

**Senate Finance / Department of Administration Subcommittee**  
**Subcommittee Members: Sen. Kiehl, Sen. Bjorkman, Sen. Tobin, Sen. Kaufman**

**Narrative Closeout Report**  
**April 16, 2025**

**RECOMMENDATIONS:**

---

The Senate Finance Budget Subcommittee for the Department of Administration submits the following FY26 recommendations to the Senate Finance Committee:

<b>Fund Group: (dollars are in thousands)</b>	<b>Senate Sub</b>
Unrestricted General Funds (UGF)	93,993.2
Designated General Funds	33,913.3
Other Funds	204,381.8
Federal Funds	1,287.1
<b>TOTAL FUNDS</b>	<b>333,575.4</b>

<b>Positions:</b>	
Permanent Full-time	1,191
Permanent Part Time	4
Temporary	26
<b>TOTAL POSITIONS</b>	<b>1,221</b>

**BUDGET ACTIONS:**

---

Recognizing the constraints on available revenue, the Senate Finance Subcommittee denied requests for General Fund increments. The Subcommittee recommends no general fund additions to the Governor's amended budget.

**Department of Administration Amended Budget Request:**

The Subcommittee accepted some items requested in the Governor's Amended budget. These items include:

- 529.0 increase in the Information Services Fund for rising software and contract costs
- 65.2 increase in Interagency Receipts to transition a technician in Payroll Services from part-time to full-time.

**Organizational Changes:**

The Senate Finance Subcommittee accepted the transfer of Labor Relations positions and associated funding to the Department of Law and the Governor's office. We recommend the full

Finance Committee consider funding only one Labor Relations Manager, in either the Department of Law or the Governor's office, but not both.

**Additional Subcommittee Changes:**

- Reduce 303.2 Interagency Receipts and delete one of two deputy commissioner positions.
- Reduce 241.4 Interagency Receipts and delete the vacant chief operations officer position.
- Reduce 302.0 in General Fund/Program Receipts and delete two accounting technicians which were reclassified and transferred in management plan from the Office of Procurement and Property Management.
- Add 1,571.6 receipt authority to the Public Defender Agency to allow the PDA to receive funding from the Municipality of Anchorage to provide contracted public defense in Anchorage municipal misdemeanor cases.
- Add intent language that the Office of Information Technology shall develop a plan to contain information technology costs associated with cloud services and licensing.
- Add intent language that the Office of Information Technology shall present a prioritized plan, including expected benefits, for artificial intelligence projects.

**Recommendations to the Finance Committee:**

- We recommend the full Finance Committee reappropriate 440.0 UGF in unspent funds from the FY25 capital project "Expansion and Completion of Payroll Digitization" to fund Guardian Ad Litem overtime pay. (See item 13 in the attached budget action report.)
- We recommend the full Finance Committee fund the Attorney 5 to provide legal support and leadership to the public guardian section at 242.3.
- We recommend the Full Finance Committee consider Public Radio Funding to Rural Stations Vital in Emergency Communication at 1,200.0 UGF.

**ATTACHED REPORTS**

---

The Subcommittee adopted the attached Budget Action Report and Wordage Report for the Department of Administration. This report incorporates agency totals, transaction comparisons for the FY25 Management Plan to the Senate Subcommittee recommendation, FY26 Adjusted Base to the Senate Subcommittee recommendation, and FY26 Governor's Amended Budget to the Senate Subcommittee recommendation.

Respectfully Submitted,

Senator Jesse Kiehl