

34TH ALASKA STATE LEGISLATURE  
FIRST SESSION  
CONFERENCE COMMITTEE ON HB 53 and HB 55  
May 16, 2025  
4:31 p.m.

4:31:48 PM

CALL TO ORDER

Representative Josephson called the Conference Committee meeting on HB 53 and HB 55 to order at 4:31 p.m.

MEMBERS PRESENT:

House:

Representative Andy Josephson, Chair  
Representative DeLena Johnson  
Representative Calvin Schrage

Senate:

Senator Lyman Hoffman, Vice-Chair  
Senator James Kaufman  
Senator Bert Stedman

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.

#HB53

#HB55

CS FOR HOUSE BILL NO. 53(FIN) am(brf sup maj fld)(efd fld)

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

SENATE CS FOR CS FOR HOUSE BILL NO. 53(FIN) am S

"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 providing for an effective date."

and

CS FOR HOUSE BILL NO. 55(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."

SENATE CS FOR CS FOR HOUSE BILL NO. 55(FIN) am S

"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."

[4:32:11 PM](#)

Chair Josephson invited Alexei Painter, Director of the Legislative Finance Division, to join the committee at the table. He stated that the committee would be addressing items in House Bill 53 and House Bill 55 based on the motion sheets dated May 16th. The meeting would cover items in the departments of:

ADMINISTRATION  
COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
CORRECTIONS  
EDUCATION AND EARLY DEVELOPMENT  
ENVIRONMENTAL CONSERVATION

FAMILY AND COMMUNITY SERVICES

FISH AND GAME

OFFICE OF THE GOVERNOR

LABOR AND WORKFORCE DEVELOPMENT

LAW

NATURAL RESOURCES

PUBLIC SAFETY

TRANSPORTATION AND PUBLIC FACILITIES

UNIVERSITY

JUDICIARY

LEGISLATURE

DEPARTMENT OF ADMINISTRATION

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Administration budget:

Items 1 through 7	Senate, all items
Item 8	House
Items 9 through 12	Senate, all items

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items in the Department of Administration budget.

[4:33:50 PM](#)

DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Commerce, Community and Economic Development budget:

Item 1	House, both lines
Item 2	Senate
Item 3	House
Item 4	House, modify to One-Time Increment
Item 5	House
Items 6-9	Open
Items 10-12	House, all items
Items 13-14	Senate, both items
Item 15	House minus \$248.7 thousand UGF
Item 16	House
Item 17	Senate

Item 18            Line 1, House, modify fund source to  
                    UGF, Line 2, House  
Item 19            House  
Item 20            Senate  
Items 21-22        House, both items

[4:35:37 PM](#)

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed conferenceable items 1 through 5 and 10 through 22 for the Department of Commerce, Community, & Economic Development, and left items 6 through 9 open.

[4:35:52 PM](#)

DEPARTMENT OF CORRECTIONS

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Corrections budget:

Items 1-2            House, both items  
Item 3              Open  
Item 4              House  
Items 5-7            Open  
Items 8-12          House, all items  
Items 13-14         Senate, both items  
Items 15-16         House, both items  
Item 17             Senate  
Items 18-27         House, all items  
Items 28-29         Senate, both items  
Items 30-36         House, all items  
Items 37-38         Senate, both items  
Item 39             Senate, plus \$525.0 thousand UGF  
Item 40             Senate  
Item 41             Open  
Items 42-44         House, all items  
Item 45             Senate

[4:37:45 PM](#)

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed conferenceable items 1, 2, 4, 8 through 40, and 42 through

45 in the Department of Corrections. He noted that items 3, 5, 6, 7 and 41 remained open.

[4:38:16 PM](#)

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Education and Early Development budget:

Items 1-9	Senate, all items
Item 10	House minus \$277.0 thousand UGF
Items 11-12	Senate, both items
Item 13	House
Items 14-22	Senate, all items

Senator Kaufman OBJECTED to item 15. He stated that based on his conversations with the Department of Education and Early Development (DEED), it was his understanding that the funding being decremented helped the department onboard foreign teachers and get them certified. He stated it helped fill the teacher deficit currently facing the state. He was interested in discussing whether it was an effective cut considering it was helping the state obtain staff for education.

[4:39:13 PM](#)

AT EASE

[4:40:49 PM](#)

RECONVENED

Chair Josephson relayed that all items above with the exception of item 15 were adopted.

