

HOUSE FINANCE COMMITTEE
February 23, 2022
1:33 p.m.

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CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:33 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Kelly Merrick, Co-Chair
Representative Dan Ortiz, Vice-Chair
Representative Ben Carpenter
Representative Bryce Edgmon
Representative DeLena Johnson
Representative Andy Josephson
Representative Bart LeBon
Representative Sara Rasmussen
Representative Steve Thompson
Representative Adam Wool

MEMBERS ABSENT

None

ALSO PRESENT

Nancy Dahlstrom, Commissioner, Department of Corrections; Kelly Goode, Deputy Commissioner and Legislative Liaison, Department of Corrections; April Wilkerson, Administrative Services Director, Department of Corrections, Office of Management and Budget, Office of the Governor; Brian Fechter, Deputy Commissioner, Department of Revenue; Eric DeMoulin, Administrative Services Director, Department of Revenue; Representative George Rausher.

PRESENT VIA TELECONFERENCE

Laura Brooks, Director, Health and Rehabilitation Services Division, Department of Corrections; Lucinda Mahoney, Commissioner, Department of Revenue; Mr. Sidney Wood,

Deputy Director, Institutions Division, Department of Corrections.

SUMMARY

HB 281 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 281 was HEARD and HELD in committee for further consideration.

HB 282 APPROP: MENTAL HEALTH BUDGET

HB 282 was HEARD and HELD in committee for further consideration.

PRESENTATION: FY 23 BUDGET OVERVIEW: DEPARTMENT OF
CORRECTIONS

PRESENTATION: OVERVIEW: DEPARTMENT OF REVENUE

Co-Chair Foster reviewed the agenda for the meeting.

#hb281

#hb282

HOUSE BILL NO. 281

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making reappropriations; making supplemental appropriations; 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. 282

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

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^PRESENTATION: FY 23 BUDGET OVERVIEW: DEPARTMENT OF
CORRECTIONS

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NANCY DAHLSTROM, COMMISSIONER, DEPARTMENT OF CORRECTIONS, introduced herself.

KELLY GOODE, DEPUTY COMMISSIONER AND LEGISLATIVE LIAISON, DEPARTMENT OF CORRECTIONS, introduced herself.

APRIL WILKERSON, ADMINISTRATIVE SERVICES DIRECTOR, DEPARTMENT OF CORRECTIONS, OFFICE OF MANAGEMENT AND BUDGET, OFFICE OF THE GOVERNOR, introduced herself

1:35:43 PM

Commissioner Dahlstrom discussed the presentation, "Department Of Corrections Fy2023 Budget Overview House Finance" (copy on file). He looked at slide 2, "Mission and Core Services":

Mission: To provide secure confinement, reformative programs, and a process of supervised community reintegration to enhance the safety of our communities

Department FY2023 Amended Budget Requested Positions: 2,108

Department FY2023 Amended Budget Request: \$402,307.5

Commissioner Dahlstrom indicated the goal of the Department of Corrections (DOC) was to keep everyone safe and return members of society to return to society better prepared.

Ms. Wilkerson turned to slide 4, which showed an overall increase of just over 1 percent between the authorized and amended budgets.

Ms. Wilkerson moved to slide 5, which is a breakdown of the overall budget. She noted that personnel services was the primary driving factor, primarily driven by the staffing.

Ms. Wilkerson continued to slide 6, which was a representation of the department's budget by division.

Representative Wool asked if personnel services was broken down by regular and overtime.

Ms. Wilkerson responded that she could get the information to the committee.

Representative Wool queried the trend line of overtime in recent years.

Ms. Wilkerson indicated that the department overtime fluctuated but was trending up, because the pandemic had interfered with vacancies.

Ms. Goode furthered that the recruitment unit worked to keep the department with a dedicated workforce within the department.

Representative Wool surmised that the department was keeping pace and sometimes surpassing the national standard.

Ms. Goode agreed.

Representative Rasmussen asked if she had any updates regarding the number of positions versus vacancies. She also queried the update on current employee retention.

Ms. Wilkerson responded that the Department of Administration (DOA) had released it's workforce profile, and agreed to provide that to the committee.

Ms. Wilkerson moved to slide 7 which was a detailed breakdown of slide 6 that showed each of the support areas broken out by each division and the services and funding within each of those categories.

