

HOUSE FINANCE COMMITTEE  
March 10, 2025  
1:35 p.m.

1:35:27 PM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:35 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Andy Josephson, Co-Chair  
Representative Calvin Schrage, Co-Chair  
Representative Jamie Allard  
Representative Jeremy Bynum  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Nellie Unangiq Jimmie  
Representative DeLena Johnson  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

John Boyle, Commissioner, Department of Natural Resources;  
Representative George Rauscher.

SUMMARY

EXECUTIVE ORDER 136

Executive Order 136 was HEARD and HELD in committee for further consideration.

SSCR 1

DISAPPROVE EO 136

SSCR 1 was SCHEDULED but not HEARD.

Co-Chair Foster reviewed the meeting agenda. He noted that the process with SSCR 1 was similar to the boards and commissions process where the committee was required to consider the item, but members did not make affirmative or negative recommendations on the item until consideration on the House floor. He invited the Department of Natural Resources (DNR) to review Executive Order (EO) 136.

^EXECUTIVE ORDER 136

JOHN BOYLE, COMMISSIONER, DEPARTMENT OF NATURAL RESOURCES, introduced a PowerPoint presentation titled "Executive Order 136 Establishing the Department of Agriculture," dated March 10, 2025 (copy on file). He characterized the EO as an important initiative for Alaska as leaders thought about opportunities for increasing food security and growing different parts of Alaska's economic sectors. He believed agriculture offered substantial promise in that respect. He highlighted that agriculture had been part of the state's tapestry since before statehood. He detailed that in the late 1800s/early 1900s Alaska was significantly more self-sufficient than it was at present. He detailed that in the past, much more of the food needed to sustain communities and mining camps had been grown in Alaska. As time went on, Alaska had grown increasingly reliant on attenuated supply chains; the state was currently importing 95 percent of its food.

[1:37:31 PM](#)

Co-Chair Foster noted that members had to be back on the floor at 2:10 p.m.

Representative Galvin asked if Alaskan farms experienced an economic loss in in FY 24.

Commissioner Boyle for clarification on the question.

Representative Galvin assumed the state was tracking revenue generated by farms in Alaska. She wondered if farms were experiencing a loss. She viewed agriculture as another revenue source for Alaskans in general along with increasing food security.

Commissioner Boyle answered that one of the ways GDP [Gross Domestic Product] was tracked was through the national census conducted by the U.S. Department of Agriculture. He

moved to slide 2 titled "Alaska Agriculture: Status Report." The slide showed the 2022 national census figures. He relayed that the prior census was 2017 and there had been a significant increase in the total agriculture GDP between the two dates [in Alaska]. There was consistent growth in the agriculture sector. He stated that anecdotally many people had witnessed the growth in terms of the proliferation of farmers markets and opportunities for Alaskan grown products to be sold in that venue. He highlighted Alaskan greens and subscription services where Alaskans could get milk, mushrooms, and many other products. He relayed that Alaskan peony farmers were recognizing more export values. He reported that in general, Alaska was seeing greater agricultural growth.

Co-Chair Foster noted that Representative Johnson had joined the meeting.

Representative Stapp asked if an agriculture department would put more land in people's hands to enable them to grow crops and produce agriculture.

Commissioner Boyle confirmed it was something that a department of agriculture could help facilitate. He stated that more importantly, the administration wanted to ensure the lands of potential farmers were being used for agricultural purposes. He believed it was the value in having a high level strategic vision for what the state wanted to do with agriculture. The state had undertaken agricultural projects in the past and sometimes plans had not been put together in a way that ensured success and ensured that people were utilizing the lands for agriculture with a robust plan in place.

[1:41:38 PM](#)

Representative Stapp thought Commissioner Boyle answered yes. He had been told that Alaska only had a supply for 10 days of food. He asked how many days of food the state would have under the proposed department.

Commissioner Boyle could not speculate how many extra days of food security the state may get. He was certain that with a strategic vision and plan, Alaska could increase the food security over its current baseline level.

Representative Allard asked what the current Division of Agriculture did and how the proposed department would be impressive.

