

33RD ALASKA STATE LEGISLATURE
SECOND SESSION
CONFERENCE COMMITTEE ON HB 268 and HB 270
May 9, 2024
4:19 p.m.

[4:19:36 PM](#)

CALL TO ORDER

Chair Stedman called the Conference Committee meeting on HB 268 and HB 270 to order at 4:19 p.m.

MEMBERS PRESENT:

Senate:

Senator Bert Stedman, Chair
Senator Lyman Hoffman
Senator Donny Olson

House:

Representative DeLena Johnson, Vice-Chair
Representative Bryce Edgmon
Representative Dan Ortiz

MEMBERS ABSENT

None

ALSO PRESENT:

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 270 was heard and HELD in Committee for further consideration.

DEPARTMENTS:

ADMINISTRATION

COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
CORRECTIONS
EDUCATION AND EARLY DEVELOPMENT
FAMILY AND COMMUNITY SERVICES
HEALTH
LAW
MILITARY AND VETERANS' AFFAIRS
TRANSPORTATION AND PUBLIC FACILITIES

Chair Stedman noted that the committee would address open items in HB 268 and HB 270 based on the motion sheets distributed to members and dated May 9th (copy on file).

#HB268

#HB270

SENATE CS FOR CS FOR HOUSE BILL NO. 268 (FIN)

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

CS FOR HOUSE BILL NO. 268 (FIN) am(brf sup maj fld)

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

and

SENATE CS FOR CS FOR HOUSE BILL NO. 270 (FIN)

"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."

CS FOR HOUSE BILL NO. 270 (FIN)

"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."

^DEPARTMENT OF ADMINISTRATION

4:21:08 PM

Vice-Chair Johnson MOVED to ADOPT the following within the Department of Administration (DOA):

Item 2	House minus \$50 thousand UGF
Item 3	House
Item 4	Senate, Change to a Temporary Increment for the fiscal years 25 through 27
Item 5	Senate minus \$250 thousand UGF, Change to a Temporary Increment for the fiscal years 25 through 27
Item 6	Senate
Item 7	Senate, Change to a Temporary Increment for the fiscal years 25 through 27
Item 8	House, both items

There being NO OBJECTION, it was so ordered. This action closed the conference-able items in the Department of Administration's budget.

^DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

4:22:35 PM

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Commerce, Community and Economic Development (DCCED):

Item 1	House
Item 2	House minus \$150 thousand UGF
Item 3	House
Item 4	Open
Item 5	Senate minus \$200 thousand UGF
Item 6	House
Item 7	Senate
Item 9	House, modify to add intent

Vice-Chair Johnson read the intent language into the record:

It is the intent of the legislature that the Alaska Gasline Development Corporation continue to work towards meeting the critical energy needs of Alaskans by advancing a pipeline project proposal which would deliver North Slope natural gas to Alaska's utilities, businesses, and homeowners. Further, it is the intent of the legislature that the Alaska Gasline Development Corporation complete an independent third-party review of a project proposal that would commercialize North Slope gas and present that analysis to the legislature by December 20, 2024. It is the further intent of the legislature that if analysis shows a positive economic value to the state, all parties would work toward Front End Engineering and Design for Phase 1 of a pipeline project.

Item 10	House
Item 11	Open
Item 14	Open

There being NO OBJECTION, it was so ordered. This action closed conference-able items 1 through 7, item 9 as modified, items 10 and 11, and item 14 in the Department of Commerce, Community, and Economic Development's budget and left open items 4, 11, and 14.b.

^DEPARTMENT OF CORRECTIONS

[4:24:43 PM](#)

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Corrections (DOC):

Item 6	Senate
Item 7	Senate
Item 8	Senate
Item 9	Senate
Item 10	Senate minus \$1.98 million UGF on the first line, Senate plus \$1.98 million Federal Receipts on the second line
Item 11	Senate
Items 12-25	Open
Item 26	Senate plus \$450 thousand UGF
Item 27	Senate
Item 28	Senate
Item 30	Senate

Item 31 Senate
Item 32 Senate

Co-Chair Johnson restated Item 10.

Representative Ortiz OBJECTED for discussion.

[4:26:11 PM](#)
AT EASE

[4:26:42 PM](#)
RECONVENED

Representative Ortiz WITHDREW his OBJECTION.

Co-Chair Johnson re-read Item 10.

Representative Ortiz OBJECTED for discussion.

Representative Ortiz asked if the net effect of Item 10 was based on the understanding that there were enough federal receipts to cover the item, or if the funding would have to be made up in the supplemental budget.

[4:27:46 PM](#)

ALEXEI PAINTER, DIRECTOR, LEGISLATIVE FINANCE DIVISION, explained that historically the amount of federal receipts the state had received was just shy of \$8 million, however, the United States Marshals Service had stopped reimbursing the state for prisoners that had a joint state and federal hold. The Department of Corrections was working with the federal government to try and come to a new agreement. The Senate position had been to replace half of the federal receipts affected by the policy change with General Funds. The Conference Committee action ended up replacing a quarter of the funds, so depending upon the outcome of the negotiations, the amount could be sufficient or not. He understood that the negotiations were ongoing.

Representative Ortiz WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered. This action closed conference-able items 6 through 11, items 26 through 28, and items 30 through 32 in the Department of Corrections' budget and left open items 12 through 25.

^DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT

4:29:06 PM

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Education and Early Development (DEED):

Item 1	Senate
Item 2	Senate
Item 5	Senate
Item 6	Senate
Item 7	House minus \$500 thousand UGF
Item 8	House minus \$500 thousand, change fund source to UGF
Item 9	Senate minus \$600 thousand UGF
Item 10	House minus \$750 thousand UGF
Item 13	Senate

Representative Ortiz OBJECTED for discussion.

