

HOUSE FINANCE COMMITTEE  
February 24, 2020  
1:41 p.m.

[1:41:52 PM](#)

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:41 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Jennifer Johnston, Co-Chair  
Representative Dan Ortiz, Vice-Chair  
Representative Ben Carpenter  
Representative Andy Josephson  
Representative Gary Knopp  
Representative Bart LeBon  
Representative Kelly Merrick  
Representative Colleen Sullivan-Leonard  
Representative Cathy Tilton  
Representative Adam Wool

MEMBERS ABSENT

None

ALSO PRESENT

Brodie Anderson, Staff, Representative Neal Foster; Alexei Painter, Analyst, Legislative Finance Division; Kelly Cunningham, Analyst, Legislative Finance Division.

SUMMARY

HB 205      APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 205 was HEARD and HELD in committee for further consideration.

HB 206      APPROP: MENTAL HEALTH BUDGET

HB 206 was HEARD and HELD in committee for further consideration.

HB 234        APPROP:SUPP; REAPPROP; CAP; AMEND; CBR

HB 234 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#hb234

HOUSE BILL NO. 234

"An Act making supplemental appropriations, reappropriations, and other appropriations; amending appropriations; capitalizing funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

[1:42:56 PM](#)

Co-Chair Foster explained that the governor's supplementals had been rolled into a committee substitute (CS).

Co-Chair Johnston MOVED to ADOPT the proposed committee substitute for HB 234, Work Draft 31-GH2200\M (Caouette, 2/21/20).

[1:43:55 PM](#)

AT EASE

[1:44:40 PM](#)

RECONVENED

Co-Chair Johnston restated the motion.

There being NO OBJECTION, Work Draft 31-GH2200\M was ADOPTED.

BRODIE ANDERSON, STAFF, REPRESENTATIVE NEAL FOSTER, he highlighted documents in members' packets including the bill, a summary of changes, Legislative Finance Division (LFD) reports, and a spreadsheet listing a description of items. The CS reflected the governor's original supplemental bill with technical and conforming changes to match the Legislative Legal Services drafting manual, along with all of the governor's amendments offered on February 19. He noted that certain items had been removed. The bill

totalled \$525,222,400 in additional spending for FY 20. Total agency operations were \$433,450,200, statewide items were \$9,487,600, and capital budget items totalled \$83,284,600. He referred to an LFD document titled "2020 Legislature - Operating Budget Agency Summary - House Structure - Numbers and Language," dated February 24, 2020 (copy on file). He explained there was a combined total of capital and operating items because HB 234 was the supplemental budget bill. The bill included \$207,201,900 in federal funds, \$12,826,100 in designated general funds (DGF), \$7,505,000 in "other" funds, and \$298,689,400 in unrestricted general funds (UGF).

Mr. Anderson explained the changes in the CS with a proposed summary of changes (copy on file):

Section 1, starting on page 2. This section is operating supplemental numbers section items. It includes all operating numbers section items proposed by the Governor in his version of HB 234.

1. The only difference in the Section 1 is on page 3, line 11, Medicaid Services. The Governor included \$18 million of federal funds for adult preventative dental that had already been restored in HB 2001. This CS removes this unnecessary federal authority and left the UGF portion only.

Section 4, starting on page 8. This section is capital supplemental numbers section items. It includes all capital numbers section items proposed by the Governor in his version of HB 234 and his February 19 amendments.

2. The new item in the Governor's amendments is on page 8, line 17, the Alaska Land Mobile Radio Site Refresh project for \$24 million UGF.

3. Section 8, starting on page 12, line 15, matches the combined sections in the Governor's original version of HB 234 and the February 19 amendments. The amendments added two additional settlements.

4. Section 10, starting on page 13, line 5, includes an amendment added by the Governor on February 19 to carry forward the bond proceeds for the Tax Credit Bonds to FY21 in case the bond issuance is delayed.

5. Section 11, starting on page 13, line 14, includes a scope change requested by the Governor for Knik-Goose Bay Road. The Governor's prior subsection re-appropriated \$3 million of lapsing capital projects to

the general fund was removed. These items can be addressed in the capital budget.

6. The Constitutional Budget Reserve language in Section 17, starting page 15, line 11, restricts the CBR access granted in this section to this bill alone. The Governor's language allowed unlimited CBR access in FY20.

Mr. Anderson reviewed the governor's items that had not been accepted or included in the CS:

7. The Governor's section 7 was removed. That section re-appropriated \$1.1 million of lapsing capital projects in the Department of Commerce, Community and Economic Development to the general fund. These items can be addressed in the capital budget.

8. Three of the Governor's prior subsections for the Department of Revenue were deleted. One section re-appropriated a lapsing capital project totaling \$331.9 to the general fund. The other sections re-appropriated a lapsing capital project for the Department of Revenue to the department for consultants and office space planning. All three items can be addressed in the capital budget.

