

HOUSE FINANCE COMMITTEE  
April 2, 2025  
9:12 a.m.

9:12:01 AM

CALL TO ORDER

Co-Chair Josephson called the House Finance Committee meeting to order at 9:12 a.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

Alexei Painter, Director, Legislative Finance Division

SUMMARY

HB 53        APPROP: OPERATING BUDGET; CAP; SUPP

HB 53 was HEARD and HELD in committee for further consideration.

HB 55        APPROP: MENTAL HEALTH BUDGET

HB 55 was HEARD and HELD in committee for further consideration.

Co-Chair Josephson reviewed the agenda. The committee would hear amendments to the operating and mental health budgets.

#hb53

#hb55

HOUSE BILL NO. 53

"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; 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. 55

"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."

[9:13:07 AM](#)

Co-Chair Josephson rolled Amendments 94 through 96 until a later time. The committee would begin with Amendment 93.

Co-Chair Josephson MOVED to ADOPT Amendment 93 (copy on file):

Agency: Commerce, Community & Econ Dev  
Appropriation: Community and Regional Affairs  
Allocation: Community & Regional Affairs

Transaction Details

Title: Grant to Bristol Bay Science and Research  
Institute for Chum Salmon Assessment & Genetics Lab  
Section: Section 1  
Type: IncOTI

Line Items (Amounts are in thousands)

Personal Services: 0.0  
Travel: 0.0  
Services: 0.0  
Commodities: 0.0  
Capital Outlay: 0.0

Grants: 500.0  
Miscellaneous: 0.0  
Total: 500.0

Positions

Permanent Full-Time: 0  
Permanent Part-Time: 0  
Temporary: 0

Funding (Amounts are in thousands)  
1004 Gen Fund 500.0

Representative Allard OBJECTED.

Co-Chair Josephson explained the amendment that sought to add \$500,000 for the Bristol Bay Science and Research Institute (BBSRI) to support the chum salmon bycatch genetics program. The initiative used real time genetic testing to aid the Bering Sea pollock fishery in avoiding bycatch of critical western Alaska chum salmon stocks. He noted that a similar program existed for chinook salmon. The initiative also helped protect local communities while keeping the pollock fishery economically viable and protecting the benefits Alaskans derived from the fishery. Starting in 2023, the legislature approved and the governor signed almost \$1 million in capital budget allocations for BBSRI to develop real time genetic tools aimed at mitigating western Alaska chum salmon bycatch. The genetic testing program had been successfully developed and was ready to use. The pollock industry and management agencies were prepared to work with BBSRI in the 2025 season to implement real time genetic sampling and inform management decisions that reduce unintended catch.

Co-Chair Josephson explained that the funding would ensure BBSRI could conduct genetic sampling in 2025. He stated that by executing a full season testing regime, BBSRI could integrate a proven scientific method into real time management and allow the industry to proactively adjust its operations. He had heard the work likened to air traffic controllers in the fishery. He stated that the industry generated millions of dollars annually for the Alaska treasury through the fisheries landing tax and provided tens of millions in economic benefits to coastal western Alaska communities by the CDQ [community development quota] program as well as supporting jobs and infrastructure across the state. The work was the continuation of

something the state had already invested almost \$1 million in. He asked for members' support.

Representative Bynum remarked on the importance of having targeted goals to eliminate bycatch in Alaska. He underscored that communities and fishing industries supported the goal. He referenced Co-Chair Josephson's discussion of the resources being used and benefits coming back in the form of landing taxes. He asked if Co-Chair Josephson was referring to the chum salmon fishery or the pollock fishery.

Co-Chair Josephson replied he was talking about the pollock fishery. He was told the fish landing tax covered all commercial fish operations.

[9:18:03 AM](#)

Co-Chair Josephson noted that BBSRI, the science wing of the Bristol Bay Economic Development Corporation (BBEDC), wrote that the project enjoyed widespread backing from a diverse array of stakeholders including industry, agencies, the CDQ sector, western Alaska stakeholders, and tribal organizations.

