

HOUSE FINANCE COMMITTEE
March 09, 2001
1:41 PM

TAPE HFC 01 - 40, Side A
TAPE HFC 01 - 40, Side B
TAPE HFC 01 - 41, Side A
TAPE HFC 01 - 41, Side B
TAPE HFC 01 - 42, Side A
TAPE HFC 01 - 42, Side B

CALL TO ORDER

Co-Chair Mulder called the House Finance Committee meeting to order at 1:41 PM.

MEMBERS PRESENT

Representative Eldon Mulder, Co-Chair
Representative Bill Williams, Co-Chair
Representative Con Bunde, Vice-Chair
Representative Eric Croft
Representative Carl Moses
Representative Richard Foster
Representative John Harris
Representative Bill Hudson
Representative Ken Lancaster
Representative Jim Whitaker

MEMBERS ABSENT

Representative John Davies

ALSO PRESENT:

Representative Beth Kerttula; Representative Ethan Berkowitz; Representative Vic Kohring

JUNEAU: Larry Duffy, University of Alaska; Marla Lippard, Gastineau Human Services; Mike Wentz; Elva Bontrager; Mary Lou Spartz; Danny Martin; Bill Legere; Venietia Santana; Janet Forbes; Tia Anderson; H Dean Lummis; Ken Dean, Southeast Alaska Independent Living; Browne Willward; Tom Boutin; Salveig Pedersen; Kim Perry; Cindy Cashen; Sherry Thompson; Wilbur Knudson; Lissa Robertson; Kathryn Ilo Currit; Suzan Bryson; Carl Rose; Kathy Hansen; Darroll Hargraves; Kean Nuttall; Lynda Olsen; Matt Felix; Jodie Rumph; Loren Gerhard; Lisa Villaero; Venum MacDrull; Tonia Kensinger; Jody Rumph; Pamela Watts; Gary Bader; Scott McCrea; Joyanne Bloom

PRESENT VIA TELECONFERENCE

ANCHORAGE: Delisa Culpepper; Jenny Murray; David Geesin; Isabelle Gayle Boran; Michele Berns; Delina Yound; Gary Curney; John Mayo; Debbie Ossiander; Paul Stankavich; Tamara Ahumada; Peggy Robinson; Carol Comeau; Rich Sewell; Morry Hollowell; Tom Williams; Mary Rosenzweig; Irene Persson; Sallye Werner; Rosalie Naudeau; Paul Janowie; Greg Wilson; Sally Mead; Sarah Plotnick-Epstein; Bill Bouwens; Margaret Lanier; Kathleen Wall; Gail Igo; David Alexander; Chris Hudson; Debbie Hudson

MAT-SU: Adene Arthur; Sally Elliott; Don Savage; Misty Jensen; James Posey; Joseph Burns; Denise Bowen; Lyle O'Kinoko; Thomas McElwain; Kelly McKittrick; Patricia Coyne; Bill O'Hara; Steve Keppel

#HB103

#HB104

GENERAL SUBJECT(S):

**STATEWIDE TELECONFERENCE
HB 103-APPROP: OPERATING BUDGET
HB 104-APPROP: MENTAL HEALTH BUDGET
Juneau, Mat-Su & Anchorage**

The following overview was taken in log note format. Tapes and handouts will be on file with the House Finance Committee through the 22nd Legislative Session, contact 465-2156. After the 22nd Legislative Session they will be available through the Legislative Library at 465-3808.

LOG	SPEAKER	DISCUSSION
	TAPE HFC 00 - 40 SIDE A	
000	Co-Chair Mulder	Opened the House Finance Committee meeting on the statewide teleconferencing, noting that each testifier was requested to limit their testimony to two minutes. He added that each person could direct their comments in support or opposition to the proposed changes to the operating budget bill.
21	KEN DEAN - JUNEAU	Testified in support of the \$90 thousand dollar increment for the Independent Living component.
404	LARRY DUFFY, CHAIR, FACULTY ALLIANCE - JUNEAU	Testified in support of full funding for the University of Alaska.
510	MARLA LIPPARD, CLINICAL DIRECTOR, GASTINEAU HUMAN SERVICES - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol abuse programs. Jail does not work.
750	MIKE WENTZ - JUNEAU	Testified in support of the Governor's

