

**ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET AND AUDIT COMMITTEE**

Anchorage, Alaska

June 30, 2025

1:01 p.m.

MEMBERS PRESENT

Senator Elvi Gray-Jackson, Chair
Representative Zack Fields, Vice Chair
Senator Bert Stedman
Senator Cathy Giessel
Senator Lyman Hoffman
Senator Bill Wielechowski
Representative Neal Foster
Representative Andy Josephson
Representative Chuck Kopp
Representative Cathy Tilton
Senator Scott Kawasaki (alternate)
Representative Bryce Edgmon (alternate)

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Senator Jesse Kiehl
Senator Gary Stevens

COMMITTEE CALENDAR

APPROVAL OF THE AGENDA
APPROVAL OF THE MINUTES
REVISED PROGRAM LEGISLATIVE (RPLS)
EXECUTIVE SESSION
FINAL RELEASE OF AUDITS
PRELIMINARY RELEASE OF SUNSET AUDITS
SPECIAL AUDIT
CONSIDERATION OF CONTRACT EXTENSIONS

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

ALEXEI PAINTER, Director
Division of Legislative Finance
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Gave an explanation of RPL 45-2025-0774.

ACTION NARRATIVE

[1:01:43 PM](#)

CHAIR GRAY-JACKSON called the Legislative Budget and Audit Committee meeting to order at 1:01 p.m. Representatives Foster, Josephson, Kopp, Tilton, Edgmon (alternate), and Fields (via teleconference) and Senators Stedman (via teleconference), Wielechowski (via teleconference), Hoffman, Giessel, Kawasaki (alternate), and Gray-Jackson were present at the call to order. Also present were Senators Kiehl (via teleconference) and Stevens.

APPROVAL OF THE AGENDA

[1:03:28 PM](#)

CHAIR GRAY-JACKSON announced that the first order of business would be the approval of the agenda.

REPRESENTATIVE EDGMON moved that the Legislative Budget and Audit Committee approve the agenda. There being no objection, the agenda was approved.

APPROVAL OF THE MINUTES

[1:03:48 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be the approval of minutes.

REPRESENTATIVE EDGMON moved to approve the minutes for the May 17, 2025, meetings. There being no objection, the minutes were approved.

REVISED PROGRAM LEGISLATIVE (RPLs)

[1:04:05 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be RPL 45-2025-0774, University of Alaska Federal Authority. She offered the following prepared remarks:

I'd like to offer a quick explanation to provide context for anyone unfamiliar with RPLs, including members of the public. An RPL - which stands for "Revised Program Legislative" - is a legislative process through the Legislative Budget & Audit Committee to increase an appropriation item based on additional federal or other program receipts received -- or to be received -- by an agency after an appropriation bill has already been passed. For example, an agency may have been awarded federal funding for a specific program, however, they do not have enough federal authority to accept the funds. In this case, an RPL is needed and must go through the LB&A Committee for approval to increase that agency's federal appropriation. That is the process we will go through now.

[1:04:57 PM](#)

REPRESENTATIVE EDGMON moved that the Legislative Budget and Audit Committee approve RPL 45-2025-0774, University of Alaska Federal Authority, for \$38,300,000.

CHAIR GRAY-JACKSON objected.

[1:05:49 PM](#)

ALEXEI PAINTER, Director, Division of Legislative Finance, Alaska State Legislature, gave an explanation of 45-2025-0774, which would increase the systemwide budget reductions and additions, allocations, and appropriations of the same name, by \$38.3 million of federal receipt authority, Fund Code 1002. The RPL consists of 3 parts: \$21 million in federal receipts for University of Alaska Fairbanks (UAF), \$15.7 million for the University of Alaska Anchorage (UAA), and \$1.6 million for increased grant activity at UAA's Small Business Development Center. The primary drivers for UAF's funding increase are the university affiliated research center via the U.S. Department of Defense (USDOD) at the Geophysical Institute, and the research vessel, the Sikuliaq, for which the majority of revenue comes from the National Science Foundation's cooperative agreement. The \$15.7 million in funding for UAA is multiple programs, including the College of Health, the Arctic Domain Awareness

Center (ADAC), and an increase in federal tele-grant activity. The university reported an increased rate of spending amid ongoing federal uncertainty, making it difficult to predict its level of need in federal receipt authority. He said the division saw no technical issues with this RPL. He explained that the university has had some challenges tracking its non-undesignated general fund (UGF) expenditures, so using federal receipt authority makes it easier for the public to follow. In fiscal year 2024 (FY 24), the legislature ratified \$28.4 million in non-UGF expenditures for the university due to spending beyond budget authority, and in FY [25], the university's federal receipt authority was increased by \$20 million.