Vice-Chair Hoffman addressed the objection to item 15. He stated it was a judgment call; however, a reduction had not been taken for item 13 related to teacher certification. He stated there had been reductions that were very difficult to make. He remarked that education was a priority. He was amenable to leaving item 15 open for the time being. He added that they had done the best they could, and it was not possible to do everything they wanted to do in education. He relayed that the dialog went back to all of the arguments individuals had made on the Base Student Allocation (BSA) from \$700 to \$1,000. He stated that the

current budgetary times were difficult, but he would agree to leave the item open.

Chair Josephson MOVED to leave item 15 in the DEED budget open.

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items with the exception of item 15 in the Department of Education and Early Development.

[4:43:02 PM](#)

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Environmental Conservation budget:

Items 1-3	House, all items
Item 4	Senate

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items in the Department of Environmental Conservation.

[4:43:43 PM](#)

DEPARTMENT OF FAMILY AND COMMUNITY SERVICES

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Family and Community Services budget:

Item 1	House
Item 2	House, minus 2 million, 184.3 thousand dollars UGF
Item 3	Senate
Item 4	House
Items 5-9	Senate, all items, all lines

Chair Josephson stated that the action closed all conferenceable items in the Department of Family and Community Services.

[4:44:31 PM](#)

DEPARTMENT OF FISH AND GAME

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Fish and Game budget:

Item 1	Senate
Item 2	Line 1, House minus \$80.0 thousand UGF Line 2, House minus \$20.0 thousand GF/Match
Item 3	House
Items 4-6	Senate, all items
Item 7	House minus \$225.0 thousand UGF
Item 8	House, minus \$316.5 thousand UGF
Items 9-13	Senate, all items, all lines
Item 14	House

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable in the Department of Fish and Game.

[4:45:54 PM](#)

OFFICE OF THE GOVERNOR

Vice-Chair Hoffman MOVED that the committee adopt the following budget items for the Office of the Governor:

Item 1	Senate
Item 2	House, both lines
Item 3	House, with modified intent language to direct the Office of Management and Budget to use zero-based budgeting principles to prepare the budget for one agency and to provide a report to the Finance Committees and the Legislative Finance Division.
Item 4	Senate
Item 5	Senate

Chair Josephson asked for verification that the governor's office would have the discretion to choose the agency [pertaining to item 3].

Vice-Chair Hoffman replied affirmatively.

Senator Kaufman OBJECTED to item 4. He stated the intent had been to get reporting on the "efficient frontier" on staffing bonuses versus overtime. He thought it may have been over articulated and too well defined, but he believed there was some good intent. He would like to consider the item and leave the item open.

Vice-Chair Hoffman remarked that the decision to reach the current proposal had been very cumbersome; however, he did not have a problem leaving the item open.

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that with the exception of item 4, all other conferenceable items for the Office of the Governor budget were closed.

[4:48:11 PM](#)

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Labor and Workforce Development budget:

Item 1      Senate  
Item 2      House  
Items 3-6   Senate  
Item 7      House, adjust fund source to STEP funds,  
                 fund code 1054

Senator Kaufman OBJECTED to item 3. He stated that SB 147 had created the position within the Department of Labor and Workforce Development (DLWD), which the department had told the legislature had been filled and trained. He explained that the decrement would result in the deletion of the position. The purpose of the position was to break the backlog in workers' compensation where the system had been ineffective, and people were not getting back to work. He elaborated that the system had not been working because it did not have the navigator needed to get people through the system. The legislation also fixed the outdated references to the job descriptions. He wanted to further consider the item to see if anything could be done.

[4:50:04 PM](#)

AT EASE

[4:50:29 PM](#)

RECONVENED

Vice-Chair Hoffman remarked that item 3 was \$125,000 and he was amenable to leaving it open for further dialogue. He restated the motion to leave item 4 open.

Chair Josephson asked for clarification on which item should be left open.

Senator Kaufman answered he was requesting to leave item 3 open.

Vice-Chair Hoffman restated the motion, which would close all other items with the exception of item 3.

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items in the Department of Labor and Workforce Development.

[4:52:29 PM](#)

AT EASE

[4:52:47 PM](#)

RECONVENED

DEPARTMENT OF LAW

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Law budget:

- Items 1-5 Senate, all items
- Item 6 Senate, change fund source to UGF (fund code 1004)
- Items 7-8 Senate, both items, all lines

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items in the Department of Law.

