

HOUSE FINANCE COMMITTEE  
February 12, 2024  
1:38 p.m.

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CALL TO ORDER

Co-Chair Johnson called the House Finance Committee meeting to order at 1:38 p.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair  
Representative Neal Foster, Co-Chair  
Representative DeLena Johnson, Co-Chair  
Representative Julie Coulombe  
Representative Mike Cronk  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Andy Josephson  
Representative Dan Ortiz  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Jennifer Winkelman, Commissioner, Department of Corrections; April Wilkerson, Deputy Commissioner, Department of Corrections; Representative Andrew Gray.

PRESENT VIA TELECONFERENCE

Dr. Robert Lawrence, Chief Medical Officer, Department of Corrections; Travis Welch, Director, Health and Rehabilitation Services, Department of Corrections.

SUMMARY

HB 268      APPROP: OPERATING BUDGET; CAP; SUPP; AM

HB 268 was HEARD and HELD in committee for further consideration.

HB 270 APPROP: MENTAL HEALTH BUDGET

HB 270 was HEARD and HELD in committee for further consideration.

OVERVIEW: FY 25 BUDGET DEPARTMENT OF CORRECTIONS

Co-Chair Johnson reviewed the meeting agenda.

#hb268

#hb270

HOUSE BILL NO. 268

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making capital appropriations; making supplemental appropriations; making reappropriations; 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. 270

"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."

^OVERVIEW: FY 25 BUDGET DEPARTMENT OF CORRECTIONS

[1:39:41 PM](#)

JENNIFER WINKELMAN, COMMISSIONER, DEPARTMENT OF CORRECTIONS, introduced herself and available staff in the room and online. She provided a PowerPoint presentation titled "Department of Corrections FY2025 Budget Overview: House Finance Committee," dated February 12, 2024 (copy on file). She briefly reviewed an organizational chart on slide 2. She shared that the individuals shown on slide 2 had over 130 years of Alaska Department of Corrections (DOC) experience. She drew attention to the Parole Board and relayed that it was housed budgetarily within DOC, but

it operated autonomously. The executive director and staff worked directly for the Parole Board and the board was appointed by the governor and confirmed by the legislature.

Commissioner Winkelman turned to the department's mission and core services on slide 3. She informed the committee that DOC was originally a division housed under the Department of Health and Social Services. She detailed that in 1984 the division had been separated out as its own department under Governor Bill Sheffield. The department's mission was grounded by the Alaska Constitution and was to provide secure confinement, reformative programs, and a process of supervised community reintegration to enhance the safety of Alaska's communities. She noted DOC had over 2,100 positions and was second only to the Department of Transportation and Public Facilities in terms of staff. The department's FY 25 budget request was \$450.65 million. A table on the bottom of the slide showed the core services provided by each of the department's four divisions.

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Commissioner Winkelman turned to slide 4 titled "Department of Corrections (DOC) at a Glance." She relayed that DOC was a unified system and its prisons operated under the same umbrella. She reported there were seven unified systems in the United States. She noted that West Virginia was unique because it housed everything under one umbrella but separated the holding of prisoners in a sentenced and unsentenced capacity. She detailed that DOC booked 27,785 offenders into its facilities in FY 23 and 16,662 unique offenders. She explained the difference between the two numbers was that individuals were booked in more than one time per year. For example, one individual had been booked into a facility 94 times over a three-year period, which equated to one remand every 1.5 weeks for three years. The department was responsible for nearly 11,000 individuals at any given time. She elaborated that there were nearly 4,500 in its facilities, over 200 unsentenced individuals on electronic monitoring, over 300 in its community residential centers (CRCs), [3,822] on probation or parole, and [2,017] on pretrial supervision.

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Commissioner Winkelman highlighted the department's major accomplishments in FY 23 on slide 5. She stated that Senate

Bill 119 had passed the previous year. She detailed that DOC recognized the challenges offenders face when they were released from a facility without an ID in terms of getting a job or opening a bank account. The department had produced the identification for the inmates' release and with the legislature's help, the ID became a valid form of identification. She addressed the second bullet point on the slide and stated that the health and wellbeing of its staff and inmates were DOC's most important priorities; therefore, it had established a wellness coordinator position in the commissioner's office to help with that vision.

Commissioner Winkelman reviewed the third bullet point on slide 5. She relayed that DOC was striving to become a zero suicide agency with a systemwide approach to improving outcomes related to suicidal individuals and closing gaps. The department partnered with American Foundation for Suicide Prevention (AFSP) on Project 2025 [in efforts to reduce in-custody annual suicide rates 20 percent by calendar year 2025]. For nearly two years the DOC facilities were below capacity. She remarked that it was no mistake and it contributed to staff and inmate wellness; however, it came at a cost of moving inmates and staff around. She shared that DOC had partnered with the Department of Public Safety to hire an investigator specifically assigned to DOC for incidences occurring in DOC facilities. She explained that multiple troopers/law enforcement may respond, the single individual provided oversight of the process and provided efficiency within the department. She relayed that despite facing the same workforce issues impacting all agencies, DOC had hired 166 new officers. The problem was not solved, but it was trending in the right direction. The department processed nearly 2,000 correctional officer applications and 710 probation officer applications in FY 23.

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Commissioner Winkelman addressed key challenges on slide 6. She stated that the department was faced with the same workforce challenges as others. Additionally, working inside DOC facilities combined with social unrest around law enforcement made the jobs tough. The department's primary key challenge was recruitment and retention of well-trained staff. She relayed that if DOC could fix the retention problem it would not have to deal with the

recruitment end of things. The department was the largest mental health provider in the state. She did not believe anyone would disagree that sometimes prison was not the number one place for the mental health population.