9. The Governor's proposed fund transfer of \$1.1 million from the Alaska Housing Capital Corporation was also removed. This can be addressed in the capital budget.

[1:52:24 PM](#)

Co-Chair Foster stated his understanding that the CS was the governor's original supplemental with supplemental additions submitted in the governor's amendments. He asked for verification the CS did not include any major changes other than technical and conforming changes.

Mr. Anderson agreed.

Co-Chair Foster relayed amendments were due by noon the following day. He reminded members of the amendment deadlines.

HB 234 was HEARD and HELD in committee for further consideration.

#hb205

#hb206

HOUSE BILL NO. 205

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

HOUSE BILL NO. 206

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

[1:54:05 PM](#)

^GOVERNORS AMENDMENTS

[1:54:19 PM](#)

Co-Chair Foster communicated that Legislative Finance Division (LFD) analysts were on hand for any questions. He noted that the first amendment - Amendment GA-A - was a technical fix from the Office of Management and Budget.

Co-Chair Johnston MOVED to ADOPT Amendment GA-A (copy on file):

Correcting Salary Adjustments  
Total -2,304.8

Objects of Expenditure:  
Personal Services -2,304.8  
Travel 0.0  
Services 0.0  
Commodities 0.0  
Capital Outlay 0.0  
Grants, Benefits 0.0  
Miscellaneous 0.0

Funding Sources:  
1002 Fed Rcpts (Fed) -151.2  
1003 GF/Match (UGF) -88.6  
1004 Gen Fund (UGF) -190.4

1005 GF/Prgm (DGF)	-32.9
1007 I/A Rcpts (Other)	-309.2
1017 Group Ben (Other)	0.1
1018 EVOS Civil (Other)	-0.1
1024 Fish/Game (Other)	1.5
1026 HwyCapital (Other)	-247.7
1027 IntAirport (Other)	-451.4
1029 PERS Trust (Other)	0.4
1033 Surpl Prop (Fed)	0.1
1036 Cm Fish Ln (DGF)	-1.0
1037 GF/MH (UGF)	-25.0
1040 Real Est (DGF)	-0.1
1045 Nat Guard (Other)	-0.1
1050 PFD Fund (Other)	7.9
1052 Oil/Haz Fd (DGF)	-4.0
1055 IA/OIL HAZ (Other)	3.0
1061 CIP Rcpts (Other)	-453.7
1076 Marine Hwy (DGF)	-15.4
1081 Info Svc (Other)	-0.9
1092 MHTAAR (Other)	-1.8
1093 Clean Air (Other)	-0.1
1104 AMBB Rcpts (Other)	-0.1
1105 PF Gross (Other)	-0.8
1108 Stat Desig (Other)	-11.8
1109 Test Fish (DGF)	-0.2
1133 CSSD Admin (Fed)	-0.1
1141 RCA Rcpts (DGF)	1.8
1147 PublicBldg (Other)	0.1
1153 State Land (DGF)	3.8
1154 Shore Fish (DGF)	0.1
1155 Timber Rcp (DGF)	0.6
1156 Rcpt Svcs (DGF)	-1.3
1157 Wrkrs Safe (DGF)	-17.4
1162 AOGCC Rct (DGF)	6.3
1164 Rural Dev (DGF)	-0.1
1168 Tob ED/CES (DGF)	-0.8
1171 Rest Just (Other)	-27.9
1172 Bldg Safe (DGF)	-16.1
1200 VehRntlTax (DGF)	-27.1
1201 CFEC Rcpts (DGF)	-0.6
1205 Ocn Ranger (Other)	0.1
1214 WhitTunnel (Other)	-0.2
1215 UCR Rcpts (Other)	-0.4
1220 Crime VCF (Other)	0.1
1230 CleanAdmin (Other)	0.1
1231 DrinkAdmin (Other)	-0.1
1232 ISPF-I/A (Other)	-0.2

1236 AK LNG I/A (Other) 0.1  
1239 AvFuel Tax (Other) -34.7  
1244 AirptRcpts (Other) -15.5  
1245 AirPrt IA (Other) 0.1  
1246 RcdvsmFund (DGF) -5.4  
1249 Motor Fuel (DGF) -196.6

Positions  
Perm Full Time 0  
Perm Part Time 0  
Temporary 0

Funding Summary Unrestricted General (UGF) -304.0  
Designated General (DGF) -306.4  
Other State Funds (Other) -1,543.2  
Federal Receipts (Fed) -151.2

There being NO OBJECTION, Amendment GA-A was ADOPTED.

[1:55:23 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 1 (copy on file):

Centralized Administrative Services  
Retirement and Benefits  
GA 1 Fee for Mandatory Patient-Centered Outcomes  
Research  
Institute Due to Affordable Care Act (FY14-FY31)  
1004 Gen Fund (UGF) 169.0

[1:56:10 PM](#)

AT EASE

[2:00:07 PM](#)

RECONVENED

Co-Chair Foster relayed there were 64 governor amendments, but some would be bundled together. He asked LFD staff to come to the table in preparation for questions.

