

HOUSE FINANCE COMMITTEE  
March 4, 2024  
8:35 a.m.

[8:35:56 AM](#)

CALL TO ORDER

Co-Chair Johnson called the House Finance Committee meeting to order at 8:35 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, 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

Representative Neal Foster, Co-Chair

ALSO PRESENT

Edra Morledge, Staff, Representative Julie Coulombe; Conor Bell, Fiscal Analyst, Legislative Finance Division; Morgan Foss, Fiscal Analyst, Legislative Finance Division; Laib Allensworth, Staff, Representative Bryce Edgmon; Alexei Painter, Director, Legislative Finance Division.

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 268 was HEARD and HELD in committee for further consideration.

SUBCOMMITTEE CLOSEOUT REPORTS

DEPARTMENT OF EDUCATION and EARLY DEVELOPMENT  
DEPARTMENT OF PUBLIC SAFETY  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
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."

[8:36:34 AM](#)

^SUBCOMMITTEE CLOSEOUT REPORTS

[8:37:04 AM](#)

^DEPARTMENT OF EDUCATION and EARLY DEVELOPMENT

Representative Coulombe introduced herself and her staff.

EDRA MORLEDGE, STAFF, REPRESENTATIVE JULIE COULOMBE, read through the finance subcommittee recommendations for the

Department of Education and Early Development (DEED) (copy on file):

The House Finance Budget Subcommittee for the Department of Education and Early Development reviewed the Governor's FY25 budget proposal and recommends the items contained in the below details.

RECOMMENDATIONS:

Fund Source: (dollars are in thousands)  
Unrestricted General Funds (UGF) \$84,105.9  
Designated General Funds (DGF) \$25,293.4  
Other Funds \$36,818.1  
Federal Funds \$270,464.3  
Total \$416,681.7

Compared to the FY25 Adjusted Base, the Subcommittee recommendations represent an increase of \$15,192.0 in UGF (22.0%), a decrease of \$85.2 in Other funds (-0.2%), and an increase of \$90.7 in Federal funds (0.0%), for a total net increase of \$15,197.5 (3.8%).

Positions:

Permanent Full-Time 279  
Permanent Part-Time 10  
Temporary 12  
Total 301

BUDGET ACTION:

- After holding four meetings and reviewing and discussing each of the Governor's proposed transactions in detail, the Subcommittee adopted the Governor's proposal with the following changes:
- The subcommittee removed a \$5,000.0 request for the Alyeska Reading Academy and Institute (ARAI) and adopted an amendment for \$5,000.0 for the Head Start Program.
- The subcommittee removed an \$84.9 request for an Administrative Assistant position in the Executive Administration allocation.
- The subcommittee removed a \$1,200.0 request for Coding in Minecraft licenses.

BUDGET HIGHLIGHTS:

- \$5,000.0 for the Alaska Native Science and Engineering Program.
- \$1,500.0 for Career and Technical Education Initiatives.
- \$1,500.0 for Teacher Recruitment, Retention, Certification and Apprenticeship Development.
- \$650.0 for increased costs for statewide academic assessments.
- \$1,000.0 FY25-FY26 Multi-Year appropriation for the Alaska Resource Education Grant Program.
- \$1,000.0 for Grant Funding for Hunter Education Program.

SUBCOMMITTEE RECOMMENDATIONS:

It is the intent of the Chair to recommend the Department of Education and Early Development partner with the Alaska Department of Fish and Game to utilize their existing hunting and fishing education programs for their hunter education programs. Additionally, it is recommended that the Department provide information to the full House Finance Committee on the increased Mount Edgecumbe High School dorm management and food services contractual costs.

SUBCOMMITTEE AMENDMENTS:

The Chair set an amendment deadline, welcomed amendments from all members, and the committee entertained five amendments, three of which were adopted as changes to the Governor's proposed budget, as noted above.

ATTACHED REPORTS: The House Finance Budget Subcommittee for the Department of Public Safety adopted the attached reports:

Agency Totals

- Transaction Compare: Adjusted Base to House Subcommittee
- Transaction Compare: Governor's Amended to House Subcommittee
- Wordage

[8:42:19 AM](#)

Representative Ortiz noted that there was a \$650,000 increase for statewide academic assessments under the budget highlights section of the recommendations report. He

asked how the total increase compared to the amount of funding that was already in place. He wondered what the specific reason was for the increase.