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Ms. Wilkerson moved to slide 8: "FY2023 Major Operating Budget Changes":

- Add eleven positions with funding for New Mental Health Unit at Hiland Mountain Correctional Center (\$1,663.4 UGF, 11 PFT)
- Add ten positions with funding for New Booking Area at Hiland Mountain Correctional Center (\$1,428.3 UGF, 10 PFT)

- Add nine Institutional Support positions with funding for Booking and Property Staffing (\$1,002.5 UGF, 9 PFT)
- Recruitment and Retention Unit moved to Population Management
- Fund Source Changes:
 - Replace Restorative Justice funds with UGF (\$391.5 UGF / -\$391.5 Other)
 - Replace Recidivism Reduction funds with UGF (\$2,950.3 UGF / -\$2,950.3 DGF)

Commissioner Dahlstrom advanced to slide 9, "DOC At a Glance":

Alaska is one of seven states that operate a unified correctional system. A state unified system is one in which there is an integrated state-level prison and jail system.

DOC booked 28,116 offenders into its facilities in 2021

- 17,979 were unique offenders
- 817 were non-criminal Title 47 bookings

As of 12/31/2021, DOC was responsible for 10,745 individuals

- 4,621 offenders in jail or prison
- 185 offenders on sentenced electronic monitoring (EM)
- 292 offenders in community residential centers (CRCs)
- 2,959 offenders on probation or parole
- 2,688 defendants on pretrial supervision (1,668 on pretrial EM)

Representative Rasmussen requested any potential cost savings to the state related to the pretrial monitoring.

Ms. Goode replied that there was not a quantifiable savings, but the officers would be able to remand and return to their jobs more quickly, resulting in a time savings to keep them for more important duties.

Representative Rasmussen wondered whether those held in the system were in facilities that were currently at capacity.

Ms. Goode clarified that unsentenced individuals were incarcerated, but were not yet adjudicated, and were the 56 percent that were referred to by the commissioner. She stated that those out on pretrial supervision were not incarcerated, because the pretrial officers were monitoring them.

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Co-Chair Foster asked to return to slide 8 regarding recruitment and retention. He was under the impression that the recruiters had been HR people, and remarked that there had been a request that correction officers worked that unit.

Ms. Goode responded that there had been some desire that a correctional officer work in the recruitment unit.

Representative Wool had a question on slide 9. He asked about the pretrial numbers.

Ms. Goode replied that the pretrial numbers were not specified in the slide, but wanted to make sure that the information was included in the presentation.

Representative Wool asked about the specific percentages and numbers of those incarcerated individuals.

Ms. Goode replied that there were 4621 people incarcerated in December 2021. She explained that of that 4621 people, there were 55 percent unsentenced and 44 percent were sentenced individuals.

Representative Wool asked what percentage were misdemeanor in pretrial.

Ms. Goode responded that the number was close to 160 but the number was very small.

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Vice-Chair Ortiz wondered whether the term "unsentenced" meant that the person had not had a trial or whether they had been convicted but not yet sentenced.

Ms. Goode replied that it could be either.

Vice-Chair Ortiz queried the number of those who had been tried and convicted versus those that had been convicted but not yet sentenced.

Ms. Goode did not know if she could even provide the information.

Vice-Chair Ortiz wondered if the percentage of 56 had gradually gone up or down.

Ms. Goode replied that it had been gradually going up.

Vice-Chair Ortiz asked why the percentage was increasing.

Ms. Goode could not really answer. She thought it might be a factor of the justice system as a whole. The numbers had been rising over several years.

Representative Carpenter asked for the number of people who were seeking a new court date for a crime, when the people had already been sentenced for the crime.

Ms. Goode asked a clarifying question. She said the answer could become more complicated.

Representative Carpenter was referring to the number of currently sentenced individuals, and had committed a new crime. He wondered where those people were in the unsentenced versus sentenced populations.

Ms. Goode asked if the representative was talking about violations. She indicated that their number would be under those sentences and awaiting trial.

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Representative LeBon asked about the status of the Palmer Correction Center.

Commissioner Dahlstrom replied that the subject would be addressed in the presentation.

Representative Rasmussen asked about a unified correctional system, and felt that it was odd that Alaska was one of seven states out of 50.

Commissioner Dahlstrom responded that Alaska was a state unified correctional system. Alaska, Delaware, Connecticut, Hawaii, Rhode Island, Vermont, and West Virginia had a unified correctional system. She stated that the state level and city level jails were one system, so there were not two separate systems.

Representative Edgmon had a question about community jails. Alaska had a number of community jails scattered throughout Alaska, and queried the number of jails in the other states.

Commissioner Dahlstrom had not been to those states and did not know.

