricted general funds:

- \$2.5 million, agreed to in January 2018, resulting from a U.S. Department of Justice investigation under the False Claims Act against the Alaska Department of Health and Social Services based on actions made by a contractor in 2009-2014.
- \$400 thousand, agreed to in February 2018, resulting from a wrongful death suit filed by the estate of Mark Bolus against the Alaska Department of Corrections stemming from actions that occurred in 2014.
- \$480 thousand, judgment issued February 2018, resulting from a snowmachine accident in Denali State Park involving a State Park Ranger.

The Honorable Anna MacKinnon
The Honorable Lyman Hoffman
FY 2018 Supplemental and FY 2019 Capital Budget Amendments
March 30, 2018
Page 2

The Honorable Paul Seaton
The Honorable Neal Foster

Shared Services is in its early stages and requires budget adjustments within existing revenue sources. The language request allows the Department of Administration (DOA) to transfer general fund program receipt authority across appropriations within DOA to align DOA's existing receipt authority to the Shared Services RDU to meet its operating needs using available revenue collected by Shared Services.

The recently passed federal Omnibus Appropriations Bill included \$3 million for the State of Alaska to improve administration of federal elections, an amendment is needed to collect this funding. The Division of Elections plans to use this funding, along with a match from the unexpected balance of Office of the Governor appropriations, to modernize and replace the existing electronic voting system.

Thank you for your consideration of these budget amendments.

Sincerely,



Pat Pitney
Director

Enclosures

1. FY2019 Capital Budget Amendment (HB 284/SB 142) Shared Services
2. FY2019 Capital Budget Amendment (HB 284/SB 142) Office of Governor
3. FY2019 Capital Budget Amendment (HB 284/SB 142) Department of Law

cc: David Teal, Director, Legislative Finance Division
Darwin Peterson, Director, Governor's Legislative Office