

HOUSE FINANCE COMMITTEE
May 15, 2025
10:15 a.m.

10:15:08 AM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 10:15 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

Representative Ted Eischeid, Sponsor; Meredith Trainor, Staff, Representative Ted Eischeid; Representative Andi Story, Sponsor.

PRESENT VIA TELECONFERENCE

Kerry Thomas, Acting Executive Director, Alaska Commission on Post Secondary Education, Department of Education and Early Development.

SUMMARY

HB 28 TEACHER/STATE EMPLOYEE STUDENT LOAN PRGRM

CSHB 28(FIN) was REPORTED out of committee with two "do pass" recommendations, two "do not pass"

recommendations, two "no recommendation" recommendations, and four "amend" recommendations and with one previously published fiscal impact note: FN1 (EED).

HB 90 FINANCIAL LITERACY PROGRAM IN SCHOOLS

HB 90 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#hb90

HOUSE BILL NO. 90

"An Act establishing a financial literacy education program for public schools; and providing for an effective date."

10:16:05 AM

REPRESENTATIVE TED EISCHEID, SPONSOR, thanked the committee for hearing the bill creating financial literacy requirements for high school graduation. The bill required school districts to create a financial literacy program. He clarified that it was not necessarily a standalone course.

10:17:19 AM

MEREDITH TRAINOR, STAFF, REPRESENTATIVE TED EISCHEID, did not have any remarks at the time.

Representative Johnson thought back to her high school days. She was not necessarily opposed to the idea, but she wondered why a new requirement was needed. She did not want to get into "piece meal-ing" 100 different programs that was part of general education for schools.

Representative Eischeid replied that as they looked at different education priorities in the state, for example, the Alaska Reads Act by the governor. He felt that it came down to equity. If they were important skills for individuals, everyone should have it.

Representative Johnson stated it did not get to the point of why they should have a separate requirement.

10:22:50 AM

Representative Eischeid clarified that the bill did not require a standalone course; it could be integrated into another lesson. There were many people who could calculate but they did not necessarily have financial literacy. He knew many people who had math skills but had not managed their financial lives well.

Representative Johnson asked about the reason for the legislation.

Representative Eischeid answered that if a person knew how to manage their money, they might be more successful in society. He remarked that the average credit card debt in Alaska was over \$8,000, so with the education, he thought people would take action to avoid those kinds of financial pitfalls. When he had been empowered with the skills and knowledge he usually took appropriate actions.

10:26:09 AM

Representative Tomaszewski liked the bill. He shared that he had been required to take an economics course. He did not want to take the class when he had been told he was required to; however, it ended up being his favorite and memorable class. He was happy to have taken the class and thought perhaps it was why he had been self-employed in his career.

Representative Eischeid replied that the Anchorage School District provided the program for freshman and it was up to the school district how to deliver financial literacy. The equivalent of half a course over four years.

Representative Tomaszewski did not want to put so much burden on school districts to have to do it annually.

10:29:35 AM

Representative Hannan asked how many districts in Alaska already required a financial class for graduation.

Representative Eischeid replied that he did not know.

Representative Hannan clarified she thought it was overreach to tell a district it had to teach financial

literacy. Her concern was having it be a requirement to graduate.

[10:31:54 AM](#)

Representative Eischeid clarified that he had stated there were financial literacy issues in Anchorage and Fairbanks, and rural districts that may or may not have the ability to implement.

Representative Hannan stated that he kept saying to the amount practicable.

Representative Eischeid stated that kids who had transferred were not subject to the requirement.

Representative Hannan thought it was an unfunded mandate on school districts.

[10:36:19 AM](#)

Co-Chair Foster noted he would set an amendment deadline for Friday at 5:00 p.m.

Representative Allard thanked her colleague from Juneau who was an expert as she had been a teacher for many years. She had addressed her concerns.

Representative Eischeid answered that AML was not supportive of the bill, but other entities had supported it. He felt that one would assume with math education that people would understand financial literacy, but it was not the case.

Ms. Trainor spoke to the fiscal note from the Department of Education and Early Development (DEED) with a cost of \$76,000.