Representative Edgmon asked about further information in community jails.

Commissioner Dahlstrom replied that DOC was given a specific dollar amount that was budgeted to the fifteen community jails.

Representative Edgmon was cueing up the committee for an upcoming discussion on community jails.

Ms. Goode provided some information regarding community jails. The reason why Alaska had them was to provide a jail confinement in areas where a jail did not exist. She indicated that in the past she had seen up to 17 community jails. It provided the Troopers with a local place to jail a person.

Representative Edgmon asked where he could find the formula. He thought it was a time-honored tradition.

Ms. Wilkerson indicated the formula was developed in 2016.

Ms. Goode added that the need and desire for community jails continued to exist.

Representative Carpenter recalled a lawsuit about community jails in western Alaska. He queried the results of that case and its application.

Ms. Goode answered that DOC had been sued and had been removed from the case, and believed that the state paid Kotzebue. She stated that currently the jail was community

up and running, so she did not think the lawsuit would have an impact going forward.

Representative Carpenter asked if the department had done an analysis on which community jails would put DOC in a bond, and what the closure of a facility would do to the department's operations.

Ms. Goode answered that it was not an easy overview. The topic of community jails had grown over the past month. She stated it was necessary to look at the number of holds and offenses, and the cost was to the Department of Public Safety (DPS) because that department was responsible for the transfers of those in community jails

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Representative Carpenter spoke about remands or use of the community jail that was predominately state or predominately city. He referenced Ms. Goode's statement about money being divided equally, and he thought there could be a different picture about jails being subsidized.

Ms. Goode answered stated that the division was based on a formula, and were mostly state charges. She stressed that the formula was not based on usage.

Representative Carpenter thought the state's usage was being subsidized by local communities.

Ms. Goode answered they did participate. She would like to have the conversation with some of the communities, and remarked that the facilities were used for local holds, so it was a partnership between the two.

Representative Carpenter asked if the majority of usage in a community jail was 50 percent or 90 percent. He wondered if the city was compensating the state or vice versa.

Ms. Goode replied that the department had a spreadsheet with the information and could supply it to the committee.

Vice-Chair Ortiz wondered whether the amount of money the state provides for community jails had been flat at \$7 million.

Ms. Goode responded in the affirmative and stated, "Since FY 15."

Commissioner Dahlstrom turned to slide 10 showing the individual catastrophic health care cases. The cases listed on the slide are individual cases.

Representative Rasmussen asked if it was a state or federal statute that required the state to take on the health care costs.

Commissioner Dahlstrom answered that it was in the Alaska Constitution.

Representative Rasmussen asked if the state could use AFLAC to provide insurance.

Commissioner Dahlstrom replied that after 24 hours a patient's medical would be paid by Medicaid.

Ms. Wilkerson added that the department had looked to private insurance. The state tried but had not been able to achieve it.

Vice-Chair Ortiz understood that the correctional system had some halfway houses and Medicaid picked up the costs for individuals who resided there.

Ms. Wilkerson responded that it was partially true. Individuals had to sign up for Medicaid.

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LAURA BROOKS, DIRECTOR, HEALTH AND REHABILITATION SERVICES DIVISION, DEPARTMENT OF CORRECTIONS (via teleconference), responded that the department worked to get individuals transferring to a halfway house.

Representative LeBon thought the list represented a variety of health care issues. He asked if COVID-19 cases were declining, and asked if it was the most common health care issue.

Ms. Brooks responded that the list was only individual case list. The COVID-19 case listed was high because the individual was old with underlying health issues. She noted

the trend downward with the Omicron variant of COVID-19. She was starting to see numbers drop.

Representative LeBon surmised that the list was of worst case individuals, and stated that the other people with COVID-19 were less than the one on the list.

Ms. Brooks would have to go back to the state's catastrophic health care cases. The department provided the list on the presentation, to showcase the high cost of health care. The majority of COVID-19 cases did not end up being hospitalized.

Representative LeBon asked about the case of the self-inflicted wound. He wondered if there was just one case or several cases.

Ms. Brooks responded that it was an isolated case to show people the direction of the department's dollars.

Representative LeBon thought it would be more helpful to know how much was spent for health care and how many individuals were treated in the various categories such as skull fracture.

Ms. Goode would try to pull the information.

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Representative Edgmon highlighted the high rate of mental illness in incarcerated individuals. The state was inheriting a population that already had health care issues.

Commissioner Dahlstrom agreed that many of incarcerated individuals were not healthy mentally. Often times individuals got better while incarcerated, but some got worse.