Co-Chair Foster asked Co-Chair Johnston to restate her previous motion.

Co-Chair Johnston restated her motion to adopt Amendment GA 1.

There being NO OBJECTION, Amendment GA 1 was ADOPTED.

[2:01:57 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 2 (copy on file):

Centralized Administrative Services  
Health Plans Administration  
GA 2 AlaskaCare Third-Party Claims Administrator  
Contract  
1017 Group Ben (Other) 1,000.0

There being NO OBJECTION, Amendment GA 2 was ADOPTED.

[2:02:11 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 3 (copy on file):

Shared Services of Alaska  
Accounting  
GA 3 Program Receipt Authority for Increased  
Collection  
Activity and Vendor Fee Revenue  
1005 GF/Prgm (DGF) 500.0

There being NO OBJECTION, Amendment GA 3 was ADOPTED.

[2:02:22 PM](#)

Co-Chair Foster relayed the committee was currently considering governor's amendments for the Department of Administration. He explained that the subcommittee chairs for each department would make the amendment motions.

Co-Chair Johnston MOVED to ADOPT Amendments GA 4, GA 33, and GA 34 (copy on file):

Office of Information Technology  
Alaska Division of Information Technology  
GA 4 Transfer Administrative Assistant II (02-6512)  
from Alaska Division of IT to State of Alaska  
Telecommunication System  
Appropriation Total \* \*

Military and Veterans' Affairs

State of Alaska Telecommunications System  
GA 33 Add Authority to Align with Anticipated  
Expenditures  
1004 Gen Fund (UGF) 280.5

GA 34 Transfer Administrative Assistant II (02-6512)  
from Alaska Division of IT to State of Alaska  
Telecommunications System

There being NO OBJECTION, Amendments GA 4, GA 33, and GA 34  
were ADOPTED.

[2:03:21 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 5 (copy on  
file):

Legal and Advocacy Services  
Office of Public Advocacy  
GA 5 MH Trust: Dis Justice - Public Guardian Position  
1092 MHTAAR (Other) 91.5

There being NO OBJECTION, Amendment GA 5 was ADOPTED.

[2:03:34 PM](#)

Co-Chair Foster relayed that Amendment L GA 6 would not be  
offered (copy on file):

L GA 6 Add Carryforward Language in Number Section

Co-Chair Foster explained that the item had been previously  
adopted by the subcommittee. He asked LFD to explain the  
amendment.

ALEXEI PAINTER, ANALYST, LEGISLATIVE FINANCE DIVISION,  
explained that Amendment GA 6 would add carryforward  
language to the Alaska Oil and Gas Conservation Commission  
(AOGCC) that had inadvertently been left out of the budget.  
The subcommittee already added the wordage, making the  
amendment unnecessary.

[2:04:42 PM](#)

Representative Wool MOVED to ADOPT Amendments GA 7, GA 31,  
and GA 32 pertaining to the Department of Commerce,  
Community and Economic Development (copy on file):

Alaska Oil and Gas Conservation Commission  
GA 7 Transfer from the Department of Law for Technical  
Adjustment  
1162 AOGCC Rct (DGF) 224.8

Civil Division Except Contracts Relating to  
Interpretation of Janus v AFSCME Natural Resources  
GA 31 Reverse Deleted Alaska Oil and Gas Conservation  
Commission Receipts for Technical Correction  
1162 AOGCC Rct (DGF) 224.8

GA 32 Transfer Authority to Department of Commerce,  
Community and Economic Development for Technical  
Adjustment  
1162 AOGCC Rct (DGF) -224.8

There being NO OBJECTION, Amendments GA 7, GA 31, and GA 32  
were ADOPTED.

[2:05:46 PM](#)

Co-Chair Foster moved to governor's amendments for the  
Department of Corrections.

Representative Wool MOVED to ADOPT Amendment GA 8 (copy on  
file):

Administration and Support  
Administrative Services  
GA 8 Add Authority for Fixed Costs  
1004 Gen Fund (UGF) 317.3

There being NO OBJECTION, Amendment GA 8 was ADOPTED.

[2:06:18 PM](#)

Representative Wool MOVED to ADOPT Amendment GA 9 (copy on  
file):

Administration and Support  
Information Technology MIS  
GA 9 Add Authority for Fixed Costs  
1004 Gen Fund (UGF) 837.0

There being NO OBJECTION, Amendment GA 9 was ADOPTED.

2:06:32 PM

Co-Chair Foster relayed that Amendment GA 10 had been adopted by the subcommittee and would not be offered (copy on file):

Population Management  
Out-of-State Contractual  
GA 10 Delete Authority Requested for Out-of-State  
Contract Housing  
1004 Gen Fund (UGF) -17,800.0

Co-Chair Foster asked LFD to explain the amendment.

KELLY CUNNINGHAM, ANALYST, LEGISLATIVE FINANCE DIVISION, explained that the item removed the request to fund a contract to send prisoners out of state. The department had since retracted the request.