Commissioner Winkelman continued to review challenges on slide 6. She stated that while Alaska had an aging population, so did DOC facilities. She shared that over half of the corrections population came with chronic health conditions, which were often compounded by years of substance abuse. She remarked that it was a challenge to address the complex needs, particularly when there were limited resources available (in facilities and upon release from custody). The facilities were aging, and the upkeep and infrastructure of the facilities and technology used to help with programming and education made it challenging and expensive to provide innovative programming. She remarked that unfortunately the items all cost a substantial amount of money.

Commissioner Winkelman shared that the DOC population was a result of any changes to policy, law enforcement, the Department of Law, public defenders, and the courts. She stated that sometimes it was very tricky to predict. She explained that one catastrophic case could disrupt DOC's entire plan. For example, there was a fight in one of the facilities the previous Friday that involved 17 individuals and three went to the hospital. The department was scrambling to separate individuals and move them around to facilities. Additionally, it required calling in officers on overtime to oversee the individuals at the hospital. She stated that accomplishments and challenges came at a cost. The department was working tirelessly with OMB to develop a budget to true up the department and get it out of the cycle of supplemental budgets.

Co-Chair Johnson referenced the 166 corrections officers that had been hired [in FY 23]. She asked for the number of vacant correctional officer positions.

Commissioner Winkelman replied that the department had an overall vacancy rate of 12 percent; however, that rate was much higher in some areas and facilities. She believed the current vacancy rate for correctional officers was 8.7 percent (down from 10 percent a couple of weeks back). Additional vacancy rates were over 30 percent for food service, nearly 20 percent for probation officers, and 8

percent for medical and mental health. She highlighted that the Spring Creek Correctional Center had a vacancy rate of over 25 percent. She explained that a correctional officer vacancy rate of nearly 30 percent at Spring Creek meant DOC was transferring staff around temporarily to cover the vacancies.

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Co-Chair Johnson asked about the number of vacant positions.

Commissioner Winkelman replied that as of January 8 there were 265 vacant positions.

Co-Chair Johnson asked if the 166 [new correctional officers] had been hired into vacant positions.

Commissioner Winkelman responded that the 265 vacancies included all positions within the department. In FY 23, the department had 115 correctional officer separations and hired 166 new officers.

Co-Chair Johnson asked for the current number of vacant correctional officer positions.

Commissioner Winkelman replied about 100.

Representative Ortiz asked about the reasons for the particularly high vacancy rate at the aforementioned [Spring Creek] facility.

Commissioner Winkelman answered that Spring Creek was located in Seward. She detailed that it was a maximum facility and there was very limited housing in the community, which was responsible for most of the vacancies. She elaborated that about half of the staff was commuting from Anchorage or the Kenai area on a week-on, week-off basis.

Representative Ortiz asked if the 8 percent vacancy rate was higher than in recent years or reflected a steady number.

Commissioner Winkelman answered that the number was declining slightly and the department was making some headway. She reported that the correctional officer vacancy

rate had been 12 percent at one point during her tenure as commissioner.

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Representative Hannan referenced Commissioner Winkelman's statement that the department had processed 2,000 applications for correctional officers and had hired 166 individuals. She asked if the department had offered jobs to individuals who had not accepted or if they had been washed out in the application process.

Commissioner Winkelman answered that for the most part it was the psychological exam that eliminated individuals from the process.

Representative Hannan asked if the department had any letters of agreement with bonuses and retention efforts targeting specific facilities. For example, if a person took a correctional officer position at Spring Creek they would receive a bonus, whereas the position in Anchorage would not receive a bonus. She asked how the incentives were working.

Commissioner Winkelman responded affirmatively. She detailed that the incentives were offered for the Spring Creek Correctional Center and Anchorage Correctional Complex. She shared that they had seen some headway with regard to hiring at Spring Creek due to the letters of agreement; however, there continued to be a substantial vacancy rate. The department had also made a letter of agreement with the Department of Administration pertaining to housing. She explained that the administrative code gave people up to 15 days to find housing in an area and DOC asked to extend the timeframe to 120 days to give time for individuals to relocate and have a longer time to find housing.

Representative Josephson was receiving some correspondence about deaths in prison, which was an ongoing problem. He recalled former Senator Hollis French presiding over a hearing on the topic. He asked what percentage of the deaths were not a result of suicide.

Commissioner Winkelman would follow up with the breakdown. She would also touch on the deaths in the system later in the presentation.

Representative Josephson recalled correctional officers wanting to be personally involved in the recruiting effort. To have a couple of people paid to do so, mirroring a recruiting unit akin to the Department of Public Safety and the troopers. He asked if correctional officers were involved in recruitment. He noted that correctional officers' theory was that they knew the job and could speak to the applicants.

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Commissioner Winkelman responded that it was up and going and there were two correctional officers working in the recruitment unit who were able to attend recruitment fairs and assist with all things pertaining to recruitment.

Representative Josephson stated that sometime staff did not want overtime and sometimes they did. He asked where the correctional officers stood on the question of overtime. He asked if they were frustrated or simply did the overtime and were rewarded for it.

Commissioner Winkelman responded that anecdotally the correctional officers were tired of it and wanted their week off. There was a letter of agreement to pay officers double time for their overtime. The department discovered that the change resulted in reduced call outs because individuals received overtime if they worked their full workweek and DOC was mandating fewer people in. Some individuals had become accustomed to the overtime and did not want it to be reduced, whereas most individuals wanted their week off.

Co-Chair Johnson acknowledged Representative Andrew Gray in the room.