Representative Stapp noted that BBSRI was a subsidiary of BBEDC, which was the majority owner of OBI Seafoods. There were about five other CDQ groups including Norton Sound Economic Development Corporation, APICDA, Yukon Delta Fisheries, and the Bering Sea Fishermen's Association. He highlighted that all of the groups had a substantial interest in the pollock fisheries. He wondered why the groups would not be more interested in providing the funding themselves, given they controlled a majority of the pollock and crab interests in the special economic zone under the Magnuson-Stevens Act.

Co-Chair Josephson replied that he did not know.

Representative Stapp asked if any of the community development quotas or their subsidiaries were actively engaged in bycatch mitigation.

Co-Chair Josephson replied that the project was hoping for \$1 million in the federal CDS [congressional directed spending] earmark request in calendar year 2026. He noted there was money was coming in the last and current calendar

years from the CDQ landing tax program. There was also the state grant and investment from BBSRI. He remarked it was a shared [funding] exercise.

Representative Stapp asked about the results of the original appropriation for bycatch mitigation.

9:21:05 AM

Co-Chair Josephson answered that he did not know. He noted that the program was operational, but he did not have further detail.

Representative Tomaszewski was unclear on how the program got started, how it worked, and what it did. He asked how immediate genetic testing to control bycatch worked.

Co-Chair Josephson responded that it was real time research where scientists could look at fish samples within a matter of days or a week at Port Moller and Dutch Harbor. He elaborated that scientists were looking at bycatch to determine whether it was Asian fish or western Alaska fish. He expounded that if it was western Alaskan fish, trawlers were advised to move their boats to non-western Alaska fish areas. He explained it was almost like a crime lab, but there was no crime, to try to enhance wins for everyone.

Representative Allard wondered about the results from the last study. She asked how it helped the bycatch industry.

Co-Chair Josephson did not believe there was a bycatch industry. He explained that the work was about avoidance of Alaskan fish bycatch. He would address the first question as he heard from other members.

Representative Allard remarked that her questions were not thoroughly answered. She noted that the amendment would add to the budget. She asked where the cut would be taken to include the \$500,000 increment.

Co-Chair Josephson replied that setting aside executive branch requests, funding for collective bargaining agreements, and some one-time funding for education in the House Finance Committee room, members' personal amendments had cut the government by almost \$1 million.

Representative Allard commented that the budget had been increased by \$41 million. She asked for verification that there was not a cut elsewhere in the budget to make room for the addition.

Co-Chair Josephson clarified that when including a cut proposed by Co-Chair Schrage, the committee had cut the budget by closer to \$40 million. He stated it was likely more than that when discounting governor asks.

[9:25:04 AM](#)

Representative Hannan referenced Representative Stapp's question about why the industry was not paying for the work. She noted that in 2023 when the legislature had provided funding, there was a perception the research may be biased if an industry was doing its own research. She remarked that there had been some concerns from the state over pollock versus chum bycatch; therefore, the state had put money into a grant for real time genetics to know whether the bycatch was there. The grant to develop the pilot project was given in 2023 and testing had begun in 2024 to see whether genetic data could be returned in time to adjust decisions about where fishing could take place. She relayed that it had been determined results could be received in a timely fashion to provide to fisheries managers. The funding in the proposed amendment would provide for active daily science input in the 2025 season to reduce bycatch of chum to western Alaska. She supported the amendment.

[9:27:09 AM](#)

Representative Johnson applauded Co-Chair Josephson for taking up the bycatch issue, but she was not familiar with the institute or clear on whether the funding was on a priority list from the Board of Fish or the Department of Fish and Game (DFG). She hoped it was. She remarked there was an education budget that needed to be funded and she wanted to ensure there was enough space for education funding. She did not support the spending on the amendment without more information on the group. She would like to see the research directed through DFG so the state would have access to all of the data when it paid for a study.