[4:53:38 PM](#)

DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Military and Veterans' Affairs budget:

Items 1-5 Senate, all items  
Item 6 House

Chair Josephson stated that the action closed all conferenceable items in the Department of Military and Veterans' Affairs.

[4:54:03 PM](#)

DEPARTMENT OF NATURAL RESOURCES

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Natural Resources budget:

Items 1-3 Senate, all items  
Item 4 House minus \$218.8 thousand  
Items 5-7 House, all items  
Items 8-9 Senate, both items

Chair Josephson stated that the action closed all conferenceable items in the Department of Natural Resources.

[4:54:52 PM](#)

DEPARTMENT OF PUBLIC SAFETY

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Public Safety budget:

Items 1-4 Senate, all items  
Item 5 House minus 1 million 348 thousand dollars UGF  
Items 6-8 Senate, all items  
Item 9 House, minus \$537.8 thousand UGF and minus 1 position  
Item 10 House, minus \$90.0 thousand UGF  
Item 11 House

Items 12-16      Senate, all items  
Item 17            House  
Items 18-21      Senate, all items

Chair Josephson OBJECTED for discussion.

Representative Johnson requested to revisit items 3, 13, and 14 associated with the Talkeetna trooper post.

Chair Josephson asked Mr. Painter to describe the items.

}Alexei Painter, Director, Legislative Finance Division{ clarified that the related items were 3, 4, 8, 13, and 14. The items were all related to establishing the Talkeetna trooper post in the Alaska State Troopers and Alaska Wildlife Troopers.

Representative Johnson asked if all of the items had to go together or if it was possible to fund only some of them.

Mr. Painter replied that the subcommittee in the House originally funded items 3, 4, 13, and 14. He explained that item 8 had been added back on the House floor. He stated it was easily possible to take only items 3, 4, 13, and 14. He noted it may be a bit difficult on the fly to partially reopen the trooper post beyond that.

[4:58:36 PM](#)

Representative Johnson asked if it was possible to leave the items open.

Vice-Chair Hoffman stated that the items regarding the trooper position were in excess of \$2 million annually. He stated items 3, 4, 8, 13, and 14 would remain open.

Chair Josephson WITHDREW the OBJECTION. He stated that items 3, 4, 8, 13, and 14 would be left open and the remainder of the items were closed within the Department of Public Safety.

[5:00:18 PM](#)

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Department of Transportation and Public Facilities budget:

Items 1-9	Senate, all items
Item 10	House
Items 11-36	Senate, all items, all lines

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items in the Department of Transportation and Public Facilities budget.

[5:01:13 PM](#)

#### UNIVERSITY OF ALASKA

Vice-Chair Hoffman MOVED that the committee adopt the following items in the University of Alaska budget:

Items 1-6	Senate, all items, all lines
Items 7-9	House, all items, all lines
Items 10-11	Senate, both items
Items 12-13	House, both items, all lines
Items 14-15	Senate, both items
Items 16-20	House, all items, all lines
Items 21-24	Senate, all items
Items 25-28	House, all items, all lines
Item 29	Senate
Items 30-32	House, all items, all lines

There being NO OBJECTION, it was so ordered.

Chair Josephson stated the action closed all conferenceable items for the University of Alaska.

#### JUDICIARY

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Judiciary budget:

Item 1	House, minus \$113.5 thousand
Item 2	Senate
Items 3-5	House, all items
Item 6	Senate, both lines
Item 7	House

Item 8                      Senate

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items for the Judiciary.

LEGISLATURE

Vice-Chair Hoffman MOVED that the committee adopt the following items in the Legislature's budget:

Items 1-2	Senate
Item 3	House, minus \$290.0 thousand UGF
Item 4	House
Items 5-6	Senate
Item 7	House
Item 8	Senate plus \$500.0 thousand UGF

There being NO OBJECTION, it was so ordered.

Chair Josephson stated that the action closed all conferenceable items for the Legislature.

Chair Josephson concluded the meeting. He noted the date and time of the next meeting would be posted on BASIS.

Vice-Chair Hoffman MOVED to adjourn the meeting.

There being NO OBJECTION, it was so ordered.

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

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

#

ADJOURNMENT

5:05:00 PM