Representative Coulombe replied that during the subcommittee process, there was a change regarding the science assessment. The schools had switched to a different assessment tool but there had been an oversight for science assessments. The increase would fund the pursuit of updated science assessment tools to make the process more efficient and reduce the number of assessments that students would need to take.

Representative Ortiz asked how much funding was already set aside for statewide assessments prior to the increase.

Co-Chair Johnson relayed that she intended to make the subcommittee a work session with reduced formality. She encouraged dialogue between committee members.

Representative Coulombe would follow up with Representative Ortiz.

Representative Stapp asked what the purpose was of the \$5 million increment for the Alaska Native Science and Engineering Program (ANSEP).

Representative Coulombe responded that the governor felt strongly about the increment and it had been in place for a significant period of time. She understood that the increment would fund the operations of ANSEP.

[8:45:26 AM](#)

Co-Chair Edgmon commented that he had been involved in ANSEP for years and the intent of the increment was to grow the program. He emphasized that the program had been successful in engaging individuals from remote communities in topics such as advanced mathematics and science, which were topics that the individuals would not necessarily learn in remote communities. Due to the success of the program, the governor and many other individuals involved in education thought the program should be expanded into other areas.

Representative Coulombe responded to Representative Stapp that the purpose was to deliver a service to high school

students. She noted that it would not be a one-time increment but would be added to the base budget.

Representative Stapp referred to the \$1.5 million increment for teacher certification programs. He asked how many teachers could get certified for \$1.5 million.

Representative Coulombe replied that the department did not have a specific number of newly certified teachers as its goal. There were many different elements involved in the recruitment and retention process, such as implementing a marketing program. She did not recall there being a specific goal for the increment.

Co-Chair Johnson added that she would like the conversations in the meeting to focus on the changes made by the subcommittees.

[8:48:06 AM](#)

Representative Hannan referred to the removal of the \$1.2 million increment for Coding in Minecraft licenses. She asked if Representative Coulombe had heard direct feedback from school districts about the increment.

Representative Coulombe responded that she had not heard directly from school districts but there were concerns from subcommittee members that the program was set up with funds related to the COVID-19 pandemic. The goal was to continue the program using unrestricted general funds (UGF). There were several subcommittee members who discussed the idea of finding cheaper ways for students to access Minecraft. She understood the software itself would cost about \$5 to purchase and there were concerns as to why the program was so expensive when the software was inexpensive. The department had explained that there was an upgraded version that helped train teachers how to teach the programs. The consensus of the subcommittee was that the increment was too expensive and school districts could access Minecraft in other ways.

Representative Hannan asked if there was discussion on the amount of money that had already been invested in the program. She understood that school districts had purchased a significant amount of equipment and trained teachers but a school could only use the equipment if it became certified.

Representative Coulombe replied that her understanding was that there were not many school districts in the situation described by Representative Hannan. She understood that DEED had begun setting up the program but it had not progressed far. There were still many questions about how much the program needed to cost and whether districts could find more efficient ways to run the program.

Representative Coulombe suggested that the Legislative Finance Division (LFD) respond in more detail to Representative Ortiz's earlier question about the funding for academic assessments.

[8:51:05 AM](#)

CONOR BELL, FISCAL ANALYST, LEGISLATIVE FINANCE DIVISION, introduced himself and asked Representative Ortiz to repeat his earlier question.

Representative Ortiz asked how much of an increase was the \$650,000 increment for statewide assessments from what was already in place.

Mr. Bell responded he would follow up with the committee on the exact dollar amount for the existing funding. He explained that the cost for assessment had increased over time while the amount of federal funding had remained flat. The assessments had been supported by COVID-19 funds over the last few years but the federal funding was no longer available and the increased cost of assessments needed to be addressed with other funds.

[8:52:53 AM](#)

Representative Josephson understood that the funding for hunter education was in the base. He asked if he was correct.

Mr. Bell responded in the affirmative.

Representative Josephson asked if the appropriation was new.

Mr. Bell responded in the affirmative. There were existing programs for hunter education within the Department of Fish and Game (DFG). The appropriation in the education budget

was for competitive grants for school districts for hunter education programs. The districts would submit grant applications to receive funding for hunter education.

Representative Ortiz referred to the \$1.5 million allocation for teacher recruitment and retention. He asked how the funding would help with teacher recruitment and retention.