Representative Rasmussen asked if the state was responsible for all offenders' health costs, or only those who were currently in jail.

Commissioner Dahlstrom replied that it was just the individuals who were incarcerated in a facility.

Ms. Goode clarified that if a person was incarcerated as a confined inmate in DOC.

Representative Rasmussen asked if the state considered less expensive treatments if it was more affordable.

Ms. Wilkerson replied that people were taken out of state to receive treatment if needed, but transportation costs still had to be paid along with overtime of a correctional staff.

Representative Rasmussen asked how many inmates experienced pregnancy while incarcerated in a facility.

Commissioner Dahlstrom would provide the costs to the committee.

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Representative Wool asked about in house billing.

Ms. Wilkerson responded that it was the department's general funds. She indicated that Ms. Brooks did the negotiating for reduced costs. They also had a billings adjudicator which had reduced the cost of some of the cases.

Representative Wool asked about the comment about someone being out longer than 24 hours and the ability to apply for Medicaid.

Ms. Wilkerson relayed that when an inmate was admitted to a hospital there could be an application for Medicaid after 24 hours. However, it required the hospital to admit the individual.

Representative Wool suggested that in other states people were discharged out of the DOC, and whether DOC ever discharged people for health reasons.

Ms. Wilkerson deferred to Director Brooks.

Ms. Brooks responded that the department looked at the cases. The largest area of impact was through the department's medical social worker to see if there could be a bail reduction or short-term release agreement.

Vice-Chair Ortiz asked members to hold questions until the end of the presentation.

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Commissioner Dahlstrom turned to slide 11 which had to do with the community residential centers (CRCs).

Commissioner Dahlstrom turned the presentation over to Ms. Goode.

Ms. Goode turned to slide 12, "Palmer Correctional Center (PCC)":

- Classification: Multi-custody
- Capacity: General 503 / Max 514
- Minimum: 176
- Medium: General 327 / Max 338
- Count as of 02/18/2022
- 114 sentenced minimum custody
- Total Budgeted Staff: 106
- Current staffing on-site: 76
- FY2023 Gov Amd Request \$16,403.4

Ms. Goode advanced to slide 13: "Palmer Correctional Center Reopening Status":

- Major Construction has been completed and keys were given to the Department of Corrections (DOC) August 16, 2021.
- Minor construction (DOT and DOC) continues due to the age of the facility.
- July and August 2021, DOC deployed a portion of the assigned staffing and started housing inmates in early September to allow a "soft opening" of the facility.
- On February 18, 2022, 114 minimum custody inmates housed at PCC who are working and assisting with the testing allowing the Department to fix smaller issues as they are discovered.
- DOC will continue in a staged approach to bring more beds on-line and house more inmates at PCC.
- Unfortunately, PCC sustained an estimated \$1.0 million of additional damages caused by the windstorm that occurred in January 2022. DOC immediately began working with Risk Management to open a claim and all work caused by the storm will be covered through the insurance process.

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Representative Josephson queried a position on returning to a defined benefits system for peach officers.

Commissioner Dahlstrom had been watching the proceedings. She would support the administration's position.

Co-Chair Merrick stressed that she was concerned about doing construction inhouse, and wanted more information about the credentials of the management of the project.

Commissioner Dahlstrom agreed to provide that information.

Commissioner Dahlstrom turned to the last slide showing the department K-9s, and stressed that the dogs had proved their worth.

Representative Wool asked for an update on the visiting status.

Commissioner Dahlstrom indicated visitations were important for the inmates. Currently, eight of the facilities were in COVID-19 outbreak status, but they all were able to have telephone calls, and stated that there was an increase to four free phone calls for inmates.

Representative Wool queried the percentage of inmates in current outbreak mode. He wondered whether most inmates had access to in person visitors

Ms. Goode responded that there had been outbreaks in eight of the facilities, and there was no steady system throughout.

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Representative Wool asked about the policies for inmates regarding vaccines.

Commissioner Dahlstrom responded that the DOC vaccine policy was to make the vaccine and vaccine information availability, but no one was forced to receive the vaccine.

Representative Wool queried the vaccine percentage rate, and whether there was an incentive to receive the vaccine.

Ms. Goode had the numbers, but stated that some facilities had over 70 percent vaccination rate. She stated that nearly 2800 inmates had received the full vaccinations. She deferred to Ms. Brooks for more information.

Ms. Brooks noted that some facilities had an 80 percent vaccination rate, and stated that the numbers in the unsentenced population had a lower vaccination rate.

