



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Lacey Sanders, Director

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D

January 31, 2025

The Honorable Andy Josephson
Co-Chair, House Finance Committee
Alaska State Capitol Room 505
Juneau, AK 99801

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

The Honorable Calvin Schrage
Co-Chair, House Finance Committee
Alaska State Capitol Room 410
Juneau, AK 99801

The Honorable Bert Stedman
Co-Chair, Senate Finance Committee
Alaska State Capitol Room 516
Juneau, AK 99801

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Capitol Room 511
Juneau, AK 99801

The Honorable Donny Olson
Co-Chair, Senate Finance Committee
Alaska State Capitol Room 508
Juneau, AK 99801

Re: Report on Bonuses for Certain Employees of the Executive Branch

Dear Finance Committee Co-Chairs,

Please find attached the Office of the Governor's report on (b)(2)(A) of the below language from House Bill 268 (Chapter 7, SLA 2024, Sec 33) and House Bill 270 (Chapter 9, SLA 2024, Sec 9).

BONUSES FOR CERTAIN EMPLOYEES OF THE EXECUTIVE BRANCH.

(a) The money appropriated in this Act includes amounts to implement the payment of bonuses and other monetary terms of letters of agreement entered into between the state and collective bargaining units under AS 23.40.070 - 23.40.260 for the fiscal year ending June 30, 2025.

(b) The Office of the Governor, office of management and budget, shall

(1) not later than 30 days after the Department of Administration enters into a letter of agreement described in (a) of this section, provide to the legislative finance division in electronic form

(A) a copy of the letter of agreement; and

(B) a copy of the cost estimate prepared for the letter of agreement; and

(2) submit a report to the co-chairs of the finance committee of each house of the legislature and the legislative finance division not later than

(A) February 1, 2025, that summarizes all payments made under the letters of agreement described in (a) of this section during the first half of the fiscal year ending June 30, 2025; and


(B) September 30, 2025, that summarizes all payments made under the letters of agreement described in (a) of this section during the second half of the fiscal year ending June 30, 2025.

The three reports show the incentive payments, additional hazard pay, and overtime for Fair Labor Standards Act (FLSA) exempt employees for the first half of fiscal year 2025 (July through December 2024). The table below provides a summary of the totals for each report (in whole dollars).

Incentive Payments	\$2,014,248.38
Additional Hazard Pay	224,900.56
Overtime for FLSA Exempt	1,216,294.45
Total	\$3,455,443.39

Please let me know if you have any questions or would like to discuss further.

Sincerely,



Lacey Sanders
Director

Enclosures

cc: Alexei Painter, Director, Legislative Finance Division
Jordan Shilling, Legislative Director, Office of the Governor