2:07:17 PM

Representative Wool MOVED to ADOPT Amendment GA 11 (copy on file):

Health and Rehabilitation Services  
Health and Rehabilitation Director's Office  
GA 11 Add Authority for Fixed Costs Inc  
1004 Gen Fund (UGF) 3,200.0

There being NO OBJECTION, Amendment GA 11 was ADOPTED.

2:07:36 PM

Co-Chair Foster moved to governor's amendments for the Department of Education and Early Development on page 4 of members' packets.

Vice-Chair Ortiz MOVED to ADOPT Amendment GA 12 (copy on file):

Education Support and Administrative Services  
Student and School Achievement  
GA 12 Alaska Technical and Vocational Education  
Funding  
1151 VoTech Ed (DGF) 53.9

There being NO OBJECTION, Amendment GA 12 was ADOPTED.

2:08:01 PM

Vice-Chair Ortiz MOVED to ADOPT Amendment GA 13 (copy on file):

Alaska State Libraries, Archives and Museums  
Museum Operations  
GA 13 Preparing Alaska's Cultural Organizations for  
Emergencies Federal Grant (FY21-FY23)  
1002 Fed Rcpts (Fed) 211.0

There being NO OBJECTION, Amendment GA 13 was ADOPTED.

2:08:27 PM

Co-Chair Foster moved to governor's amendments for the Department of Environmental Conservation on page 5 of members' packets.

Co-Chair Foster relayed that Amendment GA 14 had been adopted by the subcommittee and would not be offered (copy on file):

Environmental Health  
Environmental Health  
GA 14 Restore Dairy Program  
1004 Gen Fund (UGF) 164.6  
1108 Stat Desig (Other) 15.0

Co-Chair Foster asked LFD to explain Amendment GA 14.

Mr. Painter explained that the amendment would reverse a governor's decrement. The subcommittee did not adopt the decrement; therefore, the reversal was unnecessary.

2:08:54 PM

Co-Chair Foster moved to governor's amendments for the Office of the Governor on page 6 of members' packets.

Co-Chair Johnston MOVED to ADOPT Amendment GA 15 (copy on file):

Executive Operations  
Lieutenant Governor

GA 15 Add Authority to Continue Providing the Alaska  
Administrative Code to Local Governments  
1004 Gen Fund (UGF) 60.0

There being NO OBJECTION, Amendment GA 15 was ADOPTED.

2:09:16 PM

Co-Chair Johnston MOVED to ADOPT Amendment GA 16 (copy on  
file):

Elections  
Elections  
GA 16 Election Worker Pay Increase  
1004 Gen Fund (UGF) 236.5

There being NO OBJECTION, Amendment GA 16 was ADOPTED.

2:09:36 PM

Co-Chair Foster moved to governor's amendments for the  
Department of Health and Social Services.

Co-Chair Johnston MOVED to ADOPT Amendments GA 17 and GA 18  
(copy on file):

GA 17 MH Trust: Partner Access Line-Pediatric Alaska  
(PAL- PAK) (FY21-FY23)  
1092 MHTAAR (Other) 89.0

Behavioral Health  
Behavioral Health Administration  
GA 18 MH Trust: Peer Support Certification (FY21-FY23)  
1092 MHTAAR (Other) 125.0

There being NO OBJECTION, Amendments GA 17 and GA 18 were  
ADOPTED.

2:10:04 PM

Co-Chair Johnston relayed that Amendment GA 19 would not be  
offered (copy on file):

GA 19 Transfer to Suicide Prevention Council to Extend  
Suicide Prevention Council Grant Funding  
1037 GF/MH (UGF) -400.0

There being NO OBJECTION, it was so ordered.

Co-Chair Johnston MOVED to ADOPT Amendment GA 20 (copy on file):

Behavioral Health  
Alaska Mental Health Board and Advisory Board on  
Alcohol and Drug Abuse  
GA 20 MH Trust: AMHB/ABADA Research Analyst III  
1092 MHTAAR (Other) 96.3

There being NO OBJECTION, Amendment GA 20 was ADOPTED.

[2:10:39 PM](#)

Co-Chair Foster relayed that the topic in Amendment GA 21 had already been addressed by the subcommittee and would not be offered (copy on file):

Behavioral Health  
Suicide Prevention Council  
GA 21 Transfer from Behavioral Health Admin to Extend  
Suicide Prevention Council Grant Funding  
1037 GF/MH (UGF) 400.0

Co-Chair Johnston explained that the amendment pertained to the appropriation for the Suicide Prevention Council grant funding, which had already been addressed in subcommittee.

[2:11:04 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 22 (copy on file):

Children's Services  
Foster Care Special Need  
GA 22 Family First Prevention Services Act  
Implementation  
1002 Fed Rcpts (Fed) 700.0  
1003 GF/Match (UGF) 700.0

There being NO OBJECTION, Amendment GA 22 was ADOPTED.