Commissioner Boyle responded that he would provide a high level summary of the EO. The existing Division of Agriculture was one of DNR's seven divisions. The EO would sever the division and its 37 employees from the department to create a department of agriculture. Currently the division was housed in two separate facilities located in Palmer: the main office located off of the Glen Highway and the plant materials center near the butte. The staff would remain in the two facilities and no additional space would be needed. He stated that the division's \$7.3 million budget would transfer over and form the nucleus of the new department. He stated his understanding of Representative Allard's question.

Representative Allard wanted to know what the proposed department would do to increase agricultural production. She asked how success would be guaranteed.

Commissioner Boyle replied that the real opportunities resided in solving what he characterized as chicken and egg initiatives. He stated that there were farmers utilizing a percentage of their overall productive total. He used a barley farmer as an example and explained that perhaps they were only utilizing 50 percent of their available land. There was nothing that would stop them from utilizing the full 100 percent of their land except a lack of demand or other prohibitive costs. He explained that a department could analyze the demand levers the state could trigger to enable farmers to put more land to use. He highlighted more strategic focus on marketing initiatives as an example. Additionally, in the past couple of years the division had helped incubate a barley co-op program so that farmers could sell excess crop into the co-op system. The co-op system could exist to make up shortfalls in years when there were weather or other events impeding production. There were initiatives where the government could be well-positioned to step in to get started. He expounded that initiatives could be transitioned into co-ops and managed self-sufficiently moving forward.

Commissioner Boyle referred to the Alaska Range Dairy, the only dairy in Alaska. He detailed that at a particular time, the dairy was disposing of a significant quantity of

milk weekly because it only had access to several stores willing to market the product. The division had assisted the dairy with getting into the Walmart system and the dairy was now selling all of its production. He explained that government intervention was helpful because big name stores did not want to negotiate with individual producers; it was easier for them to negotiate with wholesalers. The state had an interest to become more food secure and to ensure farmers had equal access to markets. The state could assist farmers with obtaining that access. As farmers gained access to markets, they recognized some economies of scale and had opportunities to expand. He elaborated that increased production enabled producing more for a lower cost. He saw a dedicated department as helping to deliver on similar initiatives.

[1:49:07 PM](#)

Representative Allard remarked that it sounded like the state had not currently implemented any of the things as a division, which made her wonder how it would implement them in a department.

Representative Bynum relayed that he had previously asked DNR whether there was a one-page document outlining why creating a department was necessary. He wondered if there was something to show the Alaskan people to outline the need for the department and to generate excitement about the benefit of the department. He asked if progress had been made on the idea.

Commissioner Boyle answered that the one-pager had been created. He believed it had been distributed or would be distributed shortly.

[1:50:41 PM](#)

Representative Johnson asked if there was an intention to vote on the EO in the current meeting.

Co-Chair Foster answered that there would be a motion for the committee to consider, but it was not an up or down motion on whether to approve the EO. He elaborated that statute required the committee to consider the EO - similar to the board appointment process - and send it to the floor for an up or down vote.

Representative Johnson stated that her district was heavily invested in agriculture of Alaska and was the center of the industry. She was excited about the topic and thought Alaska had a lot of potential. He believed they were just scratching the surface of the available nutrients. She stated that some of the food grown in Alaska had different types of nutrients based on the sunlight cycle that was different than other locations. She highlighted that in addition to the benefit of food security, the products were locally grown. She elaborated that it was about knowing where your food came as opposed to eating something that came from China or other locations where it was not possible to know the processes a product had been through. She found it exciting to see what was available at local farmers markets. She added that a tremendous amount of food could be grown on small acreage. She was excited by the potential and on a national level. She stated that without a department of agriculture, the state did not have access to a lot of the resources and connections to peers throughout the country. She was happy to see the EO brought forward.

[1:53:52 PM](#)

Co-Chair Foster asked Commissioner Boyle to continue with his presentation.