		request for increased funding for alcohol abuse programs.
1000	ELVA BONTRAGER, CARETAKER, HOUSE OF WICKERSHAM - JUNEAU	Spoke in support of funding for historic buildings in the Division of Parks.
1116	MARY LOU SPARTZ - JUNEAU	Testified in support of funding for the deferred maintenance budget in the Division of Parks.
1259	DANNY MARTIN - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol abuse programs.
1561	BILL LEGERE - JUNEAU	Testified in support of full funding for the public broadcasting satellite system.
1639	Representative Hudson	Questioned the affects of the proposed funding cuts.
1689	Representative Hudson	Noted the \$1 million dollars it would cost to lease the transponder. He asked if without funding, would the services could be discontinued.
1697	VENIETIA SANTANA - JUNEAU	Testified in support of full funding for the University of Alaska.
1758	Vice-Chair Bunde	Suggested that students would still leave the state.
1815	MS. SANTANA	Felt that the university would be more competitive if programs were improved.
1871	JANET FORBES - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
2068	Representative Harris	Clarified that the funding for alcohol treatment had not been reduced. He stated that the Subcommittee had not approved the requested increments.
2132	Representative Croft	Observed that the speaker was referring to the \$2 million in alcohol and drug abuse grants that were recommended by the Governor and were not funded.
2152	Co-Chair Mulder	Suggested that funds may be available through a bill with a fiscal note.
2187	MS. SANTANA	Maintained that the program has been reduced.
2204	Representative Hudson	Spoke in support of the program. He thought that the program has grown. He suggested that Ms. Santana provide information on the program's successes.
2271	SUSAN BRYSON - JUNEAU	Testified in support of full funding for the University of Alaska. She responded to comments regarding the loss of students in Alaska. She maintained that the major reason for the loss of students were the lack of classes in their field.
	TAPE HFC 01 - 40, SIDE B	

24	TIA ANDERSON - JUNEAU	Testified in support of full funding for the University of Alaska.
187	DEAN LUMMIS - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
420	BROWNE WILLARD - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
691	Representative Harris	Pointed out that the State spends a great deal of funds on drug and alcohol programs (\$37 million dollars).
741	JODIE RUMPH - JUNEAU	Testified in support of the Infant Learning Program.
1019	Representative Croft	Asked if the program had requested \$700 thousand dollar.
1038	Ms. Rumph	Advised that was correct and that the therapy would educate the parents.
1154	TOM BOUTIN - JUNEAU	Voiced appreciation for the Committee "holding" the line over the previous years. He commented on the missions and measures and suggested that perhaps it was time for an independent review. He addressed debt service and the general fund authorization.
1369	SOLVEIG PEDERSEN - JUNEAU	Testified in support of full funding for the University of Alaska.
1390	KIM PERRY - JUNEAU	Testified in support of full funding for the University of Alaska.
1408	CINDY CASHEN - JUNEAU	Spoke in support of further funding for addressing drunk driving offenders. She added the need for full funding for all concerns dealing with alcohol abuse.
1643	SHERRY THOMPSON - JUNEAU	Testified in support of full funding for the University of Alaska.
1689	LISSA ROBERTSON - JUNEAU	Testified in support of full funding for the University of Alaska.
1733	KATHRYN CURRIT - JUNEAU	Testified in support of full funding for the University of Alaska.
1764	CARL ROSE - JUNEAU	Testified in support of additional funding for education. He addressed the recommendations made by the Task Force. Mr. Rose stated that the numbers determined by the task force were responsible numbers. He stressed that the State has been at flat funding for 15 years. Mr. Rose stressed that the standards based system needs extra funding. He asked for full funding for education as it does not currently meet the adequacy standard. In the budget this year, the general fund is being reduced. In cutting the general fund

		spending, the costs are being passed on to the local communities. The money will come from responsible long-range fiscal plan. He concluded that responsibility needs to happen in the Committee.
1983	Representative Croft	Commented that this is the most important issue that this legislature is facing. He stated that the process achieved by the task force should receive the dollars requested.
2039	Mr. Rose	Replied that the study was based on areas of needs. He commented that school districts are struggling to buy textbooks. The special needs students are being ignored. The largest number amount is the teacher's salaries, which need to be increased if the State is going to meet the competitive edge. Mr. Rose addressed the need for student intervention. He added that all of the information is recorded in the study. Testified in support of full funding for pupil transportation rather than displacement. He emphasized that these are critical issues.
2173	Representative Lancaster	Asked why there has been no discussion to date.
2183	Mr. Rose	Understood that the bill was "dead on arrival". He stated that the principles employed were quality including performance. He added that the money should come from the State. If quality is what the State is after, we will have to provide for that.
2228	KATHY HANSEN - JUNEAU	Requested further and enhanced funding for the Department of Fish and Game.
2269	DARROLL HARGRAVES - JUNEAU	Testified in support of additional funding for education. He addressed foundation funding and the transportation issues.
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110	Mr. Hargraves	Continued discussion on the concerns with full funding for education.
198	TONIA KENSINGER - JUNEAU	Spoke in support for further and greater funding for the Infant Learning service.
400	VERNUM MACDRELL - JUNEAU	Testified in support of additional funding for education. He commended the Committee for the Learning Opportunity Grants. He requested Committee support for the education bills. He testified in support of full funding for pupil transportation. [Referenced the NEA