[9:28:46 AM](#)

Co-Chair Josephson replied that the idea came from the Alaska Bycatch Review Taskforce from chapter 7.1.2 of the Western Alaska Salmon Committee.

Representative Jimmie stated that the item was a priority. She relayed that often times research did not match with actions and change, but in the current instance, it would. She explained that the funds protected food security in her district, which heavily relied on subsistence. She supported the amendment.

[9:29:51 AM](#)

Representative Bynum stated that bycatch was a big topic. He was glad to see there was an opportunity to have some research money put towards the issue. He was struggling with the connection between the ability for the research to stop bycatch. He was not certain whether there was the ability to stop the bycatch through the program or state authority. He stressed, if the legislature had the ability, it should do so immediately. He noted that the impact extended beyond chum salmon to king and other species. He stated that if the legislature could fix the problem through an amendment, he would propose a \$10 million increment. He asked how they were stopping the bycatch with the program. He was not indicating his opposition. He was merely trying to understand the connection between the funding in the amendment and what DFG and the federal government were doing to solve the problem.

[9:31:44 AM](#)

Co-Chair Josephson referred to the wide variety of supporters including processors, CDQs, tribes, and other western Alaska stakeholders. He explained that it almost sounded like a cooperative agreement where processors would be willing to move their fleet if the genetic testing results suggested they should do so. He read from preliminary results on the BBSRI website:

The results from the 2024 season show that the proportions of many chum genetic stocks that were bycaught in the pollock fishery fluctuated significantly throughout the sampling period, between June 13 and October 5. The E. Gulf of Alaska/PNW constituted the largest proportion of chum caught throughout the season (34.5%), and ranged in

proportion from a high of 69.8% of total catch in Statistical Week 24 to a low of 17.0% in Statistical Week 30. Similarly, SE Asia stocks increased from 9.2% in Statistical Week 24 to 33.1% in Statistical Week 27, remained high through Statistical Week 31...

Co-Chair Josephson believed it fundamentally showed that the research was resulting in the needed data in order for more salmon to return upriver and to know whether they were Asian hatchery fish or wild fish bound for the Yukon Kuskokwim and north of Norton Sound into the Kotzebue region.

Representative Bynum appreciated the information. He believed it was an important topic and he was glad the amendment had been brought forward. He hoped the legislature could work together to find better solutions for fixing the bycatch problem in the state. He viewed the amendment as potentially a step in the right direction.

[9:34:28 AM](#)

Representative Galvin viewed the situation as a crisis based on her experience visiting the region. She detailed that when she visited in 2022 there had been no fish camps all summer because of the absence of fish going up the river. She was hearing mixed messages about whether the research funded by the amendment was the answer, but she spoke about how the bone of a fish ear indicated precisely where a fish came from. She viewed the program as a real fix. She would have loved to see it in the subcommittee, but it was not available at the time. She recognized the importance of vetting items and appreciated Representative Johnson's comments about the need to stay laser focused on funds going to education; however, the funds would go to a different kind of crisis also occurring in Alaska. She highlighted that it was not a high ticket item comparative to other things. She underscored that the research would potentially lead to a change in the current year. She supported the amendment.

[9:37:09 AM](#)

Representative Johnson MOVED to ADOPT conceptual amendment 1 to add language directing the information to be provided to DFG annually. She was uncertain whether the increment was multiyear. She did not know how the program would be

set up in time for the fish runs in the current year. She explained that ensuring the information was provided to the department meant the legislature would know where the money was being spent. She wanted to be able to support the amendment, but wanted to ensure the data was available.

Co-Chair Schrage OBJECTED for discussion.

Co-Chair Josephson asked to hear from the Legislative Finance Division (LFD).

ALEXEI PAINTER, DIRECTOR, LEGISLATIVE FINANCE DIVISION, asked for a repeat of the question.