[10:44:12 AM](#)

Representative Allard thought everyone should be treated the same and standards should be the same across the state.

Representative Bynum asked Co-Chair Foster to repeat the amendment deadline.

Co-Chair Foster replied that the deadline was Friday, May 16 at 5:00 p.m.

Representative Bynum believed the topic was particularly important and he thought kids needed a better idea on what it meant to balance a checkbook and other issues.

[10:48:39 AM](#)

Representative Eischeid clarified there was nothing in the bill that talked about checkbooks. He believed financial literacy was a priority and putting it in a bill reflected that.

Ms. Trainor added that the office took a look at administrative code and the statute question.

[10:51:39 AM](#)

Representative Bynum wanted more elaboration on the issues brought up by Representative Hannan about how to make a school district comply.

Representative Eischeid stated he had been an educator for 25 years. He stated that change was hard. In each of the situations he had become a better teacher because it had forced him to change. He believed sometimes school districts should be pushed if it was important.

[10:55:36 AM](#)

Representative Bynum stated his other concern related to chapter 30, which gave direction to school districts about how to apply the program.

Representative Eischeid deferred to Legislative Legal Services.

Representative Stapp did not think the bill went far enough. He thought it should be a three credit requirement.

[11:00:37 AM](#)

Representative Eischeid appreciated the comments. He respected the sensitivity from other member comments and his goal was to find a balance to get the bill forward.

Representative Stapp heard a lot about unfunded mandates, and he thought it depended on the topic how people seemed to feel.

Representative Eischeid stated that the legislature funded schools and the bill would be a mandate; therefore, he viewed it to be a funded mandate.

[11:03:54 AM](#)

Representative Jimmie was a little worried about the idea. She stated the idea was relevant and she appreciated the bill because she wanted children to succeed. She asked if there was a way to make the bill requirement not impact a student's grades.

Representative Eischeid stated that the bill specified the topic should be taught, but he did not really know how to answer the question pertaining to grades.

[11:06:20 AM](#)

Co-Chair Josephson asked if it was possible to do the class requirement in a couple of weeks.

Representative Eischeid replied that he believed that the requirement could be completed in an intensive.

Co-Chair Josephson found the number ludicrous, and stressed that there was some frustration about the cost of the program.

Representative Eischeid felt that there was no way to make all parties happy.

Representative Tomaszewski stressed that the state was supposed to be teaching kids to read. He outlined all the aspects of participating as an adult in the economy, such as opening bank accounts, holding an identification card, and applying for loans.

[11:12:48 AM](#)

Representative Bynum thought that it would be an additional burden on school districts to implement this requirement. He asked about the reasoning for the department's involvement in the proposal.

Representative Eischeid thought accountability was essential to the success of the program.

Representative Bynum asked about any other items, besides the Alaska Reads Act, with the same obligation of Department of Education and Early Development (DEED).

Representative Eischeid was not aware of anything. He deferred to Ms. Trainor.

Ms. Trainor asked for a repeat of the question.

Representative Bynum complied. He asked outside of the Reads Act whether there were any other programs required to be overseen by DEED.

Ms. Trainor answered that what was in the bill was a middle ground between including it in AAC and statute.

[11:18:46 AM](#)

Representative Hannan addressed comments by other committee members. She was consistent on education policies where something was mandated for graduation. Her primary objection to the bill was not about the content but about mandating a specific requirement to graduate. She did not think it was the legislature's role.

[11:21:46 AM](#)

Representative Johnson stated her concerns were about the specifics of what would be taught in the class. She remarked about the possibility of influencing a mindset. She personally felt that teaching about managing debt took on a social position.

Co-Chair Foster reiterated the amendment deadline.

Representative Eischeid remarked on the robust discussion. He asked people to look at the bill again and explained that it was not a standalone course. The bill was an effort to teach about living within a person's means.

HB 90 was HEARD and HELD in committee for further consideration.

[11:25:47 AM](#)

AT EASE

[11:29:57 AM](#)

RECONVENED

#hb28

HOUSE BILL NO. 28

"An Act establishing a student loan repayment pilot program; and providing for an effective date."