		handout - Copy on File].
875	KEAN NUTTALL - JUNEAU	Testified in support of full funding for the University of Alaska.
925	LYNDA OLSEN - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs. She added the need for recovery houses within the State of Alaska. Testified in support of full funding for the University of Alaska.
1012	MATT FELIX - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs. He commented that alcohol is the greatest social service problem in the State. Treatment is the only thing that works for prevention of drunk driving. He warned that alcohol is cheaper than soda pop and milk in this State.
1183	LOREN GERHARD - JUNEAU	Asked for full restoration to the Alaska Marine Highway transportation proposed cuts. He noted that the Southeast Plan would help the State's financial situation. He emphasized that the people of Southeast Alaska depend on the system.
1346	LISA VILLANO - JUNEAU	Testified in support of full funding for the University of Alaska.
1538	Representative Whitaker	Asked about the improved morale amongst the student body and if it was related to the "Alaskan can do spirit".
1595	PAMELA WATTS - JUNEAU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1715	Representative Hudson	Asked if the board tried to get involved in recommendations.
1728	Ms. Watts	Noted that they do get involved and the development of community commitment. Prevention is the target.
1754	GARY BADER - JUNEAU	Testified in support of additional funding for education and testified in support of full funding for pupil transportation. He provided the figures of State foundation funding since 1993. He noted the decrease. There has been a reduction in the amount of \$485 dollars per student.
1853	Co-Chair Mulder	Asked the pupil count in 1993.
1865	Mr. Bader	Replied that there were 5,112 students in 1993; in 2000, the number of students was 5,631.
1897	SCOTT MCCREA - JUNEAU	Testified in support of full funding for the University of Alaska.
2004	JOYANNE BLOOM -	Stressed the need to fund tobacco

	JUNEAU	cessation programs and pointed to tobacco settlement funds as a funding source.
		Recess: 3:55 p.m.
2141		Reconvened: 4:05
2175	ADENE AUTHUR - MATSU	Testified in support of funding for avalanche prevention within the Department of Public Safety.
	TAPE HFC 01 - 41, SIDE B	
022	SALLY ELLIOTT - MATSU	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
153	DON SAVAGE - MATSU	Expressed concern with diminishing funds for local emergency planning committees.
409	MISTY JENSEN - MATSU	Testified in support of full funding for the Infant Learning Program. Testified in support of additional funding for education.
608	Co-Chair Mulder	Noted that there had been no cuts to the Head Start program. The increment for a federal match was not included, but local communities can opt to make up the match.
668	JAMES POSEY - MATSU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs in the amount of \$17 million dollars.
786	DELISA CULPEPPER - ANCHORAGE	Testified in support of the public health budget and disease control. Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
917	JENNY MURRAY - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
1053	DAVID GEESIN - ANCHORAGE	Testified in support of full funding for the public broadcasting satellite system.
1235	ISABELLE GAYLE BORAN - ANCHORAGE	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1347	MICHELE BERNS	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1392	JOSEPH BURNS - MATSU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1488	DENISE BOWEN - MATSU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1548	LYLE OKINEKO - MATSU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1614	THOMAS MCELWAIN -	Testified in support of the Governor's

	MATSU	request for increased funding for alcohol and drug abuse programs.
1695	KELLY MCKITTRICK - MATSU	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1788	KELIAN YOUNG - ANCHORAGE	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1842	GARY CURNEY - ANCHORAGE	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1906	JOHN MAYO - ANCHORAGE	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1953	DEBBIE OSSIANDER - ANCHORAGE	Testified in support of additional funding for education. Testified in support of full funding for pupil transportation.
2059	Representative Croft	Asked how much their pupil transportation cost was reduced.
2072	Ms. Ossiander	Noted that costs were not reduced but were held to a minimum.
2096	Co-Chair Mulder	Observed that Anchorage's growth was only 2 percent, while other areas have increased up to 20 percent.
2115	PAUL STANKAVICH - ANCHORAGE	Testified in support of full funding for the public broadcasting satellite system.
2214	PATRICIA COYNE - MATSU	Testified in support of funding for avalanche prevention in the Department of Public Safety.
2262	BILL O'HARA - MATSU	Expressed support for funding for state troopers in the Department of Public Safety.
2356	STEVE KEPPEL - MATSU	Testified in support of the governor's request for increased funding for alcohol and drug abuse programs.
	TAPE HFC 01 - 42, SIDE A	
100	Co-Chair Mulder	Suggested that additional funding will be available for alcohol treatment.
182	TAMARA AHUMADA - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
360	RICH SEWELL - ANCHORAGE	Testified in support of full funding for the University of Alaska.
506	MORRY HOLLOWELL - ANCHORAGE	Expressed concern that there is not sufficient funding for juvenile justice services.
670	TOM WILLIAMS - ANCHORAGE	Testified in support of full funding for the public broadcasting satellite system.
829	Co-Chair Mulder	Noted that the Committee would take a look at the satellite funding.