[2:11:22 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 23 (copy on file):

Children's Services  
Subsidized Adoptions & Guardianship  
GA 23 Growing Number of Children in Subsidized  
Adoptions and Guardianships  
1002 Fed Rcpts (Fed) 200.0  
1003 GF/Match (UGF) 1,000.0

There being NO OBJECTION, Amendment GA 23 was ADOPTED.

[2:11:33 PM](#)

Co-Chair Foster relayed that Amendment GA 24 had been addressed in subcommittee and would not be offered (copy on file):

Senior and Disabilities Services  
Early Intervention/Infant Learning Programs  
GA 24 Delete Authority for Children and Families  
Preschool Development Grant  
1002 Fed Rcpts (Fed) -7,000.0

Co-Chair Foster asked Co-Chair Johnston if she would like to speak to the amendment.

[2:12:03 PM](#)

AT EASE

[2:12:17 PM](#)

RECONVENED

Co-Chair Johnston explained that Amendment GA 24 pertained to a grant that had not been received by the state.

[2:12:38 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendments GA 25, GA 26, and GA 27 (copy on file):

Senior and Disabilities Services  
Senior and Disabilities Services Administration  
GA 25 MH Trust: Adult Protective Services III position  
1002 Fed Rcpts (Fed) 75.0  
1092 MHTAAR (Other) 75.0

Departmental Support Services  
Commissioner's Office

GA 26 MH Trust: Statewide Designation Evaluation & Stabilization /Designation Evaluation & Treatment Coordinator

1002 Fed Rcpts (Fed) 50.0

1092 MHTAAR (Other) 75.0

GA 27 MH Trust: Mental Health Professionals off site evaluations

1092 MHTAAR (Other) 300.0

There being NO OBJECTION, Amendments GA 25, GA 26, and GA 27 were ADOPTED.

[2:13:11 PM](#)

Co-Chair Foster moved to the governor's amendments for the Department of Labor and Workforce Development on page 9 of members' packets.

Representative Knopp MOVED to ADOPT Amendment GA 28 (copy on file):

Commissioner and Administrative Services

Workforce Investment Board

GA 28 Alaska Technical and Vocational Education Funding

1151 VoTech Ed (DGF) 457.9

There being NO OBJECTION, Amendment GA 28 was ADOPTED.

[2:13:32 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 29 (copy on file):

Alaska Vocational Technical Center

GA 29 Alaska Technical and Vocational Education Program Funding

1151 VoTech Ed (DGF) 227.5

There being NO OBJECTION, Amendment GA 29 was ADOPTED.

[2:13:52 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 30 (copy on file):

GA 30 Salary and Benefit Adjustment  
1004 Gen Fund (UGF) 48.2  
1007 I/A Rcpts (Other) 4.2  
1108 Stat Desig (Other) 6.4

There being NO OBJECTION, Amendment GA 30 was ADOPTED.

[2:14:29 PM](#)

Co-Chair Foster noted that Amendments GA 31 through GA 34 had been addressed earlier in the meeting. He relayed that the item in Amendment GA 35 had been adopted by the subcommittee and would not be offered (copy on file):

GA 35 FY2021 Technical Correction  
1004 Gen Fund (UGF) -35.5

Co-Chair Foster asked LFD to address the amendment.

Ms. Cunningham relayed that the correction had already been adopted by the subcommittee.

Co-Chair Foster asked Ms. Cunningham to share the topic addressed by the amendment.

Ms. Cunningham replied that the topic was a salary adjustment that had been doubled.

[2:15:07 PM](#)

Co-Chair Foster moved to governor's amendments for the Department of Natural Resources on page 11 of members' packets.

Representative Knopp MOVED to ADOPT Amendment GA 36 (copy on file):

Administration & Support Services  
Commissioner's Office  
GA 36 Support Commissioner's Office Execution of the  
Governor's Policy  
1004 Gen Fund (UGF) 17.8

There being NO OBJECTION, Amendment GA 36 was ADOPTED.

[2:15:21 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 37 (copy on file):

Office of Project Management & Permitting  
GA 37 Citizen's Advisory Commission on Federal Areas  
1004 Gen Fund (UGF) 178.1

Representative Josephson OBJECTED. He believed the item had been vetoed the previous summer. He had supported the veto. He stated the funding was UGF and there was a PAD [Public Access and Defense] unit that dealt with many of the issues.

Co-Chair Foster asked to hear from LFD. He stated the amendment pertained to a Citizen's Advisory Commission on Federal Areas and RS-244s [RS-2477]. He asked for verification that the amendment would reestablish the council.

Mr. Painter replied that in FY 17 former Governor Walker had vetoed the funding for the council. The council had not been very active since that time. He elaborated that in 2019 the legislature had added \$200,000 UGF to reinstate the council's executive director, but the funding had been vetoed by Governor Dunleavy. The governor was offering an amendment of \$178,100 to reinstate the executive director of the commission.