Representative LeBon returned to slide 10. He would love to know how many inmates were in a drug or alcohol program.

Ms. Brooks responded that there were significantly high number of people who were in active detox.

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MR. SIDNEY WOOD, DEPUTY DIRECTOR, INSTITUTIONS DIVISION, DEPARTMENT OF CORRECTIONS, stated that there were urinalysis drug testing everyday as part of the security protocols.

Representative Rasmussen asked about expanding the K-9 unit.

Commissioner Dahlstrom department had seen their value and looked forward to developing the unit further.

Representative Rasmussen queried the cost per dog, and whether it was allowed in community jails or only in state facilities.

Ms. Wilkerson responded that the total cost for one dog was about \$250,000 per year.

Representative Rasmussen asked whether it was allowed in community jails or only in state facilities.

Ms. Wilkerson stated that any jail overseen by DOC had utilized the dogs.

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Representative Thompson asked if the dog traveled throughout the state and whether there was utilization DPS canine program.

Commissioner Dahlstrom responded that the duties of the dogs were not advertised for security reasons, and stated that DOC did work with DPS and other agencies.

Vice-Chair Ortiz thanked the presenters from the Department of Corrections.

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^PRESENTATION: OVERVIEW: DEPARTMENT OF REVENUE

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Vice-Chair Ortiz continued to the next presentation.

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LUCINDA MAHONEY, COMMISSIONER, DEPARTMENT OF REVENUE (via teleconference), introduced herself and thanked the committee for hearing the presentation.

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BRIAN FECHTER, DEPUTY COMMISSIONER, DEPARTMENT OF REVENUE, introduced himself and turned the presentation over to Mr. DeMoulin.

ERIC DEMOULIN, ADMINISTRATIVE SERVICES DIRECTOR, DEPARTMENT OF REVENUE, began with slide 2, "Department Overview: Mission and Core Programs":

- Mission: To collect, distribute, manage and invest funds for public purposes
- Department Headcount with Corporations: 870
- Core Department Headcount: 424
- Department Budget: Total: \$441.5M

Mr. DeMoulin turned to slide 3. He indicated that the slide represented the personal services.

Mr. DeMoulin moved to slide 4 which provided a visual representation of the UGF and DGF funding.

Mr. DeMoulin moved to slide 5 that showed the other funds categories, which was mostly interagency receipts.

Mr. DeMoulin looked at slide 6, "Tax Division":

Tax Division: Collect and Distribute

- Mission: Collect taxes, inform stakeholders and regulate charitable gaming.
- Accomplishments:
 - Supported 27 tax types with over 20,000 taxpayers and over 30,000 tax returns.
 - FY21 was the largest all-time revenue year in State of Alaska history (\$29.8 Billion)
 - Instituted Performance metrics to ensure work delivery and attendance during telework.
 - Leverage use of Tax Revenue Management System (TRMS) to automate processes and maximize efficiency
- Challenges:
 - Continuing emphasis on oil and gas production tax audit timeliness
 - Counting cash tax deposits in COVID environment
 - Tax System has not been upgraded since implementation in mid-2010s.

Mr. DeMoulin advanced to the tax division pie chart on slide 7.

Mr. DeMoulin moved to discuss slide 8, "Treasury Division":

Treasury Division: Invest

- Mission: to manage the state's funds consistent with prudent investment guidelines and Governmental Accounting Standards Board (GASB) rules.
- Accomplishments:
 - Outstanding investment performance saving \$178.9 Million in retirement obligations for FY23
 - PERS and TRS performance of 27.6 percent was the highest FY return ever and has placed total performance in the first quartile against peer plans. Benchmark return of 24.95 percent equating to 2.65 percent outperformance

- The Alaska Municipal Bond Bank entered into 57 loan agreements for \$353.5 million resulting in savings of \$52.7 million to Alaskans through reduced borrowing costs
- Challenges:
 - Maintaining return expectations in a low interest rate environment
 - Managing cash-flow in a volatile revenue environment
 - Attracting and retaining qualified professionals (Comptroller)

Mr. DeMoulin moved to the chart on slide 9, "Treasury Division":

Major Budgetary Changes FY2023:

- Salary and Benefit increases \$870.4 (\$174.1 UGF and \$696.3 Other)
- Investment Management Resources \$250.0 (\$50.0 UGF and \$200.0 Other)
- PCI Compliance \$100.0 (UGF)
- Cash Management Funding Change (\$685.0 Other to UGF)
- Allocate investment Fund Authority based on 10 BPS (Net Zero Cost All Funds/\$402.7 UGF Savings)

Representative LeBon wondered whether the higher education fund was still invested as it was before it was swept.