Mr. Bell responded that the \$1.5 million allocation was focused on a few items that came from the governor's working group on Alaska teacher recruitment and retention. The group released a playbook report in 2023 and the recommendations were based upon the report. There was funding for the following: surveying teachers on job satisfaction and on the reasons why teachers were leaving the state, creating marketing materials to advertise teaching in Alaska, and other activities that aimed to promote teaching in the state as a career opportunity.

[8:55:37 AM](#)

Representative Josephson acknowledged that multiyear appropriations were common; however, there were specific requirements for multiyear appropriations. The state had been sued in the past when it had tried to implement an overly large multiyear appropriation for the Base Student Allocation (BSA) several years prior. He asked if the requirement was that the funding could not be anticipatory. He asked how the requirements for multiyear appropriations worked.

Mr. Bell responded that he would defer to Legislative Legal Services (LLS) for more details. The entirety of a multiyear appropriation would be appropriated in the first year and the department could spend the money across multiple years; however, the legislature would need to appropriate the money first. For example, the legislature would need to appropriate funding in FY 25 before the department could spend the appropriation in FY 26 and beyond. The legislature could not create an appropriation that would force a forthcoming legislature to appropriate the money because it would inhibit the appropriating powers of subsequent legislatures. The funding would be appropriated in FY 24 and the department would have FY 25 and FY 26 to spend the money.

8:57:30 AM

AT EASE

8:58:05 AM

RECONVENED

8:58:19 AM

^DEPARTMENT OF PUBLIC SAFETY

Ms. Morledge read through the finance subcommittee recommendations for the Department of Public Safety (DPS) (copy on file):

The Finance Budget Subcommittee for the Department of Public Safety reviewed the Governor's FY25 budget proposal and recommends the items contained in the below details.

RECOMMENDATIONS:

Fund Source: (dollars are in thousands)  
Unrestricted General Funds (UGF) \$255,594.2  
Designated General Funds (DGF) \$9,333.8  
Other Funds \$14,241.4  
Federal Funds \$40,916.3  
Total \$320,085.7

Compared to the FY25 adjusted base, the subcommittee recommendations represent an increase of \$11,174.8 in UFG (4.6%), \$-153.8 in DGF (-1.67%), \$-2,335.8 in other funds (-14.1%), and \$1,725.0 (4.4%) in Federal Funds, for a total increase of \$10,410.2 (3.4%).

Positions:

Permanent Full-Time 1001  
Permanent Part-Time 12  
Temporary 30  
Total 1,043

BUDGET ACTION:

After holding four meetings and reviewing and discussing each of the Governor's proposed transactions in detail, the subcommittee adopted all items by unanimous consent before taking up amendments.

It is the intent of the Chair to recommend the budget item for Alaska State Trooper clothing, uniforms, tools, and safety gear, move from the language section of the budget to the numbers section, and changed to a one-time item (IncOTI), so the legislature can more accurately assess ongoing annual costs in the department's budget.

Some highlights of the items are:

- \$56.3 for Alaska State Trooper applicants to cover air travel costs who advance to the testing process and who are not on the Alaska Road system.
- \$147.0 for three vehicles to replace decommissioned vehicles used for inmate travel.
- \$698.5 for three child crimes Investigators in Bethel.
- \$450.1 for two long-term non-permanent Investigators for Missing and Murdered Indigenous Persons.
- \$154.1 for a Criminal Justice Planner to oversee the tactical and administrative functions related to the Unmanned Aircraft System (UAS).
- \$3,499.8 added for 10 new Village Public Safety Officers, bringing the total to 80.
- A new Victims' Services Division has been created within the Department of Public Safety.
- \$67.0 for a Crime Data Portal for the public, media, and academia to find crime data reporting

#### SUBCOMMITTEE AMENDMENTS:

The Chair set an amendment deadline, welcomed amendments from all members, and the committee entertained five amendments, three of which were adopted.

- The subcommittee removed a request for \$75.0 for additional Digital Evidence Management Storage
- The subcommittee removed \$193.3 for a Program Manager for recruitment efforts, leaving intact the funding for Alaska State Trooper applicant travel for testing.
- The subcommittee removed \$178.4 for an Administrative Investigator for the Alaska Police Standards Council.