[11:30:02 AM](#)

Co-Chair Foster noted there was a meeting at noon so there would be a hard stop then.

Co-Chair Foster noted the committee had heard public testimony and reviewed the fiscal notes. The committee would consider amendments to the bill. He asked for a brief recap of the bill.

REPRESENTATIVE ANDI STORY, SPONSOR, relayed that the bill was a student loan repayment program.

Representative Bynum thought there were some structural issues with the bill. He did not want to hijack the bill and make it his own so he had not offered any amendments.

[11:34:31 AM](#)

AT EASE

[11:37:41 AM](#)

RECONVENED

Co-Chair Foster moved to the amendment process.

Representative Hannan MOVED to ADOPT Amendment 1, 34-LS0303\A.4 (Bergerud, 4/14/25) (copy on file):

Page 1, lines 8 - 9:

Delete "not later than October 31, 2025"

Insert "by a deadline established by the commission"

Page 3, lines 7 - 8:

Delete "December 31, 2025, December 31, 2026, and December 31, 2027"

Insert "December 31, 2026, December 31, 2027, and
December 31, 2028"

Page 3, line 12:
Delete "2027"
Insert "2028"

Page 3, line 14:
Delete "2028"
Insert "2029"

Co-Chair Foster OBJECTED for discussion.

Representative Hannan explained the amendment. She had talked with the sponsor about the amendment. She MOVED to ADOPT conceptual Amendment 1 to Amendment 1 that would change the date on line 11 of the amendment from 2028 to 2029.

Representative Stapp WITHDREW the OBJECTION.

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

Representative Hannan spoke to the underlying amendment.

Representative Story appreciated the adjustments to the date, and wanted to verify the conceptual amendment date.

[11:40:52 AM](#)
AT EASE

[11:41:50 AM](#)
RECONVENED

Representative Stapp WITHDREW the OBJECTION to Amendment 1 as amended.

There being NO OBJECTION, Amendment 1 was ADOPTED as AMENDED.

Representative Stapp MOVED to ADOPT Amendment 2, 34-LS0303\A.5 (Bergerud, 5/6/25) (copy on file):

Page 1, line 11:
Delete "and"

Insert ", has completed a postsecondary degree or certificate program, and has an outstanding student loan as described in 26 U.S.C. 108(f)(2) incurred by the person for the degree or certificate program."

Page 1, line 12, through page 2, line 6:
Delete all material.

Co-Chair Josephson OBJECTED for discussion.

Representative Stapp explained the amendment.

Representative Story did not support the amendment, because it changed the intent of the bill.

[11:44:57 AM](#)

Co-Chair Schrage stated that his concern with the bill as structured, and his concern about the amendment pertained to the fiscal impact.

Representative Stapp stated the grants were capped in the bill, and that it did not have an impact on the financial aspect.

Representative Story thought it could be another student loan repayment.

Co-Chair Josephson MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Allard, Stapp, Johnson, Bynum, Tomaszewski, Schrage

OPPOSED: Galvin, Jimmie, Hannan, Josephson, Foster

The MOTION PASSED (6/5). There being NO OBJECTION, Amendment 2 was ADOPTED.

Representative Stapp WITHDREW Amendments 3 through 6 (copies on file).

[11:48:01 AM](#)

Representative Stapp MOVED to ADOPT Amendment 7, 34-LS0303\A.11 (Bergerud, 5/7/25) (copy on file):

Page 2, line 13:
Delete "sec. 2"
Insert "sec. 3"

Page 3, following line 4:
Insert a new bill section to read:
"* Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to read:
STUDENT LOAN REPAYMENT PILOT PROGRAM GRANT REPAYMENT. The Alaska Commission on Postsecondary Education shall require a person who received a grant under the student loan repayment pilot program, enacted by sec. 1 of this Act, to repay the grant to the commission if the grant recipient is no longer employed as a full-time employee of the state or as a full-time certificated teacher in a public school within three years after receiving the grant. The obligation to repay a grant under this section does not apply to a grant recipient who is not employed as a full-time employee of the state or as a full-time certificated teacher in a public school because the recipient has died or has become totally disabled as certified by a physician."