Co-Chair Foster corrected his previous statement that the amendment would reinstate the council. He clarified that the council was currently in place. He asked for verification that the funds would provide the council with an executive director.

Mr. Painter answered that it was his understanding that the council still existed, but without administrative support it had not been meeting and the website had not been updated in four years. The amendment would provide administrative support to continue the work.

Co-Chair Foster noted that during the interim the legislature had heard from individuals regarding RS-2477s. He believed the issue pertained to the Sturgeon case [Sturgeon v. Frost - U.S. Supreme Court]. He supported the appropriation. He highlighted some issues in his district and individuals who would like to access part of the national park. He noted there was a hot spring in his

district and individuals who would like to travel over land to reach their villages. The amendment related to the ability to use all grandfathered trails.

[2:18:00 PM](#)

AT EASE

[2:22:10 PM](#)

RECONVENED

Co-Chair Foster noted that Amendment GA 37 pertaining to the Citizen's Advisory Commission on Federal Areas would be rolled to the bottom of the remaining amendments [note: see 2:37 p.m. for detail]. He clarified amendment deadlines for the supplemental and operating budgets.

[2:23:10 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 38 (copy on file):

Fire Suppression, Land & Water Resources  
Mining, Land & Water  
GA 38 Support for Mine Inspections and Fieldwork  
1003 GF/Match (UGF) 6.4  
1004 Gen Fund (UGF) 38.0  
1005 GF/Prgm (DGF) 56.0  
1153 State Land (DGF) 9.8

There being NO OBJECTION, Amendment GA 38 was ADOPTED.

[2:23:26 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 39 (copy on file):

Forest Management & Development  
GA 39 Support for Increased Timber Sales  
1004 Gen Fund (UGF) 27.9  
Geological & Geophysical Surveys

There being NO OBJECTION, Amendment GA 39 was ADOPTED.

[2:23:45 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 40 (copy on file):

Fire Suppression, Land & Water Resources  
GA 40 Support for Response to Geologic Hazards and  
Coordination of Development of Alaska's Resources  
1004 Gen Fund (UGF) 25.0  
1005 GF/Prgm (DGF) 8.0

There being NO OBJECTION, Amendment GA 40 was ADOPTED.

[2:24:00 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 41 (copy on file):

Parks & Outdoor Recreation  
Parks Management & Access  
GA 41 Support for Field Training and Inspections  
1004 Gen Fund (UGF) 19.8

There being NO OBJECTION, Amendment GA 41 was ADOPTED.

[2:24:12 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 42 (copy on file):

Parks & Outdoor Recreation  
Parks Management & Access  
GA 42 Boating Safety Program  
1002 Fed Rcpts (Fed) 200.0

There being NO OBJECTION, Amendment GA 42 was ADOPTED.

[2:24:29 PM](#)

Co-Chair Foster relayed that the subject in Amendment GA 43 had been addressed by the subcommittee and the amendment would not be offered (copy on file):

Agriculture  
Agricultural Development  
GA 43 Agriculture Revolving Loan Program Support  
1021 Agric RLF (DGF) 204.3

Co-Chair Foster asked Representative Knopp to speak to the amendment subject.

Representative Knopp explained the amendment pertained to a revolving loan fund for agriculture. There had been two positions responsible for administering existing loans but there had been no one there to initiate new loans. The subcommittee had added a position that would put the program back in service to utilize the [revolving loan] funds.

[2:25:19 PM](#)

Co-Chair Foster moved to governor's amendments for the Department of Public Safety on page 14 of members' packets.

Representative LeBon MOVED to ADOPT Amendments GA 44 and GA 45 (copy on file):

Alaska Police Standards Council  
Alaska Police Standards Council  
GA 44 MH Trust: CIT Training Course  
1092 MHTAAR (Other) 80.0

Statewide Support  
Training Academy  
GA 45 MH Trust: CIT Training Course  
1092 MHTAAR (Other) 80.0

There being NO OBJECTION, Amendments GA 44 and GA 45 were ADOPTED.

[2:25:57 PM](#)

Co-Chair Foster moved to governor's amendments for the Department of Revenue on page 15 of members' packets.

Representative LeBon MOVED to ADOPT Amendments GA 46 and GA 47 (copy on file):

Taxation and Treasury  
Tax Division  
GA 46 Restore Authority from Tax Efficiencies Savings  
1004 Gen Fund (UGF) 255.6

GA 47 Restore Authority from Publications Efficiencies Savings  
1004 Gen Fund (UGF) 91.0

There being NO OBJECTION, Amendments GA 46 and GA 47 were ADOPTED.

[2:26:19 PM](#)

Representative LeBon MOVED to ADOPT Amendment GA 48 (copy on file):

Unclaimed Property  
GA 48 Unclaimed Property Inventory and Claims Backlog  
1005 GF/Prgm (DGF) 150.0

There being NO OBJECTION, Amendment GA 48 was ADOPTED.

Co-Chair Foster moved to the governor's amendments for the Department of Transportation and Public Facilities on page 16 of members' packets.