ATTACHED REPORTS:

The House Finance Budget Subcommittee for the Department of Public Safety adopted the attached reports:

- Agency Totals
- Transaction Compare: Adjusted Base+ to House Subcom
- Transaction Compare: GovAmd to House Subcom
- Wordage

[9:03:05 AM](#)

Representative Josephson asked if the first page of the report should state "compared to the FY 24 adjusted base" instead of the FY 25 adjusted base. He noted that the DEED closeout report also said FY 25 rather than FY 24.

Ms. Morledge responded that Representative Josephson was correct and both reports should say FY 24. She would correct the error.

Representative Josephson asked for a description of the subcommittee's discussion on the decision to pass amendments that would remove funding for a program manager position and an administrative investigator position.

Representative Coulombe responded that there was a request for a new administrative investigator position for the Police Standards Council (PSC). She relayed that the council was not investigating crimes, but it was investigating officers. In 2022, there were 50 complaints about officers but only 33 of the complaints were being investigated. The subcommittee felt that the workload was manageable but if the council felt overwhelmed, the issue could be addressed in the following year. The department had been successful in recruiting Alaska State Troopers (AST) and there were presently two Human Resource (HR) consultants working in the commissioner's office. The subcommittee determined that a program manager was not needed for there to be successful recruitment efforts.

[9:05:59 AM](#)

Representative Galvin asked if there was discussion around the cost of \$250,000 per non-permanent officer as compared

to the cost of Village Public Safety Officers (VPSO) at about \$350,000 each.

Representative Coulombe responded that VPSOs had more training and were more skilled than non-permanent investigators. The non-permanent investigators were responsible for efforts surrounding Missing and Murdered Indigenous Persons and received a \$2.50 per hour increase in pay.

Representative Galvin asked why the investigators responsible for Missing and Murdered Indigenous Persons efforts were non-permanent.

Representative Coulombe replied that the intention was to recruit retired troopers.

Representative Hannan asked about the victim's services appropriation. She noted that there was funding for victim's services navigators, but wondered who the victims would be navigated towards.

Representative Coulombe responded there was a lot of discussion around the issues. The funding decreased but there were three new employees in the prior year to distribute the funding. The topic was still in active discussion with the department and she thought there might be some forthcoming changes. She did not think that funding for administrative positions should be added while potentially taking away money from victims. She reiterated that it was a concern that had been brought up in the subcommittee process.

Representative Coulombe requested that LFD clarify Representative Josephson's earlier comment about the fiscal year for the adjusted base. She wanted to clarify whether the fiscal year needed to be corrected.

Co-Chair Johnson understood that the year was correct.

[9:10:11 AM](#)

MORGAN FOSS, FISCAL ANALYST, LEGISLATIVE FINANCE DIVISION, responded that the division compared the FY 25 budget with the FY 25 adjusted base and the finance subcommittee recommendations report was correct and did not need to be changed.

Representative Josephson asked how the FY 25 adjusted base could be known.

Ms. Foss responded that the FY 25 adjusted base was referenced in LFD's reports and the figures were built off of the governor's subcommittee book request. She asked if Representative Josephson would like to hear the exact numbers.

Representative Josephson responded in the negative and noted that he would discuss it with Ms. Foss outside of the meeting.

^DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

[9:11:18 AM](#)  
AT EASE

[9:12:59 AM](#)  
RECONVENED

LAIB ALLENSWORTH, STAFF, REPRESENTATIVE BRYCE EDGMON, read the finance subcommittee recommendations for the Department of Commerce, Community, and Economic Development (DCCED) (copy on file):

The House Finance Budget Subcommittee for the Department of Commerce, Community, and Economic Development met a total of five times and submits the following recommendations with no changes from the Governor's Amended request for the operating budget for FY25 to the House Finance Committee:

RECOMMENDATIONS: (Dollars in Thousands)

Fund Source:

Unrestricted General Funds (UGF) \$10,775.9

Designated General Funds (DGF) \$64,308.8

Other Funds \$62,877.5

Federal Funds \$35,641.6

Total \$173,603.8

Compared to the FY25 adjusted base, the subcommittee recommendations represent an increase of \$0.00 (+0%) in Unrestricted General Funds, an increase of \$909.9 (+1.4%) in Designated General Funds, an increase of

\$6,685.4 (+11.9%) in other funds, and an increase of \$4,050. (+12.8%) in Federal Funds.

