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Senate and House Adopt the Operating Budget

The House of Representatives (House) passed their version of the state’s operating budget (HB 256) which makes appropriations for the day-to-day operations of state government for fiscal year 2017. They then sent the bill to the Senate. The Senate then made amendments to the operating budget and sent it back to the House on Monday, March 14. As tradition dictates, the House will disagree with the Senate’s amendments, which in turn sets up the process for a Conference Committee.



The Conference Committee will remain open until the very end of session and the operating budget will be one of the last bills we pass before adjourning.

The proposed budget makes cuts to government operations. This is the third consecutive year we have made cuts to government operations and we will most likely make further cuts next year. Without a doubt, we are shrinking the footprint of state government.

Getting the operating budget to conference committee is an important first step we have taken as the Legislature grapples with the reality of declining oil production and the low price of oil. The Legislature will now focus its attention towards closing the estimated \$4 billion deficit with a possible draw from our savings account: the Constitutional Budget Reserve, new revenues, reforming the Permanent Fund, and tapping the Earning Reserve Account.

On top of all of this, and the most important fact I want to get out to the public, is that due to the state’s current oil & gas tax regime the projected revenue from oil & gas in 2017 is nearly zero - net of oil credits. We are indeed facing a new reality in Alaska.

Alaska Permanent Fund Dividend Deadline

This is your friendly reminder: Please do not forget to apply for the PFD (<http://pfd.alaska.gov/>). Deadline is 11:59 pm, Thursday, March 31, 2016.

Alaska Gasline Project Delayed

Low oil prices have pushed Governor Walker and our three partners, BP, ExxonMobil, & ConocoPhillips, to announce that the long-awaited project to commercialize North Slope gas will be delayed.

Our corporate partners are feeling the low price of oil too and it is effecting their bottom lines -- which, in turn, effects their ability to commit their capital towards such a large project.

While a delay is disappointing, it is important to remain cognizant that the North Slope is a world-class oil and gas basin with over 35 trillion cubic feet of known natural gas reserves. The on-shore gas on the North Slope will one-day play an important role in the future of Alaska as a revenue stream to extend the life of our oil fields, the state treasury and eventually as a source of energy for all Alaskans.

Senator Attends the annual Energy Council Conference

Alaska must prepare for a prolonged period of low oil prices. The rise of the “shale revolution” and other large production projects coming online: such as Iran will soon be producing 1 million barrels per day and will create a glut in the market and keep prices relatively low. This is the message I heard



while attending The Energy Council’s annual conference in Washington, D.C. from March 3rd - 6th. The three days were full of presentations and discussions regarding federal energy matters. The two most important presentations I heard and wanted to report to my constituents and legislative colleagues were from Mr. Adam Sieminski from the [U.S. Energy Information Administration](#) and from Dr. David Knapp from the [Energy Intelligence Group](#).

The bottom line, and what is most important to Alaska, is that oil prices will most likely remain hovering around \$40 to \$50/barrel for the next three to four years. This will effect Alaska’s revenue, especially with the current oil and gas tax regime. This is an important data point that all Alaskans need to know and my colleagues and I need to remain aware of, as we will soon be making very tough decisions that will affect Alaskan families.

Governor Issues Administrative Order 280 Mariculture Task Force

Governor Walker recently signed an Administrative Order 280([Administrative Order](#)) establishing the Alaska Mariculture Task Force. The Task Force is charged with providing recommendations to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska’s economy, environment, and communities. The Task Force’s recommendations are due to the Governor by March 1, 2018. The Governor’s office is currently seeking interested members of the public to serve on the Task Force. If you are interested in applying for one of the positions on the Mariculture Task Force click [here](#).

Home Energy Rebate Program Ending

Alaska Housing Finance Corporation (AHFC) recently sent out a notice that it will be phasing out its very successful Home Energy Rebate Program. AFHC will no longer be accepting new participants into its energy efficiency programs effective **Friday, March 25, 2016**.

Since 2008, when the program was established, nearly 25,000 Alaska families have made improvements to their homes to reduce the high cost of energy.

The AHFC Board of Directors felt that with the current budget crisis, continuing the program could not be justified. Please, do not miss this opportunity to lower your energy costs before the deadline. If you would like more information or to apply for the Home Energy Rebate Program visit their website at https://akrebate.ahfc.us/rebate_home_energy.aspx.

Chamber of Commerce Honor Dinners

The communities of Ketchikan, Sitka, and Petersburg held their annual Chamber of Commerce Gala Dinners where they honored individuals and/or businesses in the community who have gone above and beyond to make their communities a better place to live. A very special congratulation to those recipients on the lists below:

Ketchikan Gateway Borough Chamber of Commerce

- Timber & Marine Supply – Business of the Year
- Mike Salazar – Citizen of the Year
- Linda & Johnny Gibson – Outstanding Community Service
- Debi Hanas & Shirley Solaas of Sweet Mermaids – Entrepreneurs of the Year
- Kelly Johnson – Youth Leader of the Year

Sitka Chamber of Commerce

- Sitka Fire Department & Emergency Service Responders – Community Heroes
- Senator Bert Stedman – Cossack Cap Award
- Baranof Realty – Business of the Year

Petersburg Chamber of Commerce

- Kito’s Kave & Java Hus - Better Business Award

Constituent Services

My office and staff stand ready to assist Southeast Alaskans with any issue or question you may have regarding the state government. Please don’t hesitate to call for:

- Assistance dealing with the red-tape of government bureaucracy.
- Gathering information on issues, legislation, or hearings of legislative committees.
- Guidance with complaints against state agencies.

Constituent Visits

It is always great to meet with folks from around Southeast Alaska. Pictured below are some of the groups who came in to meet with my office regarding the issues from around the district.



Senator Stedman pictured here with students from the Annette Island School District: Lovey Williams, Martha Wahl, & Tia Atkinson (chaperone).



Senator Stedman pictured with students from the Wrangell School District: Maleah Menzel, Aleisha Mollen, & Davis Dow.

Happy Easter!

Our office would like to take this opportunity to wish you and yours a very Happy Easter!
Let the herring egg harvest begin.

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### Contact / Website Information

Don't forget to check out our website for more up to date information: [www.bertstedman.com](http://www.bertstedman.com)

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