CHAIR GRAY-JACKSON removed her objection. There being no further objection, the motion was approved.

EXECUTIVE SESSION

[1:09:10 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be executive session.

[1:09:56 PM](#)

REPRESENTATIVE EDGMON moved that the Legislative Budget and Audit Committee go into executive session under Uniform Rule 22(b)(1) for the discussion of matters, the immediate knowledge of which would adversely affect the finances of a government unit, and Uniform Rule 22(b)(3) for the discussion of matters that may, by law, be required to be confidential. He asked that the following persons remain in the room or online: Kris Curtis, legislative auditor, and necessary staff; Emily Nauman; any legislators not on the committee; and staff of legislators on the committee. There being no objection, it was so ordered.

[1:10:47 PM](#)

The committee took an at-ease from 1:10 p.m. to 3:28 p.m.

[3:28:43 PM](#)

CHAIR GRAY-JACKSON called the Legislative Budget and Audit Committee meeting back order at 3:28 p.m. Representatives Foster, Josephson, Kopp, Tilton, Edgmon (alternate), and Fields (via teleconference) and Senators Wielechowski (via teleconference), Kawasaki (alternate), and Gray-Jackson were

present at the call to order. Also present were Senators Kiehl (via teleconference) and Stevens.

FINAL RELEASE OF AUDITS

[3:29:15 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be the final release of audits.

REPRESENTATIVE EDGMON moved that the Legislative Budget & Audit Committee release the following audits as final audit reports: the FY 24 State of Alaska Single Audit and the Audit of the Department of Family and Community Services, Office of Childrens Services, Compliance with Foster Care Reform Laws, Part Three. There being no objection, it was so ordered.

PRELIMINARY RELEASE OF SUNSET AUDITS

[3:29:46 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be the preliminary release of sunset audits.

REPRESENTATIVE EDGMON moved that the Legislative Budget & Audit Committee release the following preliminary sunset audits to the agencies for response: the Real Estate Commission, the Board of Certified Real Estate Appraisers, the Board of Professional Counselors, and the Board of Social Work Examiners. There being no objection, it was so ordered.

SPECIAL AUDIT

[3:30:19 PM](#)

CHAIR GRAY-JACKSON announced that the next order of business would be the special audit, titled "Oil and Gas Production Tax Audit Process."

[3:30:33 PM](#)

The committee took a brief at-ease at 3:30 p.m.

[3:30:47 PM](#)

REPRESENTATIVE EDGMON moved that the Legislative Budget and Audit Committee enable the chair to authorize one or more

subpoenas, as necessary, to compel the production of information required for the completion of the special audit, titled "Oil and Gas Production Tax Audit Process" and authorize a contract for Legislative Legal Services to achieve \$50,000 related to the subpoenas. The committee authorizes the chair to give direction to Legislative Legal Services and outside legal counsel regarding the subpoenas. There being no objection, it was so ordered.

CONSIDERATION OF CONTRACT EXTENSIONS

[3:31:43 PM](#)

CHAIR GRAY-JACKSON announced that the final order of business would be the consideration of contract extensions. She stated that the Legislative Budget & Audit Committee entered into the current contract with GaffneyCline in July of 2024, with a termination date of 11:59 p.m. on June 30, 2025, and two one-year renewal options.

[3:32:10 PM](#)

REPRESENTATIVE EDGMON moved that the Legislative Budget and Audit Committee approve the renewal of GaffneyCline contract through June 30, 2026, with no increase to the contract's "Not to Exceed" amount, which remains at \$1 million. There being no objection, it was so ordered.

[3:32:50 PM](#)

The committee took a brief at-ease at 3:32 p.m.

[3:32:53 PM](#)

CHAIR GRAY-JACKSON gave the following prepared remarks:

The Committee approved a reimbursable service agreement with the Alaska Center for Energy and Power - or ACEP - during a meeting on February 26, 2025. The RSA was drafted with a completion date of June 30, 2025. As of the most recent invoice, which includes all activity through May 31, there remains \$23,256.61 of the \$50,000 that was approved by the Committee. Please note that I, as chair, have the authority to extend the completion date of an RSA and I intend to renew the contract period for the 2026 fiscal year with no increase to the original "not to exceed"

amount, which remains at \$50,000. If we need to consider approving additional funds, we will address it at a future meeting. Any questions or comments?

[3:32:49 PM](#)

The committee took an at-ease from 3:32 p.m. to 3:34 p.m.

[3:34:08 PM](#)

CHAIR GRAY-JACKSON issued closing remarks on future business and thanked the committee members and staff.

[3:35:10 PM](#)

ADJOURNMENT

There being no further business before the committee, the Legislative Budget and Audit Committee meeting was adjourned at 3:35 p.m.