Representative Johnson complied. She explained that the conceptual amendment would mean the data derived from the funding would be made available to DFG. She noted that the multiyear appropriation piece would be up to the co-chair.

Co-Chair Josephson noted that Amendment 93 was a numbers amendment. He asked how to write the language [Representative Johnson was proposing].

Mr. Painter replied that it would need to be a language item to be multiyear appropriation. Given that the ongoing research project had multiple fund sources, he was not sure it necessarily needed multiple years to accomplish the work. He noted there was a pilot program the previous year and an outstanding capital appropriation. He relayed that the amendment could be converted to a multiyear appropriation as a language amendment.

Representative Johnson was amenable to not doing that, but she did want to know more about being able to get the data to DFG. She wondered if DFG already received reports.

Mr. Painter replied that he was not familiar with the specifics of the program.

Co-Chair Josephson asked if a conceptual amendment was in order. He noted he was not indicating opposition to the conceptual amendment. He asked if it would track with Amendment 93 in the language section specifying the legislature's intent for data to be shared with DFG.

Mr. Painter replied that the intent language could be added to the numbers section specifying that the data was to be shared with DFG.

Representative Johnson clarified her desire to include the conceptual amendment directing data to be shared with DFG.

[9:41:34 AM](#)

Co-Chair Schrage WITHDREW the OBJECTION.

There being NO further OBJECTION, conceptual Amendment 1 was ADOPTED.

Co-Chair Foster asked if the same research money had been in the budget and vetoed in past years.

Mr. Painter replied that he was uncertain about a veto. There was a capital appropriation made for the program in 2024.

Co-Chair Foster supported the amendment. He supported subsistence users and small commercial fishermen in villages along western Alaska and up the Yukon and Kuskokwim Rivers. He remarked that it had been a crisis for users in the region. He was surprised that everyone was supporting the amendment including the trawling industry, the Pacific Seafood Processors Association, CDQ groups, and tribes. He stated that each of the groups wanted the data to go their way. For example, the subsistence users wanted data to indicate that the industry was catching chum bound for western Alaska. He remarked that no one knew which way it would go, but all of the user groups were wanting it to go in their direction. He reiterated that tribes supported the program. He supported the amendment.

[9:44:08 AM](#)

Representative Stapp asked if all of the capital funds previously appropriated for the program had been spent.

Mr. Painter responded that he did not know.

Representative Stapp observed that the program was anticipating a bridge funding need of \$500,000 for calendar year 2025. He noted it did not necessarily align with the

budgetary year. He asked if the money could be spent in the first half of FY 26 to align with the program's needs.

Mr. Painter replied that assuming there was still some capital appropriation remaining, the program could fund the first part of the season with the capital funds and the remainder of the season with the operating funds. He was unfamiliar with the program's specifics.

Representative Stapp remarked there was an expected earmark from the federal government of \$1 million in the next year. He thought it appeared to be the program's main funding source. He was not certain the federal earmarks would come to fruition. He did not want to try to make it a multiyear appropriation in the event it did not happen. He thought it would be best to revisit the item the following year.

Representative Allard WITHDREW the OBJECTION to Amendment 93 as amended.

Co-Chair Schrage OBJECTED for discussion.

[9:46:31 AM](#)

AT EASE

[9:46:49 AM](#)

RECONVENED

Representative Stapp remarked that he did not think he had a conflict but noted he had done a lot of work for a specific company for many years. He noted that the money did not go to that company but to be on the safe side he declared a conflict and asked to be excused from the vote.

Co-Chair Foster OBJECTED.

Co-Chair Schrage WITHDREW the OBJECTION to Amendment 93 as amended.

There being NO further OBJECTION, Amendment 93 was ADOPTED as amended.

[9:47:28 AM](#)

AT EASE

[9:47:56 AM](#)

RECONVENED

Co-Chair Josephson reviewed the schedule for the afternoon meeting.

#

ADJOURNMENT

9:49:03 AM

The meeting was adjourned at 9:48 a.m.