[2:26:37 PM](#)

AT EASE

[2:26:55 PM](#)

RECONVENED

Co-Chair Johnston MOVED to ADOPT Amendment GA 49 (copy on file):

Administration and Support  
Measurement Standards & Commercial Vehicle Compliance  
GA 49 Measurement Standards' Equipment Calibration and Certification  
1004 Gen Fund (UGF) 55.0

There being NO OBJECTION, Amendment GA 49 was ADOPTED.

[2:27:09 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment GA 50 (copy on file):

Marine Highway System  
Marine Engineering  
GA 50 Vessel Construction Manager I/II for IFA Annual Overhaul and Construction Projects  
1076 Marine Hwy (DGF) 126.9

There being NO OBJECTION, Amendment GA 50 was ADOPTED.

[2:27:21 PM](#)

Co-Chair Foster moved to governor's amendments for the University of Alaska on page 17 of members' packets.

Representative Josephson MOVED to ADOPT Amendment GA 51 (copy on file):

University of Alaska  
Budget Reductions/Additions - Systemwide  
GA 51 Alaska Technical and Vocational Education  
Funding  
1151 VoTech Ed (DGF) 605.9

There being NO OBJECTION, Amendment GA 51 was ADOPTED.

[2:27:43 PM](#)

Co-Chair Foster relayed that Amendment GA 52 pertaining to Judiciary had previously been adopted by the subcommittee and would not be offered (copy on file):

Alaska Court System  
Appellate Courts  
GA 52 Restoration of Full Funding for the Appellate  
Court Budget  
1004 Gen Fund (UGF) 334.7

Co-Chair Foster asked LFD to explain the amendment topic.

Ms. Cunningham explained that the increment represented funding vetoed by the governor and added back in subcommittee; therefore, adding it again was unnecessary.

[2:28:26 PM](#)

Representative Josephson MOVED to ADOPT Amendments GA 53, GA 57, GA 58, GA 59, GA 60, and GA 61 (copy on file):

GA 53 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 24.8

GA 57 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 251.2

Administration and Support  
GA 58 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 34.0

Therapeutic Courts  
Therapeutic Courts  
GA 59 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 11.7

Commission on Judicial Conduct  
Commission on Judicial Conduct  
GA 60 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 1.2

Judicial Council  
Judicial Council  
GA 61 FY21 Budget Amendment - Additional Costs for the  
Conversion to Bi-Weekly Payroll  
1004 Gen Fund (UGF) 3.6

There being NO OBJECTION, Amendments GA 53, GA 57, GA 58,  
GA 59, GA 60, and GA 61 were ADOPTED.

[2:29:00 PM](#)

Representative Josephson MOVED to ADOPT Amendment GA 54  
(copy on file):

Trial Courts  
GA 54 Reverse a Portion of Additional Costs for  
Executive  
Branch Services  
1004 Gen Fund (UGF) -9.1

There being NO OBJECTION, Amendment 54 was ADOPTED.

[2:29:11 PM](#)

Representative Josephson MOVED to ADOPT Amendment GA 55  
(copy on file):

Trial Courts

GA 55 FY21 Budget Amendment -- Funding for Additional  
IRIS  
Costs  
1004 Gen Fund (UGF) 30.7

There being NO OBJECTION, Amendment GA 55 was ADOPTED.

[2:29:24 PM](#)

Representative Josephson MOVED to ADOPT Amendment GA 56  
(copy on file):

Trial Courts  
GA 56 FY21 Budget Amendment -- Funding for Sitka  
Courthouse Expenses  
1004 Gen Fund (UGF) 78.3

There being NO OBJECTION, Amendment GA 56 was ADOPTED.

[2:29:43 PM](#)

Co-Chair Johnston MOVED to ADOPT Amendment L GA 62 (copy on  
file):

Oil and Gas Tax Credit Purchase Program  
Oil and Gas Tax Credit Purchase Program  
L GA 62 Tax Credit Cert. Bond Corp; Royalties  
1004 Gen Fund (UGF) 55,000.0

Co-Chair Foster OBJECTED for discussion. He asked LFD to  
explain the amendment.

Mr. Painter explained the amendment that would add an  
estimated \$55 million to pay debt service on oil and gas  
tax credit bonds, assuming the lawsuit was decided in the  
state's favor. He elaborated that \$55 million was an  
estimate based on current interest rates.

Co-Chair Foster noted the large dollar amount.

Representative Josephson stated that the number \$27 million  
had been bandied about. He asked how the amount was not  
duplicative of the \$55 million for its intended purpose.

[2:30:48 PM](#)

Mr. Painter replied that the previous administration had planned a bond payment schedule that started at \$27 million and increased over the life of the bonds. The \$55 million reflected a level payment over a 15-year timeframe. The \$27 million carried forward from previous years could be used to help buydown the cost of the bond for the entire life of the bond (15 years). The \$27 million in the current year did not count as debt service but it would reduce the cost over the life of the bond.