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APRIL WILKERSON, DEPUTY COMMISSIONER, DEPARTMENT OF CORRECTIONS, turned to a chart titled "Funding History" on slide 7. The slide showed FY 23 actuals, the FY 24 management plan, and the FY 24 supplemental. Overall, the FY 25 budget reflected an increase of about 7.1 percent. The FY 24 supplemental items reflected an increase of \$31.8 million including a \$201,000 increase to meet the medical testing for the APSC [Alaska Police Standards Council]



certified positions (correctional and probation officers). The budget also included a \$15.5 million increase for the institutions. The \$15.5 million request was broken into an \$8 million increase replacing \$7.5 million moved out of the commodity and service line from the previous year into an overtime allocation and a \$7.5 million increase in the personal service line. The second amount included \$2.5 million to meet the 2 percent salary adjustment associated with the correctional officer bargaining letter of agreement that was not included in the FY 24 budget. The remaining \$5 million was associated with overtime. There was \$4.6 million in pretrial services. The presentation would delve deeper into the amounts because DOC was requesting an increase in the budget associated with each of the items. The amount for pretrial services was associated with a continued increase in utilization of the pretrial services supervision. There was \$6.6 million in the supplemental associated with CRCs. She detailed that DOC had increased utilization of CRCs in the community placements. Additionally, there was a significant increase in a contract negotiated in October [2023] that went into effect in November [2023].

Ms. Wilkerson continued to review slide 7. There was a \$3.5 million increase in physical healthcare. The department put forward a decrement in the physical healthcare budget in FY 24; however, DOC did not achieve the savings and reduced costs it had anticipated. Therefore, DOC was requesting about 50 percent of the amount to go back into the budget. There was an \$8 million increase to the general funds associated with a fund change from federal receipt authority over to general funds specifically associated with a reduction in DOC's federal manday billings. The department had seen a substantial decrease in the number of individuals the department was able to bill the federal government for.

Representative Stapp looked at the FY 24 supplemental on slide 7 showing federal receipts of \$9 million. He remarked that the FY 25 request for federal funds of \$17.9 million was very similar to the FY 23 actuals. He asked if the change in federal receipt authority to general funds was applicable in the \$17.9 million in federal funding for FY 25. Alternatively, he asked if the previous occurrence had been an anomaly.

Ms. Wilkerson answered that DOC was trying to work with the federal government to identify whether it would be a continuation of the reduction in federal receipts. The department did not know the precise amount, but it would have to reduce the federal receipt authority for FY 25.

Representative Stapp assumed the close to \$18 million in federal receipt authority [shown for the FY 25 budget on slide 7] may not materialize.

Ms. Wilkerson agreed. She explained that DOC was uncertain whether it would need a full \$8 million adjustment in FY 25 or if it could be reduced down.

Representative Stapp asked about the 265 vacant positions. He asked what the salary savings would be above the vacancy factor when applied to the overtime request.

Ms. Wilkerson replied that she did not have the information on hand and would provide it to the committee.

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Co-Chair Johnson asked for the information to be provided to her office for distribution to the committee.

Ms. Wilkerson reviewed a pie chart showing the FY 25 operating budget by fund source on slide 8. The department was primarily funded with general funds. Additionally, the department's "other" funding category included funding from the Alaska Mental Health Trust Authority (AMHTA) and restorative justice funds. The department's designated general funds (DGF) fund source included recidivism reduction funds. Additionally, general fund program receipts were collected through the cost of incarceration and manday billings to local and municipal entities.

Ms. Wilkerson turned to a pie chart on slide 9 representing DOC's FY 25 budget broken out by line item. Personal services accounted for the bulk of the budget and included benefits. The department did not have a substantial amount of overtime budgeted; therefore, overtime worked came from vacant positions. The services line was the second largest line item and included fixed costs, utilities, contractual services (e.g., halfway houses, electronic monitoring, jails, and medical and mental health services). The travel line was small and was primarily made up of prisoner

transports, point of arrest, field supervision, medical travel, and temporary duty assignments where DOC moved officers around to provide coverage.

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Ms. Wilkerson turned to a pie chart on slide 10 showing the FY 25 operating budget request by division. Institutions was the largest division and made up over 64 percent of the department's budget. The Health and Rehabilitation Division was the second largest and included programming.

Ms. Wilkerson turned slide 11 showing the services provided by each of the department's divisions. She noted that the Administration and Support Division included the commissioner's office, employee wellness, and the offender DNA program where DOC collected DNA from offenders for qualifying charges.

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Representative Coulombe looked at the 259 permanent full time positions under health and rehabilitation services on slide 11. She thought most of the positions pertained to health. She asked about the number of positions and the amount of funding dedicated towards rehabilitation.

Ms. Wilkerson responded that about \$67.5 million was associated with physical healthcare and 174 positions. The department could follow up with additional information showing the breakout. She added that the majority of services within sex offender management, the domestic violence program, and education/vocational programs utilized contracts where contractors provided services.

Representative Coulombe asked if the \$94 million [under health and rehabilitation services] included the contracts.

Ms. Wilkerson responded that it was the total and was not broken out by line item on slide 11. She offered to follow up with the information.

Representative Stapp took 2 percent from the personal services line to estimate vacancy salary savings. He calculated the amount to be \$6 million. He imagined the department would use the amount before requesting supplemental funds for overtime.

Ms. Wilkerson replied affirmatively.

Representative Stapp asked how overtime hours were allocated. He asked if the highest paid senior employees received overtime first. Alternatively, he wondered if overtime hours were allocated to everyone who wanted them.

Ms. Wilkerson answered that it depended on bargaining units. Overtime hours were based on seniority within the correctional officer bargaining unit. For the other bargaining units, it depended on the job. She used nursing as an example. There was a standby list and a cap on overtime associated with nurses.

Representative Stapp asked if the decision to give the most senior people overtime was a decision made by DOC or based on a negotiated agreement by the Department of Administration (DOA).

Ms. Wilkerson responded it was a negotiated agreement between the union and DOA.

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Representative Ortiz asked how much it cost to house and care for each individual inmate.

Ms. Wilkerson answered there was an annual cost of care agreement was coordinated with the U.S. marshals. She relayed it was generally a calendar year rate. The prior rate was \$176 per inmate per day. The current rate was under review and the new rate of \$202.21 per inmate per day would go into effect on April 1.

Representative Stapp estimated the number to be \$73,000.