854	MARY ROSENZWEIG - ANCHORAGE	Testified in support of the governor's request for increased funding for alcohol and drug abuse programs.
984	Representative Croft	Noted that there are potential savings through treatment.
1021	IRENE PERSSON GAMBLE - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source. Testified in support for additional funding for Head Start programs.
1187	SALLYE WERNER - ANCHORAGE	Expressed support for funding to the child protection services - Office of Public Advocacy, Division of Family and Youth Services and Denali Kid Care. Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs.
1362	ROSALIE NADEAU - ANCHORAGE	Testified in support of the Governor's request for increased funding for alcohol and drug abuse programs. Akeela contracts with the Department of Corrections (Inmate Substance Abuse Services).
1528	PAUL JANOWIE - ANCHORAGE	Testified in support of funding for juvenile justice programs.
1674		Dinner recess at 5:30 p.m.
		Resumed session at 6:45 p.m.
	TAPE HFC 01 - 42, SIDE B	
000	GREG WILSON - ANCHORAGE	Requested further funding for the Division of Oil and Gas and salary increases to the Department of Transportation & Public Facilities employees.
145	SALLY MEAD - ANCHORAGE	Spoke in support for further and greater funding for Public Health services within the Department of Health and Social Services budget.
321	SARAH PLOTNICK-EPSTEIN - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
412	BILL BOUWENS - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
507	MARGARET LANIER - ANCHORAGE	Stressed the need to fund tobacco cessation programs and pointed to tobacco settlement funds as a funding source.
617	Representative Hudson	Asked how the State could reach all the people that need tobacco counseling.
660	Ms. Lanier	Replied that the State needs a comprehensive tobacco control program. Counter marketing media and enforcement and evaluation of current programs. She

		stated that youth would be specifically targeted.
730	KATHLEEN WALL - ANCHORAGE	Testified in support of the mental health budget.
801	GAIL IGO - ANCHORAGE	Spoke in support of further funding for Division of Family and Youth Services and the Foster Care component.
925	Representative Hudson	Stated that front line social workers would be receiving \$1 million dollars more this year.
969	DAVID ALEXANDER - ANCHORAGE	Requested that the proposed cut to the Ameri-Corp not be made. He stated that the federal match is approximately \$2 million dollars for a small State match. The services are for children between 2-8 years old.
1088	CHRIS HUDSON - ANCHORAGE	Testified in support of the mental health budget.
1197	DEBBIE HUDSON - ANCHORAGE	Testified in support of the mental health budget. She added her support for Volunteers of America.
1256	JULIANNE DYE - ANCHORAGE	Testified in support of full funding for the public broadcasting satellite system.
1333	Co-Chair Mulder	Noted that there have been discussions regarding the satellite system. He noted that Representative Lancaster was frustrated with where the State currently is. He noted that there is an amendment forthcoming to address some of that frustration. He stated that one consideration is that technology is changing so much; the State is hesitant to make a commitment to AT&T. He noted that it is the intent to address services as proposed.
1452	Ms. Dye	Voiced appreciation for the work done to date. She agreed with the fast pace of the technological changes.
1512	KIRK KAMLEEZ - ANCHORAGE	Asked about the increase for the front line social workers. He asked the number of workers that would fund.
1557	Representative Harris	Explained that budget has ballooned since last year.
1579	Co-Chair Mulder	Understood that it would increase between 20-25 new positions including the bubble positions.
1631		At ease: 7:15 p.m.
		Reconvene: 7:28 p.m.
1637	Mr. Kamleez	Asked if there was a projection regarding the amount of federal money lost because the State did not keep up with the mandate.

1690	Representative Harris	Replied that the State has lost money because we have sold tobacco to minors. That grant lost a few million dollars. He did not know of any loss in the Division of Family and Youth Services (DFYS).
1722	Representative Croft	Added that there have been threats of loosing money in the Child Support Enforcement Division (CSED).
1735	Vice-Chair Bunde	Noted that some years back, the State lost money in bringing to trial, youth as adults.
1792	Mr. Kamleez	Asked how to track that kind of information.
1801	Representative Harris	Replied that he should call the Department. There has been every attempt to secure Federal match money.
1823	Co-Chair Mulder	Interjected that the numbers for new social workers are speculative at this time.
1876	Co-Chair Mulder	<u>ADJOURNMENT</u> The meeting was adjourned at 7:35 p.m.

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