Representative Ortiz spoke to Item 6. He asked if Mr. Painter could explain the impact of Item 6. He thought there would be impact to the Alaska Food Bank or the Alaska Children's Trust.

Mr. Painter explained that Item 5 was funding, and Item 6 was associated intent language for students that currently received reduced-price school lunches. The item would provide additional funding to make the lunches free to the students. The funding had been added through an amendment in the House. He explained that by taking the Senate number for the item the lunches would be at a reduced cost.

Representative Ortiz asked if the item made it more likely or less likely that there would be resources available for students to receive lunch through the program.

Mr. Painter explained that the item would affect how much students would pay for lunches. The item did not address the amount of federal funds going to schools but would signify that the students would have to pay a portion of the cost.

4:31:40 PM

AT EASE

4:31:51 PM

RECONVENED

Rep Ortiz clarified that Item 6 was an item of interest to a member in the House. He asked if the intent of the member was to make sure that the program was funded so that students could receive lunch. He asked if the item impacted the intent he described in any way.

Mr. Painter explained that if there were students that could not afford the reduced cost, the lack of funding would mean the student could not afford the lunch.

Representative Ortiz MAINTAINED his OBJECTION.

[4:33:05 PM](#)

AT EASE

[4:34:35 PM](#)

RECONVENED

Co-Chair Stedman favored a "yea" vote on the motion to adopt Item 6.

A roll call vote was taken on the motion to ADOPT Item 6.

IN FAVOR: Hoffman, Edgemon, Stedman, Johnson
OPPOSED: Olson, Ortiz

The MOTION PASSED (4/2).

Rep. Ortiz expressed concern about Item 5, which he thought was connected to Item 6. He asked Mr. Painter to address how the two items were connected.

Mr. Painter explained that Item 5 concerned funding to make the lunches free for the students, and Item 6 was associated intent language asking for reporting on how many students were affected.

Representative Ortiz asked if even though he objected to Item 6, the vote concerned Item 5.

Mr. Painter noted that Item 5 related to the funding.

[4:36:29 PM](#)

AT EASE

[4:37:58 PM](#)

RECONVENED

Representative Ortiz OBJECTED to the ADOPTION of Item 5.

Co-Chair Stedman favored a "yea" vote on the motion.

A roll call vote was taken on the motion to ADOPT Item 5.

IN FAVOR: Edgemon, Hoffman, Johnson, Stedman

OPPOSED: Ortiz, Olson

The MOTION PASSED (4/2).

There being NO further OBJECTION, it was so ordered. This action closed the conference-able items in the Department of Education and Early Development's budget.

^DEPARTMENT OF FAMILY AND COMMUNITY SERVICES

[4:39:54 PM](#)

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Family and Community Services:

Item 5 House

There being NO OBJECTION, it was so ordered. This action closed the conference-able items in the Department of Family and Community Services' budget.

^DEPARTMENT OF HEALTH

[4:40:18 PM](#)

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Health (DOH):

Item 3	Open
Item 5	Open
Item 7	Open
Item 10	Open
Item 11	Open
Item 12	Senate
Item 13	Open
Item 15	Senate
Item 16	Senate
Item 17	Senate

Item 18	Senate
Item 19	Senate
Item 20	Open
Item 21	Open
Item 22	Open
Item 25	Open
Item 27-32	Open

There being NO OBJECTION, it was so ordered. This action closed conference-able item 12, and items 15 - 19 in the Department of Health's budget and leaves open items 3, 5, 7, 10, 11, 13, items 20 - 22, item 25, and items 27 through 32.

[4:41:55 PM](#)

AT EASE

[4:42:05 PM](#)

RECONVENED

Co-Chair Stedman clarified that under the Department of health, open items included Items 20 through 22 rather than Items 12 through 22.

^DEPARTMENT OF LAW

[4:42:32 PM](#)

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Law:

Item 2	Open
Item 4	Open
Item 18	House

There being NO OBJECTION, it was so ordered. This action closed conference-able item 18 in the Department of Law's budget and leaves open items 2 and 4.

^DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

[4:43:07 PM](#)

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Military and Veterans' Affairs:

Item 1	Senate
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Item 2	Senate
Item 3	House, all items
Item 4	Senate
Item 5	House
Item 6	House

There being NO OBJECTION, it was so ordered. This action closes the conference-able items in the Department of Military and Veterans' Affairs' budget.

^DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

4:43:46 PM

Vice-Chair Johnson MOVED to ADOPT the following in the Department of Transportation and Public Facilities (DOT):

Items 1 and 2	Open
Item 5	House
Items 6-10	Open
Item 13	Open

There being NO OBJECTION, it was so ordered. This action closed conference-able item 5 in the Department of Transportation and Public Facilities' budget and left open items 1, 2, items 6 through 10, and item 13.

4:44:39 PM

AT EASE

4:46:44 PM

RECONVENED

Co-Chair Johnson revisited the items from the Department of Corrections. She explained that Item 12 through Item 21 and items 24 through Item 25 remained open.

Co-Chair Stedman made note of the clarification and relayed that the action closed conference-able items 6 through 11, items 26 through 28, and items 30 through 32. It left open items 12 through 21, and items 24 and 25.

4:47:35 PM

AT EASE

4:47:55 PM

RECONVENED

Co-Chair Stedman discussed future conference committee action and noted that future meetings would be posted as scheduled and noticed under the 24-hour rule.

Co-Chair Johnson MOVED to ADJOURN. There being NO OBJECTION, it was so ordered.

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ADJOURNMENT

4:48:38 PM

The meeting was adjourned at 4:48 p.m.