Co-Chair Edgmon asked if the number could be broken down per total cost above the daily operating cost. He understood the number of prisoners at any time was a moving number. He asked for the cost per prisoner if the budget was in the \$400 million range and there were around 6,000 inmates. He estimated the amount was several thousand dollars per prisoner, not \$100+ per day. He stated it was not a "got you" question. He reasoned that the number would increase if there were 3,000 prisoners instead of 6,000 because it was still necessary to account for the brick and

mortar element of the facilities. He asked the department to follow up with a ballpark number when it provided its other responses to the committee.

Representative Ortiz remarked that the question posed by Co-Chair Edgmon was also the intent of his question.

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Representative Galvin stated her understanding that the larger numbers were around 30 percent higher in one year. She highlighted concerns over recruitment and retention, housing, healthcare, overtime, transportation, and energy. She remarked that it sounded similar to what the committee had been hearing from other departments. She noted that the unique aspect was what DOC did when someone did not show up. She did not think it could happen because it would be unsafe.

Commissioner Winkelman answered it involved shifting staff from other facilities and shifting inmates. The department was constantly looking at its staffing profile to move pieces around to make it safe for everyone.

Representative Galvin highlighted education as another area of service in the state's constitution. She highlighted the problems that occurred when there were not adults in the room, there were too many children in a room with special needs and no paraprofessionals. She remarked on the similarity of the challenges pertaining to recruitment and retention, housing, healthcare, and overtime. She stated that scaling did not work when there was one facility with numerous needs and another with fewer needs. She noted that it was not feasible to just close a facility down. She believed it was a puzzle that needed to be talked about. She stated that that particular part of the budget did not come up in "this body." She thought it was important to understand because it was another area that required skilled workers with Alaskans. She asked about mental health. She recalled a conversation in her office about the time spent intaking prisoners and whether the department had the time and resources to identify those individuals with mental health needs. She wondered what DOC had done to ensure it could identify individuals with mental health needs at intake.

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Commissioner Winkelman answered that the intake process was a matter of substantial questioning during a time that a person may not be at their best and may not divulge everything that's going on. Intake involved a physical and written assessment of the individual in addition to trying to connect with outside resources. She believed the department did the best it could with the information provided. She referenced a previous slide where she addressed working with the Foundation on Suicide Prevention. One of the key objectives with the group was to identify gaps in the screening process. She was confident the department was making headway but it was not balanced with the incoming volume.

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Representative Josephson shared that the past fall his office had tried to get detailed information about when an inmate was entitled to exams that should be done at the interest of the individual. His office had been directed to a manual that was difficult to find, which included the model code specifying when an inmate should be entitled to colonoscopies, mammograms, and other tests. He had heard that an inmate had been denied a colonoscopy because they were told it was too expensive and had to be done out of the prison. He was looking for something concrete as to any number of basic services provided in the modern world such as the aforementioned examples.

Commissioner Winkelman deferred to a colleague on the phone.

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Representative Josephson restated his question.

DR. ROBERT LAWRENCE, CHIEF MEDICAL OFFICER, DEPARTMENT OF CORRECTIONS (via teleconference), responded that in general the department was responsible for paying for essential healthcare for inmates. He clarified that it did not mean DOC provided Cadillac healthcare or any care a person could otherwise afford in the community, but it also meant DOC did not provide deficient care. He elaborated that DOC would pay for and arrange for any care required to prevent the onset of illness or to prevent a deterioration in health during the person's incarceration. The types of

screening care to prevent the onset of illness included colonoscopy and many other forms of care. The department had basic guidelines in place that followed national guidelines to ensure individuals received age appropriate care. There may be discrepancies between what was recommended for certain age groups depending on which national agency was followed. The department did its best to ensure Alaskans were receiving care recommended for their age in the most cost effective way.

Representative Josephson requested a table showing the included services.

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Ms. Wilkerson turned to slide 12 titled "FY2025 Major Operating Budget Changes." The slide reflected an \$11 million increase to the personal services line associated with the increase in retirement rates, health insurance, and collective bargaining unit salary adjustments for correctional officers, human resources, and GGU [general government unit] positions. The amount included an increase of about 2.5 percent associated with the 2 percent salary adjustment that was inadvertently left out of the FY 24 budget. The amount would be added to the base budget for FY 25.

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Ms. Wilkerson turned to slide 13 and continued to review major operating budget changes. The slide showed an increase of \$5.45 million within the 13 institutions. She elaborated that the amount would go to the contractual and commodity line. The FY 24 budget had an increase of \$7.5 million that was transferred out into an overtime allocation. The \$5.45 million would replace a portion of the \$7.5 million and was specifically associated with the cost of operating institutions such as utilities, increased costs associated with institutional supplies such as food, clothing, bedding, security, uniforms, and maintenance needs within institutions.

Co-Chair Johnson looked at slide 13 and asked if the Palmer Correctional Center or Mat-Su Correctional Center reflected Mat-Su pretrial.

Ms. Wilkerson answered that they were two different facilities. She explained that the Mat-Su Correctional Center or pretrial center was located in downtown Palmer and the Palmer Correctional Center was located in Sutton.

Co-Chair Johnson asked for verification that the Mat-Su Correctional Center was the Mat-Su pretrial facility.

Ms. Wilkerson responded affirmatively.

Representative Coulombe asked if the \$7.5 million used in FY 24 was supposed to go to overtime, but it had been used and subsequently DOC started using the commodities line. She was unclear what the \$5.45 million was for [shown on slide 13] and how it related to the \$7.5 the previous year.

Ms. Wilkerson responded that the \$7.5 million was originally in the commodity and contractual line within the institutions in the FY 24 budget. Working through the legislative process, the funding had been moved into the overtime allocation. The FY 24 supplemental showed that DOC needed the money back in the contractual and commodity lines to meet the cost of operating the institutions. The [\$5.45 million] increment request would replace a portion of the \$7.5 million.

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Representative Coulombe looked at the box on the right of slide 13 showing the institutional authority increase by facility. She asked if it reflected money going to the commodity line or overtime.