Mr. Fechter answered that the guidance was to await the finalized report before the movement of the cash.

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Representative Thompson suggested that since the state would have to liquidate certain assets, would the state lose money.

Commissioner Mahoney responded that the department was very cognizant about maximizing returns. The department had been resistant to making any changes to the asset allocations. She did not want to take money out of the current asset allocation.

Representative Josephson noted the finance committee had heard bills that would allow for the higher education Funds would be separate funds. He wondered whether the

legislature was supported by the administration in that effort.

Commissioner Mahoney was not sure what the administration would state currently. However, her job as a fiduciary was to keep it in the highest investment place possible. She was trying to get clear direction from the Department of Law.

Representative Edgmon thought it was a gap on the administration's part to not provide direction.

Commissioner Mahoney stressed that the administration wanted the money in the current investment.

Representative Edgmon thought it was a huge gap.

Commissioner Mahoney had not talked to the administration about the issue recently.

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Representative Rasmussen asked if the commissioner recalled when the court ruling came through.

Mr. Fechter thought it had occurred on Friday, February 11.

Mr. DeMoulin explained that the last bullet point for the Treasury Division was the allocation of the authority.

Mr. DeMoulin advanced to slide 10, "PFD Division":

PFD Division: Distribute

- Mission: To administer the permanent fund dividend program assuring that all eligible Alaskans receive timely dividends, fraud is prosecuted, and all internal and external stakeholders are treated with respect
- Accomplishments:
 - Online web applications continue to increase, up to 91 percent vs. 84 percent in the prior year
 - PFD has continued its work in building a more robust Dividend Application Information System to increase productivity and reduce turn-around for application processing

- Challenges:
 - Navigating IT and logistical challenges
 - Continued analysis of continual process improvement, automation of manual processes
 - Protecting Alaskan's personal information

Mr. Fechter explained that the PFD database was the most comprehensive, but was a security risk because of all of the data collected in the system.

Commissioner Mahoney added that it was the most important budget ask, as it was critical to the PFD division because of the data of Alaskans. The current system was not enough to provide security of the data of Alaskans.

Representative LeBon asked how many checks were still being made.

Mr. Fechter did not have an example of the number of checks.

Representative LeBon suggested that if there was a spring PFD the cost would be about \$8 million to process.

Mr. Fechter responded that the amount was for the whole division.

Mr. DeMoulin moved to slide 13 to discuss the Child Support Services Division, which did not have any substantial budgetary changes in FY 23.

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Representative Rasmussen asked if there was a mechanism in the Child Support Services Division or recourse for someone who continued to have wages garnished after their settlement was made whole.

Mr. Fechter replied that there were occasional issues due to the same pot of money. He stated that those issues could be resolved by reaching out to the division.

Mr. DeMoulin moved to the Administrative Services on slide 15 with no major budgetary changes.

Mr. DeMoulin moved to the Criminal Investigations Unit on slide 17, which was recently centralized in the budget.

Vice-Chair Ortiz asked what went into the resources for criminal investigations.

Mr. Fechter reported that previously there were specific employees dedicated to each divisions. However, those positions had been centralized in the department. Certain issues were of a seasonal nature and it made sense to centralize the workload.

Mr. Fechter continued to slide 19 regarding the Alaska Housing Finance Corporation.

Mr. Fechter skipped to slide 21 for the Alaska Permanent Fund Corporation. The corporation was looking to add 45 positions, and were also requesting an additional real estate position.

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Mr. Fechter turned to slide 23 reporting that there were no major changes for the Alaska Municipal Bond Bank.

Mr. Fechter continued to slide 25 regarding the Alaska Mental Health Authority (AMTHC) that also did not have any major changes.

Vice-Chair Ortiz returned to the request for security for the database of the PFD.

Mr. Fechter responded that it would be in the ballpark. He would report back to the committee about the specific software provider bids.

Representative LeBon noted that in the prior session the legislature passed a bill that allowed the DOA to have short term borrowing authority. He asked for a status update on the legislation.

Commissioner Mahoney reported having a discussion with the chair of the Senate Finance Committee and he declined to

introduce the bill, so she thought the issue would have to wait until the following year.

Vice-Chair Ortiz reviewed the agenda for the following meeting. He thanked the presenters.

HB 281 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

3:40:38 PM

The meeting was adjourned at 3:40 p.m.