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Governor Bill Walker
STATE OF ALASKA

May 18, 2015

The Honorable Kevin Meyer
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Meyer:

On this date, I have signed the following bill passed by the First Regular Session of the Twenty-Ninth Alaska State Legislature, with line item vetoes, and am transmitting the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CCS HB 72 (brf sup maj fld h)

“An Act making appropriations for the operating and loan program expenses of state government and for certain programs and capitalizing funds; amending appropriations; and providing for an effective date.”

Chapter No. 23, SLA 2015

My line item vetoes are extraordinary in light of the fact that the Legislature transmitted a budget in CCS HB 72 (brf sup maj fld H) (HB 72) for fiscal year 2016 that was underfunded by nearly \$3,000,000,000. I called a special session on April 27, 2015, asking the Legislature to address the unfunded portion of HB 72. As of today, the Legislature has not resolved the funding shortfall.

In the event legislative action is not forthcoming, the line item vetoes ensure continued operation of critical State functions, including prisons, detention centers, and work by State Troopers. The version of HB 72 I have transmitted also will keep open facilities, including the Alaska Psychiatric Institute and the Alaska Pioneers' Homes and ensure distribution of health care payments for several months. This version of HB 72 ensures full debt service payments to mitigate the negative impact a significantly underfunded budget may have on the State's credit rating. In addition, it also allows every agency to allocate funds for heat, lights, and emergency maintenance and services for maintaining critical operations such as network communications and payroll. Finally, this option provides the ability to maintain programs that operate fully on earned receipts, designated funds, and federal funds.

The Honorable Kevin Meyer
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Absent legislative action to address the shortfall, most other government functions will likely have to stop shortly after July 1. If the Legislature does not take action before June 1, 2015, layoff notices for personnel not directly responsible for health, life, and safety functions will be sent to affected employees.

Respecting the separate branches of government, both the Legislature and Judiciary budgets remain as presented in CCS HB 72 (brf sup maj fld H).

Sincerely,



Bill Walker
Governor

Enclosure

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Governor Bill Walker
STATE OF ALASKA

May 18, 2015

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Chenault:

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Bill Walker
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