Ms. Wilkerson answered that the money was going into the commodity and contractual lines.

Representative Coulombe asked for verification that the money was needed because it had been moved from commodities in FY 24 and was spent on overtime.

Ms. Wilkerson agreed.

Co-Chair Edgmon referenced community jails. He remarked that institutions listed on slide 13 had seen requests for fixed costs. He asked if it was reasonable to expect that community jails vis-à-vis local governments facing similar



increased costs would see an increase commensurate with the rest of the department.

Ms. Wilkerson responded affirmatively. She noted that the director of Pretrial, Probation, and Parole was continuing to work on the standards and budget allocation. The department anticipated there were some fixed costs that would have to be readjusted through the process.

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Co-Chair Edgmon asked what it meant. He asked if there would be an increase in funding from the state to local community jails.

Commissioner Winkelman responded that that the goal was that the working group would come up with a budget template for each community jail in the current year. She stated there were many unknowns currently. She knew there was need and requests likely to come through, while at the same time, some community jails were not used very much. The work group was trying to figure out how the budget was divided between the 15 community jails. She did not know whether the work group would ask for additional funding or direct a larger portion of funding to those needing funding and a smaller portion of funding to those that were not being utilized.

Co-Chair Edgmon asked if it was conceivable there could be a supplemental request for community jails in FY 25. He asked for verification that there could be an uptick if all 15 of the community jails utilized the local services.

Commissioner Winkelman answered, "Conceivably yes."

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Representative Tomaszewski assumed all of the prisoners in the state's jails were Alaskan residents. He asked if there were currently any inmates from out of the state or country.

Commissioner Winkelman replied that she would have to follow up. She explained that if someone was brought in by immigration they were considered part of the federal holds. She detailed that there were currently just under 200 federal inmates and the department charged the federal

government for those individuals. The department would have to do a poll on whether any of the individuals were citizens from outside of Alaska.

Representative Tomaszewski stated that \$450 million was a lot of money. He asked if the prisoners were doing anything to generate revenue for the state to pay their own way. He used making license plates as an example.

Commissioner Winkelman responded that they were not doing what they used to do with regard to license plates and furniture. She explained it had to do with some of the private businesses being in competition with the inmate population. The inmate population was currently farming at Point MacKenzie [Correctional Farm] and the hope was to expand the program even for the local communities. The department was working with employers in the community on where it could help provide inmate labor for the positions they were having difficulty with. For example, DOC had recently been in conversations with Bell's Nursery in Anchorage. The department was looking at utilizing the inmate workforce for things that were costing the state in other areas. Additionally, the department was doing educational and vocational training within its facilities.

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Co-Chair Johnson recalled that before COVID-19 there had been a big push in the building to pass the governor's legislation to increase penalties for sexual offences in addition to changes related to DOC. She believed that because of those changes there would be an increase in the prison population. She recalled the topic had seemed to consume an entire session. She considered that perhaps the pandemic was the reason the increase had not come to fruition. She stated there had been a big fiscal note and somehow the funding had been included in the base budget. She asked for comment from the department.

Commissioner Winkelman answered it had been somewhat of a perfect storm on trying to determine. She explained that the prison population had not grown as much as the department thought it would as a result of some of the legislation. Anecdotally, the department was seeing individuals come in with much more serious charges for much longer stays. She listed potential reasons including court backlogs, complicated cases, complicated mental health

concerns related to the cases. She informed the committee that three-quarters of the sentenced population were in custody for a crime against a person or a sex offence. There had been some wiggle room to move inmates around because capacity was running at about 84 percent. She reiterated it had been a perfect storm. She detailed that HB 49 passed and then COVID-19 hit, which resulted in reduced contact of law enforcement in the communities and backlogs in court. The department had anticipated that courts would reopen and there would be a flood of sentencings; however, that had not been the case. She suggested it could be a result of more complicated cases dragging on for significantly more time because there was a mixture of reasons the individuals were in the prison system. She stated there were many very different reasons driving the prison population.

Co-Chair Johnson noted that without fail all of the budgets seemed to always be increasing. She was trying to find some explanation and way it could be changed.

Representative Stapp observed it looked like it would cost the state about \$78,000 per inmate per year based on the new daily rate. He relayed that he had checked the daily rate in numerous other states and those rates ranged from \$28,000 to \$34,000 per year per inmate. He remarked that in the past Alaska had outsourced its prisoners to Arizona. He asked why the practice had stopped. He vaguely recalled the state receiving hardened criminals back. He wondered if the department had looked into the policy again. He remarked on the escalation of cost drivers and thought the cost would likely be over \$100,000 per prisoner per year in several years' time. He wondered if the state should be thinking about alternatives.

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Commissioner Winkelman answered that the state had opened the Goose Creek Correctional Center and brought prisoners back to the state. There had been a lot of conversations regarding bringing back hardened criminals with more of the gang affiliations. The department had not talked about gsending prisoners out or shuttering a facility.

Representative Stapp asked what the state used to pay the State of Arizona per prisoner in the past.

Ms. Wilkerson believed the cost in Arizona had been just under \$100 per day when the state had removed its prisoners. When the state moved prisoners to Colorado the cost had been around \$115 to \$125 per day in addition to outside medical costs.

Representative Stapp asked for verification that the cost was increasing to \$204 per day in Alaska.

Ms. Wilkerson answered, "Yes, just under that." She added that when the state had brought prisoners home from Colorado in 2013 it was an increase of about \$30 per day to house them in Alaska. She stated the cost between Colorado and Alaska had been pretty comparable at that time.

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Representative Josephson relayed that his office had been tracking what he viewed to be a positive development on the competency and commitment reform front. He elaborated that DOC had elected to take 10 individuals that would be screened for their competency to stand trial. He wondered whether the costs were factored into a budget component. He understood it was a physically separate area.

Commissioner Winkelman believed Representative Josephson was talking about a partnership between DOC and the Alaska Psychiatric Institute (API) related to restorative competency for standing trial. She could not speak to the separate cost and how the agreement worked. She deferred to a colleague to address the funding component.