Representative Josephson surmised that deducting the \$27 million from the \$55 million would defeat the purpose of buying down the interest rate.

Mr. Painter agreed. He clarified that if the \$27 million was deducted, the state would likely pay more than \$55 million.

Representative Wool asked for verification that the \$55 million was the new flat rate to occur annually. He surmised that if the legislature did not pay the \$27 million, the annual flat rate would increase to \$56 million, \$57 million, or other for the life of the expenditure.

Mr. Painter replied that it was his understanding. He deferred to the Department of Revenue for further detail. He shared that he had only asked for a single scenario using the \$27 million and was not certain what the difference would be.

Co-Chair Foster WITHDREW his OBJECTION.

There being NO further OBJECTION, Amendment L GA 62 was ADOPTED.

[2:32:31 PM](#)

Co-Chair Foster reported that Amendment L GA 63 was on the last page of the packet.

Co-Chair Johnston relayed that Amendment L GA 64 would not be offered (copy on file):

Permanent Fund Dividends  
Permanent Fund Dividend Fund

L GA 64 Payment of Permanent Fund Dividends Owed to  
Suppl Alaskans  
1041 PF ERA (UGF) 815,933.0

There being NO OBJECTION, it was so ordered.

2:33:09 PM

Co-Chair Foster stated that the item in Amendment L GA 63 had already been adopted and would not be offered [note: the amendment was subsequently offered by Vice-Chair Ortiz at 2:34 p.m.].

2:33:35 PM

AT EASE

2:34:51 PM

RECONVENED

Vice-Chair Ortiz MOVED to ADOPT Amendment L GA 63 (copy on file):

Other Fund Transfers  
Sport Fish Enterprise  
L GA 63 Alaska Fish and Game Revenue Bond

Co-Chair Foster clarified that the amendment item had not been previously adopted by a subcommittee.

Representative Josephson OBJECTED for discussion.

Co-Chair Foster asked for LFD to explain the amendment.

Mr. Painter explained that there had been an added charge to fishing licenses to pay off several revenue bonds made against licenses. The bond was expected to be paid off in the current calendar year. The item would deposit the remainder of the funds into the account. He deferred to the Office of Management and Budget for further detail.

Representative Josephson WITHDRW his OBJECTION.

There being NO further OBJECTION, Amendment L GA 63 was ADOPTED.

Representative Tilton asked if the committee would return to Amendment GA 37.

[2:37:32 PM](#)

Representative Knopp MOVED to ADOPT Amendment GA 37 (copy on file):

Office of Project Management & Permitting  
GA 37 Citizen's Advisory Commission on Federal Areas  
1004 Gen Fund (UGF) 178.1

Vice-Chair Ortiz OBJECTED for discussion.

Representative Josephson believed the state was getting by without the Citizen's Advisory Commission on Federal Areas. He stated that there was a Public Access and Defense unit and the current administration was very aggressive in defending Alaska's rights. He believed the item was superfluous and not funding the increment would save on UGF spending.

Vice-Chair Ortiz for the UGF cost in the amendment.

Mr. Painter answered \$178,100.

Vice-Chair Ortiz asked how the funds would be used.

Representative Knopp deferred to LFD. He recalled when the commission had been created with the purpose of giving local input into federal decisions on lands. He elaborated that the process had worked well for a while but had gotten sideways. He supported the concept of local input.

Co-Chair Foster added that the commission and its members were currently still in place. The amendment would provide funding for an executive director. He thought the commission would provide a check on the federal government in terms of its denial of access to public lands in certain situations.

Mr. Painter understood that most of the funding would go to pay for the position and associated travel, services, and commodities amounts needed for board operations.

[2:40:30 PM](#)

Representative Wool asked if the board was currently rudderless without the executive director. He asked if the

position was appointed by the governor and if someone had been appointed. He noted that Representative Josephson had mentioned another commission in place that was doing some of the work.

Co-Chair Foster answered that he had spoken with some individuals who had been very involved with the commission in the past. He had learned that the commission members were in place; however, there was not currently someone to do the work with the federal government. He explained that the position required a knowledgeable person due to the technical nature of the issues in terms of state and federal law. The executive director would be able to fight on behalf of individuals, whereas, individuals serving on the commission worked as part-time board members and would not spend 40 to 70 hours on specific issues.

Vice-Chair Ortiz MAINTAINED his OBJECTION to Amendment GA 37.

A roll call vote was taken on the motion.

IN FAVOR: Knopp, Merrick, Sullivan-Leonard, Knopp, Tilton, Carpenter, Johnston, Foster  
OPPOSED: Josephson, Ortiz, Wool

The MOTION PASSED (8/3). There being NO further OBJECTION, Amendment GA 37 was ADOPTED.

HB 205 was HEARD and HELD in committee for further consideration.

HB 206 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the schedule for the following day.

#  
ADJOURNMENT

[2:43:44 PM](#)

The meeting was adjourned at 2:43 p.m.