Positions:

Permanent Full-time 560  
Permanent Part-time 0  
Temporary 22  
Total 582

BUDGET ACTION:

After reviewing and discussing the Governor's proposed transactions in detail, the subcommittee adopted all items by unanimous consent. There were no increases or decreases to the FY25 Governor's Request.

Some Items of Note:

- A total of approximately \$1.56 million in CIP receipt authority for the Alaska Broadband office to support their growth and implementation of various projects related to Broadband, Equity, Access, and Deployment program. These are largely Federal Funds coming through the Capital budget.
- \$4 million in federal receipt authority for Serve Alaska to manage grant funding staggered over multiple years and to pursue additional federal grants.
- Approximately \$1.25 in CIP receipt authority for the Alaska Energy Authority Rural Energy Assistance allocation for 7 positions to support various capital projects related to federal IIJA funds.

Subcommittee Amendments:

The Chair set an amendment deadline, welcomed amendments from all members, and the committee received no amendments.

Attached Reports:

- DCCED Agency Totals
- DCCED Transaction Compare: Adjusted Base + to House Subcom
- Wordage

Co-Chair Edgmon noted that there were no questions from committee members and suggested that Mr. Allensworth continue to the next report.

[9:16:13 AM](#)

^DEPARTMENT OF CORRECTIONS

Mr. Allensworth read through the finance subcommittee recommendations for the Department of Corrections (DOC) (copy on file):

The House Finance Budget Subcommittee for the Department of Corrections submits the following recommended following recommendations with no changes from the Governor's Amended request for the operating budget for FY25 to the House Finance Committee

RECOMMENDATIONS:

Fund Source: (dollars are in thousands)  
Unrestricted General Funds (UGF) \$407,552.2  
Designated General Funds (DGF) \$14,813.2  
Other Funds \$10,358.7  
Federal Funds \$17,928.6  
Total \$450,652.7

Compared to the FY25 adjusted base, subcommittee recommendations represent a increase of \$31,841.2 (+8.5%) in Unrestricted General Funds, an increase of \$375.0 (+2.6%) in Designated General Funds, a decrease of \$12,531.2 (-54.7%) in Other Funds, and no change in Federal Funds for a total increase of \$19,685.0 (+4.6%) in all funds.

Positions:

Permanent Full-time 2,124  
Permanent Part-time 0  
Temporary 0  
Total 2,124

BUDGET ACTION:

The House Finance Budget Subcommittee for the Department of Corrections reviewed the FY25 budget request and adopted all items by unanimous consent, with the addition of intent language.

Some of the highlights of these items are: (dollars are in thousands)

- A \$5,450.0 increase in the Population Management Appropriation to address increased costs related to increased costs of commodities, employee overtime, and employee onboarding.
- A \$4,235.0 increase to Pre-Trial Services associated with the Behavioral Intervention Contract costs increasing due to the number of persons being placed on electronic monitoring, costs associated with lost and damaged equipment, and to cover contractual services for Anchorage municipal placements.
- Added intent language directing the directing the Department to work with Office of Management and Budget and the Legislative Finance Division to develop a budgetary projection model for the agency before December 20th, 2024 and also directs the department to accurately reflect expected expenditures as supported by this projection model.

ATTACHED REPORTS:

The House Finance Budget Subcommittee for the Department of Corrections adopted the attached reports:

- DOC Agency Totals
- DOC Transaction Compare: Adjusted Base to House Subcom
- Wordage

[9:18:58 AM](#)

Representative Coulombe referenced a request to replace \$5.6 million of restorative justice funds (RJF) with UGF. She asked for an explanation of the context.

Mr. Allensworth responded that the RJF were funded through Permanent Fund Dividends (PFD) that would have gone to incarcerated individuals. Considering the reduced size of the PFD in the prior year, there were fewer funds available and UGF was necessary to cover operational costs.

Representative Coulombe noted that RJF went up and down frequently. She asked if there was an expectation as to why

the funding needed to be supplemented if the RJF funds were not sufficient.

Co-Chair Edgmon suggested that LFD respond to the question.

ALEXEI PAINTER, DIRECTOR, LEGISLATIVE FINANCE DIVISION, responded that all of the uses of RJF apart from the capitalization of the Crime Victims' Compensation Fund (CVCF) were essentially replacing UGF. When RJF increased, UGF was displaced by RJF, and when RJF decreased, UGF displaced RJF. The only additive item was CVCF, which was ranked as the top priority for RJF in statute. The department's costs would not fluctuate depending on the availability of the fund source.