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TRAVIS WELCH, DIRECTOR, HEALTH AND REHABILITATION SERVICES, DEPARTMENT OF CORRECTIONS (via teleconference), answered that the department would have to follow up in writing. The partnership was in the beginning stages of the project with API in terms of the jail-based restoration component.

Representative Josephson stated he was also interested in whether the program required any additional training or certification. Separately, he asked what percentage of inmate deaths were a result of suicide. He asked what the department proposed to do to mitigate the deaths.

[2:46:19 PM](#)

Ms. Wilkerson turned to slide 14 reviewed the remaining major operating budget changes in FY 25. The first item was for pretrial services associated with the increase in the usage by the courts of placing individuals into the community on pretrial supervision. The costs had increased over the past several years and the department had been able to absorb them until the FY 22 and FY 23 budgets when DOC began requesting a supplemental. The department had expected that once the courts returned to full operation there would be a decline in the number of individuals placed in the program; however, that had not been the case. Subsequently, DOC was requesting funding to increase the budget to accommodate the cost.

Ms. Wilkerson moved to the second item on slide 14. She detailed that \$3 million of the \$5.7 million increment for CRCs (halfway houses) was associated with an increased contract with the Juneau halfway house. The remainder was associated with the utilization. She noted there were five other contracts up for renegotiations currently under review. The contract term ended May 31 and the department was hoping to realign its contracts to a more equitable funding; however, DOC was uncertain what to expect due to the substantial increase in the Juneau contract. The department had increased its utilization of CRCs and over 400 individuals were currently placed in halfway houses.

Ms. Wilkerson moved to the third item on slide 14. The request pertained to healthcare cost increases and reflected 50 percent of the reduction taken by the department in FY 24. The department was requesting the amount [of \$3.75 million] to be returned to the base budget due to increased healthcare costs. She detailed that some of the contracts had increased substantially, and some were 30 to 50 percent less. The department was unable to meet the full decrement it took in the FY 24 budget.

[2:48:53 PM](#)

Representative Coulombe asked if Ms. Wilkerson stated that the healthcare cost was reduced in FY 24.

Ms. Wilkerson agreed. She explained that DOC took a \$7.5 million reduction in Health and Rehabilitation Services in FY 24.

Representative Coulombe asked if the reduction had come from the legislature, the executive branch, or a proposal by the department.

Ms. Wilkerson responded that DOC had proposed the reduction. The department felt that based on several items it put into place including the 340B pharmaceuticals pricing program and implementation of dialysis that it could take the decrement. However, it did not turn out to be the case moving into FY 25 and the department could not meet the entire decrement.

Representative Coulombe stated that she did not know of anyone who would project a decrease in their healthcare costs. She had been surprised the department thought it could happen. She asked if the increased cost under the CRC increment [slide 14] was related to Juneau.

Ms. Wilkerson answered that \$3 million of the \$5.7 million was for the Juneau contract.

Representative Coulombe asked if it was a halfway house.

Ms. Wilkerson responded affirmatively.

Representative Coulombe asked about the reason for the increase.

Ms. Wilkerson replied that the contracts lasted for a five-year period. The department did not allow the reopening of the contracts to negotiate for inflation to meet the increased cost of food or other items. The current increase was a result of that with built in inflation.

[2:51:04 PM](#)

Representative Stapp asked how many people were currently in Alaska prisons for life sentences.

Ms. Wilkerson would follow up with the information.

Co-Chair Edgmon recalled from his time as the DOC subcommittee chair that it was a relatively small number in terms of the overall population of around 6,000 inmates.

Ms. Wilkerson agreed with the statement made by Co-Chair Edgmon. She moved to the request pertaining to medical

testing for and travel cost related to testing for correctional and probation officers [slide 14] as required by the Alaska Police Standards Council. The department was looking at deferring individuals with prior military service to the Veterans Administration (VA) clinic for the testing. The department had been in contact with the VA clinic, which was willing to take on the applicants. Additionally, the department had renegotiated its contract to allow for individuals out of state to not require use of the contractor. The department would coordinate out of state medical with individuals' local provider or VA clinic.

Ms. Wilkerson addressed the last bullet point shown on slide 14. The item reflected the department's increase in utilization of the electronic monitoring (EM) component. The department was placing more individuals out on EM, and it saw an increase in FY 24. She shared that in July [2023] there were 207 on sentenced EM and as of January 2024 the number increased to 238.

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Representative Coulombe remarked that the same request had been included in the supplemental the previous year for 221 individuals. She recalled there had been an operational change and the department had not anticipated having so many people on EM. She wondered if the operational change had occurred. She asked why the number was increasing when the previous year DOC anticipated the number would decrease.

Commissioner Winkelman responded that the conversation the previous year pertained to individuals on EM under pretrial supervision. She elaborated that the department had anticipated the courts would open fully and begin sentencing individuals, meaning they would no longer be on EM; however, that had not been the case and the situation had been continuing. She referred back to her earlier statement about there being a perfect storm where individuals were not taking up a hard bed and were left on EM for a significantly longer time; however, there was a fee associated. She noted it separate from the rising costs associated with the use EM (instead of a jail bed) for sentenced individuals.

Representative Coulombe asked if the increment was in the base budget.

Ms. Wilkerson responded that the department was requesting to add the amount to the base.

Ms. Wilkerson moved to slide 15 and continued to review fund source changes in the FY 25 budget. The item would replace \$12.5 million of restorative justice funds with general funds associated with the reduction in the Permanent Fund Dividend (PFD) criminal funds. She elaborated that \$6.8 million of the amount was decremented throughout the 13 institutions and \$5.68 million was decremented and replaced with general funds within the physical healthcare component. The change would leave a balance of about \$7.8 million of restorative justice funds within the physical healthcare component.

Co-Chair Johnson asked if it was because the PFD went up and down each year, but it always remained the same or increased in the budget.