Page 3, line 14:
Delete "Sections 1 and 2"
Insert "Sections 1 and 3"

Co-Chair Josephson OBJECTED for discussion.

Representative Stapp explained the amendment.

Representative Story opposed the amendment, and thought it diluted the incentive.

[11:50:32 AM](#)

Representative Bynum wondered what would occur when a worker did not meet their obligation.

Representative Story clarified that a student would not get the money until after one year.

KERRY THOMAS, ACTING EXECUTIVE DIRECTOR, ALASKA COMMISSION ON POST SECONDARY EDUCATION, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), stated that a

participant would only receive the yearly payment after a completion of a year of service.

[11:53:52 AM](#)

Representative Stapp clarified that it was how the underlying bill read. The amendment specified that if a person worked for a year there were conditions continue to work for the state for three years. If the person left they had to repay the amount to ACPE.

Representative Bynum asked what the mechanism was for repayment if the amendment passed.

Representative Stapp stated it did not specify the mechanics.

Representative Story referenced a handout from ACPE [dated May 15, 2025] (copy on file), which outlined many different programs.

[11:56:43 AM](#)

Representative Bynum stated that from his experience seeing incentive programs, most required a staying requirement.

Representative Story deferred to Ms. Thomas.

Ms. Thomas responded that it was one structure for bonuses.

[11:58:46 AM](#)

Co-Chair Foster WITHDREW Amendment 7.

Representative Allard supported the amendment. She stressed that there was a responsibility to taxpayers to ensure that they were not covering a person's debt.

Representative Story understood what Representative Allard was saying.

Representative Allard understood it was active the entire year, but they would have to pay it back if they left.

Representative Hannan appreciated the amendment 7. She was thinking of a floor amendment to stagger the amount where there was a monetary incentive.

[12:03:38 PM](#)

Representative Bynum asked if someone were to apply and qualify for the repayment.

Representative Story deferred to ACPE. She viewed the scenario of allowable.

Ms. Thomas answered that the individual would continue to be eligible, but the issue would be addressed in regulation.

[12:05:32 PM](#)

Representative Galvin supported the concept of the bill and thanked the sponsor. She was disappointed that the committee diminished the intent of the bill. She thought the intent should have been maintained in the process. She thought it was a solid bill.

Representative Story viewed the student loan repayment assistance as a benefit to the workforce because there was a shortage of workers in the state.

Representative Tomaszewski did not support the bill. He thought it was somewhat discriminatory in nature. He did not believe the sponsor intended it that way.

[12:09:15 PM](#)

Representative Story thanked Representative Tomaszewski for his comments.

Representative Bynum understood the bill used UGF funds subject to appropriation. He asked what would happen if the legislature did not fund the program.

Representative Story answered that it was through the Higher Education Investment Fund.

Ms. Thomas agreed with the statement by Representative Story.

[12:11:53 PM](#)

Representative Stapp thought what Representative Hannan had stated was an interesting idea and he would likely support it in that form.

[12:14:45 PM](#)

AT EASE

[12:15:16 PM](#)

RECONVENED

[12:15:30 PM](#)

Co-Chair Schrage MOVED to REPORT CSHB 28(FIN) out of committee with individual recommendations and the accompanying fiscal note.

Representative Johnson OBJECTED.

A roll call vote was taken on the motion.

IN FAVOR: Hannan, Stapp, Bynum, Galvin, Schrage, Josephson, Foster

OPPOSED: Allard, Tomaszewski, Johnson

The MOTION PASSED (7/3).

Representative Jimmie was absent from the vote.

There being NO further OBJECTION, it was so ordered.

CSHB 28(FIN) was REPORTED out of committee with two "do pass" recommendations, two "do not pass" recommendations, two "no recommendation" recommendations, and four "amend" recommendations and with one previously published fiscal impact note: FN1 (EED).

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

#

ADJOURNMENT

[12:17:21 PM](#)

The meeting was adjourned at 12:17 p.m.