Commissioner Boyle relayed that the legislature had 60 days to consider the EO with a deadline of March 22. He understood there was a joint session scheduled to consider the EO later in the week. He noted that if the legislature did not disapprove the EO it would take effect on July 1, 2025. He moved to slide 4 titled "Vision." He explained that the most substantial benefit the EO would bring was accountable leadership. He detailed that the existing Division of Agriculture had seen many directors come and go. Directors had an opportunity to pursue initiatives and had pursued them, but to an extent, their influence over the commissioner's office was constrained by what the commissioner's office may be focused on. He relayed there had been periods of time where the DNR commissioner and governor were more interested in other things such as gaslines, mining projects, and many other things that may compete for their attention. He explained that agriculture could be put on the back burner and was not always a priority.

Commissioner Boyle elaborated that creating a department and having a commissioner would ensure there would be a high level policy specifying that food security and agriculture were important to the state and that there would be a focus on agriculture. He expounded that the commissioner would bear the accountability of coming before the legislature to defend and account for their budgets. He remarked that as the DNR commissioner his meeting calendar jumped from one topic to the next and he had many areas of responsibility that did not enable him to only focus on agriculture. He stated that an agricultural commissioner would be focused only on agriculture. He detailed that if he had the time to focus on agriculture, there were undoubtedly many initiatives he could help drive and problems he could help solve. He believed it was the biggest value for having dedicated leadership for a department of agriculture. He added that the top recommendation of taskforces formed by the governor and legislature looking at food security in Alaska was establishing a department of agriculture.

[1:59:14 PM](#)

Commissioner Boyle moved to slide 5 and discussed improved results for Alaskans. He believed Alaska received the "short end of the stick" with federal funding. The USDA had reduced the number of programs available in Alaska for agricultural producers. He suggested that many people did not think of Alaska as an agricultural state. He thought a cabinet level position that could advocate with policymakers in Washington D.C. about the importance of agricultural programs in Alaska. The commissioner could also provide a leadership voice amongst all of the entities in the state including the University of Alaska, the Farm Bureau, and soil and water conservation districts.

Representative Allard agreed but found the lengthy answers derailing. She requested more concise answers but appreciated the commissioner's response to Representative Bynum's comment.

Commissioner Boyle moved briefly to slide 6 and 7 pertaining to DNR and the current Division of Agriculture. He relayed that agriculture represented 37 positions out of over 1,000 within DNR. The division was led by Bryan Scoresby with a budget of \$7.1 million. The division's two offices were located in Palmer, one was focused on

agricultural development and the other was focused on plant materials. He highlighted current work done by the division including phytosanitary inspections of logs exported to other countries, inspecting seed potatoes, and cleaning seed. He elaborated that the division was the only entity with seed cleaning equipment. The division administered numerous federal grants including microgrants for food security, which would include individuals wanting to install a greenhouse, chicken coop, or raised beds to produce more food. He relayed that food security in rural areas was heavily reliant on subsistence and attenuated supply chains. In other areas it was more about promoting the individuals to grow more at their homes. He noted that in Southeast Alaska it may be more vertical farming. There were myriad aspects to agriculture that impacted every region of the state. He thought a coherent strategy and focus could help move the needle and recognize greater food security.

[2:04:27 PM](#)

Representative Johnson noted that Alaska was one of the most pristine environments in the world. There were many vegetation funguses and viruses that had not become common in Alaska because there had not been widespread industrial farming. She stated that it created an environment to do types of farming and experimentation that could not be done elsewhere. She believed for that reason it was important to maintain the division or a department. Additionally, there was a bill several years back where the legislature talked about wild animals and farm animals. She highlighted that in the past there had been a potato blight had occurred from people cutting up potatoes from Walmart and planting them, which had required some intervention. She added there had been an ongoing attempt to pass a farm bill [at the federal level] and the state would be more likely to receive the funds if it had an agriculture department.

Co-Chair Foster would take an at ease to determine the time available.

[2:07:16 PM](#)

AT EASE

[2:13:29 PM](#)

RECONVENED

Co-Chair Foster recessed the meeting to a call of the chair. [Note: the meeting never reconvened.]

2:13:58 PM

RECESSED

#

ADJOURNMENT

The meeting was adjourned at 2:13 p.m.