Commissioner Winkelman agreed. She detailed that as the amount and the number of individuals deemed ineligible [for a PFD] fluctuated, the amount available for allocation also changed.

Co-Chair Foster stated that the previous year the PFD was around \$3,500. He assumed the item was reflecting a smaller PFD. He asked what [PFD] number had been used.

Ms. Wilkerson responded there was a memorandum and allocation sheet generated by the Permanent Fund Dividend Division through the Office of Management and Budget (OMB). She would provide the information to the committee. She relayed that they were two years behind in the budget; therefore, the item would be based on the \$1,600 or \$1,300 amount.

[2:57:14 PM](#)

Representative Hannan asked about healthcare cost increases on slide 14 related to a dialysis unit. She understood healthcare cost savings had not been achieved in other areas. She asked if the department had been able to reduce costs of care in the dialysis unit. She asked how many



other locations there were where inmates had to receive outside dialysis.

Ms. Wilkerson answered that she did not have the numbers and would follow up in writing.

Commissioner Winkelman addressed goals and objectives on slide 16. She shared her three primary goals beginning with the health and wellbeing of staff. She relayed that if she could get trained staff, it would be easier to budget and easier to take care of individuals in the department's care and custody. The second goal was for those in DOC's care and custody to leave better than they came. She realized the state was safer because some of the individuals were in DOC's custody; however, the bulk of the individuals would get out of prison and DOC wanted them to be healthier, so they did not return. The last goal was trying to identify efficiencies and resources within DOC's system and giving individuals tools to use on the outside so they did not return.

Commissioner Winkelman ended the presentation with discussion on inmate deaths. She stated that in 2022 there had been a record number of deaths of 18 individuals. In 2023, the number had decreased to 10 individuals and 10 percent were suicides. There had been four deaths in 2024, which was a huge number. She assured committee members that the four deaths were completely different circumstances and happened at all different facilities and hospitals. She relayed that the department dealt with critical incidents within its facilities with equal importance. She underscored that her team spent countless hours every time a critical incident occurred. She noted that critical incidents included deaths and other situations. The department worked with the individuals in its care day-in and day-out with correctional officers standing guard 12 hours per day. She noted they were someone's son, daughter, and friend. She elaborated that guards spend substantial time doing CPR while waiting for emergency medical services to show up. She emphasized that it was a very heavy topic for DOC and it was working hard on the back end. She expounded that an internal investigative review team was dispatched out for every incident that occurred. The teams reported to the executive team on any improvements that could be made. She assured the committee that the department wanted to be the best it could be and take care of individuals the best it could.

Commissioner Winkelman relayed that thanks to the legislature the department was assigned a Department of Public Safety investigator. Additionally, the department had a medical examiner. She stated that unfortunately because DOC was an extension of a medical facility it was bound by the Health Insurance Portability and Accountability Act (HIPAA), meaning there were things that could not be shared related to personnel and potential ongoing litigation. She stated there were pieces she wanted to be able to talk about to the legislature but was unable to do so. She stated, "We become sort of that small community of what's out in the community." She assured the committee it impacted everyone at DOC every day.

Commissioner Winkelman communicated that DOC posted aggregate data on deaths at the end of the year. She stated that if the department was fortunate enough to only have a couple of deaths and the suicide number changed, the public could know the last death was a suicide; therefore, out of protection of the family, the information was not given out.

Commissioner Winkelman highlighted that the department also had saves every day. She stated there were really good things happening and sometimes it was not quantifiable. She elaborated that an example included a conversation that may have changed the direction an inmate was going. She stressed the topics were heavy on a daily basis at a time when DOC was trying to figure out budget efficiencies and to put things into place to help some of the unhealthy mental and physical state of inmates in its care and custody. The department was working hard with Project 2025 to reduce suicides within its facilities by 20 percent. She remarked that she would like to think DOC met that goal in the first year by going down to 10 percent. The department was partnering with the American Foundation for Suicide Prevention to identify gaps in the system. The department was constantly talking about installing jump barriers, larger windows in certain doors, and things recommended to better care for the population. She shared that the department had a pilot project working on tablets and she hoped to potentially provide telehealth and additional education opportunities for the prison population to drive down cost and some of the unhealthy thoughts that may exist with the population. She lauded her staff who worked tirelessly on the topics daily.

3:04:32 PM

Co-Chair Johnson asked for the recidivism rate and whether it was trending up or down.

Commissioner Winkelman answered that she did not have the number on hand, but it was trending down very slightly. She explained that by statute recidivism rates were compared every three years; therefore, the slight downward trend compared current numbers to the rate three years ago. She relayed that where the number landed would be something to be watching going forward. She stated it was a challenge to compare to other states when there were certain crimes considered such as probation or parole violations that may not be considered in a recidivism rate in another state. She stated recidivism was tricky because she saw success sometimes when an individual returning to the system did not create a new victim.

Co-Chair Johnson asked for status on the Lemon Creek Facility [in Juneau].

Ms. Wilkerson responded that the contract had been awarded. She relayed that the department was working with the Department of Transportation and Public Facilities (DOT); construction had not yet started, and DOC was expecting it to start likely by the end of March. The department had already identified it was short on funding and it would be seeking some additional funding to continue the work. She relayed that DOT and the contractor were working diligently to try to ensure the floor could be salvaged. She explained that the floor had in-floor heating and settling of almost two inches had occurred, meaning the floor may not be salvageable. There had been a delay in the contract due to additional settling occurring on the west side of the building. In response, DOC brought the contractors in to do more ground penetrating radar to ensure all of the areas and issues had been identified prior to awarding the contract. The department currently expected construction to be completed by the end of the calendar year with occupancy within three months following completion.