Representative Coulombe thought it sounded like there had been a pattern. She understood that operations would not change depending upon the fund source but she found it interesting that there was a replacement for RJF. She thought it seemed as though there was an expectation that a certain amount of funding needed to originate from RJF and if there was not enough funding available to cover costs, UGF would make up for the discrepancy.

Mr. Painter responded that statute dictated that 79 percent to 88 percent of RJF may be appropriated to DOC. Both the FY 24 and FY 25 budgets appropriated the 79 percent minimum to DOC. The statute was designed so that the funds would be allocated to various purposes and RJF would be replaced as needed with UGF as RJF increased and decreased.

[9:22:16 AM](#)

Representative Galvin understood the intent language for building a projection model and she thought it made sense. She was curious if funds were needed in order to build the model.

Mr. Allensworth replied that the direction to work with the Office of Management and Budget (OMB) and LFD would absorb the costs of building the projection model and was part of the intent language.

Co-Chair Edgmon added that the DOC subcommittee met three times and it spoke at length about increased costs and the increase in UGF. The increase in costs for facility maintenance, overtime, and the personnel health care

trajectory had been well-managed. The committee wanted to ensure that DOC would return with reassurance that the increased costs would not continue because it was not sustainable. He relayed that the increased cost was the item that received the most discussion in subcommittee. In the past, health care had been the most pressing topic, but it had been managed well in recent years.

Representative Josephson asked for an explanation of the decrease in "other" funds.

Mr. Allensworth responded that the decrease in other funds represented the decrease in RJF and the replacement by UGF.

Representative Josephson thought the replacement was \$5.6 million but the subcommittee recommendations report showed \$12.5 million.

Mr. Painter responded that the \$5.6 million was the replacement in one area and the remainder was a replacement in a different area. The replacement happened in two places: physical health care and institutions. The combined total was \$12.5 million in replaced funds.

[9:25:46 AM](#)

Representative Ortiz asked if the budget was protected in statute. He wondered if there had been debate about potentially continuing the pattern of increases year-after-year. He asked if it was the statutory obligation of the legislature to increase the DOC budget. He wondered if the legislature was bound by statute to fulfill the obligations and there was no reason to discuss any other option.

Co-Chair Edgmon responded in the affirmative. He explained that DOC had been offering bonuses, but it still had not been able to avoid paying overtime to senior employees. There were a number of increases in Alaska, such as operational costs for halfway houses. He suggested that Mr. Allensworth add more detail.

Mr. Allensworth added that the services provided by the department were constitutionally mandated. The services provided were under the purview of the department and the legislature and there was a level of care that was demanded and there were increased costs for programs that were

statutorily mandatory. The management of the increase was dependent upon the legislature and the department.

Co-Chair Edgmon noted that all costs were increasing, and DOC was almost exclusively funded by UGF. He thought that if costs were reduced, the costs would reappear in the following year's supplemental.

[9:28:51 AM](#)

Representative Galvin commented that the restrictions of the pandemic proved that it was possible to conduct many activities virtually, which could reduce transportation costs. She wondered if there could be cost savings if some practices were conducted virtually.

Mr. Allensworth responded that there were no discussions about the potential cost savings of conducting activities virtually during the subcommittee process. He would speak with DOC and follow up with more information.

Co-Chair Edgmon indicated that the department had not indicated that conducting practices virtually was a cost savings measure, though he was sure that it saved money. He asked if Mr. Painter had any additional comments.

Mr. Painter replied that the transportation cost increases were related to the partial closure of the Lemon Creek Correctional Center. Many inmates had to be transferred to Juneau for court appearances, which was a costly endeavor.

Representative Hannan understood that the discussion about transportation cost savings was within the Alaska Court System which was now conducting many pre-trial screenings virtually rather than transporting incarcerated individuals to the courthouse. She noted that the savings would appear in the court's budget and not DOC's budget. In the prior year, the DOC health care costs were projected to decrease due to a new dialysis unit in the facilities. The dialysis unit was successful, but other health care costs continued to escalate, and expected health care costs were incorrect.

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

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

9:31:48 AM

Co-Chair Edgmon reviewed the agenda for the afternoon's meeting.

#

ADJOURNMENT

9:32:22 AM

The meeting was adjourned at 9:32 a.m.