3:08:20 PM

Co-Chair Edgmon remarked that questions on trend analysis had been asked every year he had been in the legislature

and the analysis was very difficult to do. He referenced broader demographics, homelessness, and crime statistics. He referenced Representative Josephson's broader question about the number of deaths that had occurred. He asked if there was more or less a profile of a person who dies in prison such as an older inmate in for misdemeanor offences. He considered minority status and other things. He knew Commissioner Winkelman had personally invested herself in the issue and he commended her for it. He thought it seemed there was a certain profile of an inmate that dies that could be provided.

Commissioner Winkelman answered that the department could break down some numbers and provide information to the committee. She stated there had not necessarily been a rhyme or reason in terms of deaths. The deaths happened at different facilities, different times of the day, and to individuals of varying ethnicities. Her goal had been to identify exactly what was going on; however, that had not been the case. She shared that nearly 30,000 people came through DOC's doors annually. She referenced an aging and unhealthy population and noted that even the younger inmates under the age of 30 should not have chronic medical conditions; however, compounded years of substance abuse resulted in deteriorated health beyond a person's years. She offered to follow up with a more detailed breakdown of where there was not a lot of rhyme or reason to the population and how it involved different times of day, different genders, and different reasons. The department had devoted time to try to target where deaths were taking place. She relayed that 50 percent of the natural deaths in 2023 were end of life care. She detailed there were 10 deaths in 2023, eight of those were natural, and four of those were end of life care. Additionally, there was a small group of individuals who were spending a substantial portion of their lives in custody and were receiving end of life care similar to hospice in the DOC facilities. She added there was an increasing dementia population as well.

[3:13:21 PM](#)

Representative Stapp appreciated the presentation and thanked the department. He noted that he had not heard any cost containment or cost reduction strategies in the presentation. He highlighted the growth of the department's budget since 2019. He hoped DOC would explore some of the measures and look at best practices. He discussed hearing

from educators and parents that music and after sports programs were being cut and constituents wondering why the legislature did not deliver a statutory PFD. He did not want to tell them sorry, but the state had to spend \$100,000 per year jailing a person who dealt fentanyl to kids resulting in many of their deaths. He wanted the department to help the legislature find ways to contain costs and control measures so that he did not have to tell constituents the state "spent all of this money on housing a fentanyl dealer."

[3:14:57 PM](#)

Representative Galvin thanked the presenters. She discussed cost containment items she thought the department may already be doing. She had heard from "the justice" the other day that the state was doing less with travel, which was a very expensive piece of the work according to staff at the Court System. She asked if the department had considered site care and other things done virtually. She thought it was the time to work on recidivism, the death count, and addiction. She thought delivering services virtually was a great way to contain costs and meet the department's mission to provide confinement and reformative programs, and a process of supervised community reintegration to enhance safety of the state's communities. She remarked she had been unable to find the specific mission in the constitution, but she thought whatever DOC had done to it was great. She thought it was a great way to reach the goals of the department and legislature.

Commissioner Winkelman appreciated the comments by Representative Galvin and responded to Representative Stapp that his point was definitely taken. Measures were being taken and the department would make a better effort at providing them in the future. The department was working with the Alaska Court System on enabling inmates to have the ability to attend court hearings no matter where they were located in the state. She believed virtual attendance was what Representative Galvin may be referring to, which would provide less transportation and lessen security risk. The department was getting a pilot program going in order to utilize tablets in its facilities. In the future, if legislation passed, the department could look at using measures such as telehealth.

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Representative Hannan requested a breakdown showing sentenced versus unsentenced in the inmate death statistics the department would provide. She thought legislators often heard more about the unsentenced versus natural causes in a long-term inmate. She appreciated the cost containment efforts such as the dialysis unit where over a period of years DOC knew its population was frequently hepatitis B or C positive. She understood it was not a silver bullet and whether the one element could be contained, care for inmates was still very expensive. She appreciated the follow up by the department communicating that healthcare costs had not been contained as much as it anticipated.

Representative Coulombe looked at slide 16 showing goals and objectives. She asked if the department had specific measurements when looking at goals and objectives. For example, she wondered how the department was measuring the health and wellbeing of staff. She thought it seemed pretty broad. She thought it was important, especially in the department's line of work and especially given the discussion earlier in the meeting about how it was hard to compare recidivism.

Commissioner Winkelman agreed that the goals and objectives were broad. She stated that in her opinion, if she could get her vacancies filled and there were fewer people leaving for reasons other than retirement, it indicated staff needs were being met. She noted that overtime rates and budget would decrease as a result. She addressed the second goal on slide 16 for inmates to leave the system better off than when they entered the system. She could provide specifics with regard to measuring the idea that people were coming out with a certification or some sort of education or vocational training, GED, or professional licensing program such as barbershop. She emphasized that the department could always do better. She thought it was indicative of getting down to what caused a person to come back. She stated that the department could give lots of certificates and things, but if it was not helping individuals on the outside and they were winding up back in custody, it was perhaps not the right measurement tool. The department tracked the number of individuals in certain programming, whether they were completing it, whether they were coming back, and whether they were utilizing it when they leave. She reported that only 25 percent getting out of custody went on to probation or parole, while 75 percent

were released. She explained that whether or not programming was successful during a person's custody was only based on whether they returned to custody or not.

Representative Coulombe suggested that the goal or objectives needed to be measurable. For example, the department could track the number of people getting certificates and the number of correctional officers who stayed longer than three years. She noted that legislators were only looking at the department's budget once a year to determine whether what the department was doing was working. She reasoned that a goal that was not measurable made it difficult for the legislature to determine whether to continue funding something. She thanked the department.

Commissioner Winkelman answered that she had thought she would like to change the title to guiding principles and within the principles there would be specific goals to reduce recidivism by a given amount and have a given number of inmates graduate from "x" program. She appreciated the comments.

Co-Chair Johnson thanked the presenters.

HB 268 was HEARD and HELD in committee for further consideration.

HB 270 was HEARD and HELD in committee for further consideration.

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

#  
ADJOURNMENT

[3:23:41 PM](#)

The meeting was adjourned at 3:23 p.m.