

MINUTES
SENATE FINANCE COMMITTEE
April 25, 2003
9:06 AM

TAPES

SFC-03 # 65, Side A
SFC 03 # 65, Side B

CALL TO ORDER

Co-Chair Gary Wilken convened the meeting at approximately 9:06 AM.

PRESENT

Senator Gary Wilken, Co-Chair
Senator Lyda Green, Co-Chair
Senator Con Bunde, Vice Chair
Senator Robin Taylor
Senator Ben Stevens
Senator Donny Olson
Senator Lyman Hoffman

Also Attending: SENATOR SCOTT OGAN; MATT ROBUS, Acting Director, Division of Wildlife Conservation, Department of Fish and Game; ROBERT BUTTCANE, Programs/Administration, Division of Juvenile Justice, Department of Health and Social Services; Juneau Boy Scout Troop 11: SHAUN NESHEIM; KYLE KAHKLEN; CARLETON SHOREY; ALEX BOTELHO; TREVOR LARSEN; BRUCE BOTELHO; BRUCE BOTELHO, Boy Scout Troop 11 Leader

Attending via Teleconference: From Mat-Su: JOHN DUFFY, Borough Manager, Mat-Su Borough; JODY SIMPSON, Member Mat-Su Borough Assembly; From an Offnet Site: LIEUTENANT MATT LEVEQUE, Alaska State Troopers, Department of Public Safety; KATHY CRONEN, Chief Executive Officer, NorthStar Hospital

SUMMARY INFORMATION

SB 53-REVOKE DRIVER'S LIC. FOR FATAL ACCIDENT

The Committee heard from the sponsor and the Department of Public Safety, and reported the bill from Committee.

SB 147-CONTROL OF NUISANCE WILD ANIMALS

The Committee heard from the Department of Fish and Game and reported the bill from Committee.

SB 157-INPATIENT PSYCHIATRIC SERVICES

The Committee heard from Department of Health and Social Services and reported the bill from Committee.

SB 65-CORRECTIONAL FACILITY EXPANSION

This bill was scheduled but not heard.

SB 35-APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 75-APPROP: OPERATING BUDGET/LOANS/FUNDS

The Committee adopted a committee substitute and reported the bill from Committee.

SB 36-APPROP: MENTAL HEALTH BUDGET

HB 76-APPROP: MENTAL HEALTH BUDGET

The Committee adopted a committee substitute and one amendment and reported the bill from Committee.

#sb53

SENATE BILL NO. 53

"An Act relating to disposition of a traffic offense involving the death of a person; providing for the revocation of driving privileges by a court for a driver convicted of a violation of traffic laws in connection with a fatal motor vehicle or commercial motor vehicle accident; amending Rules 43 and 43.1, Alaska Rules of Administration; and providing for an effective date."

This was the first hearing for this bill in the Senate Finance Committee.

Co-chair Wilken informed the Committee that this bill would allow the revocation of a person's driving license in the event that their traffic violation results in a death.

SENATOR SCOTT OGAN, the sponsor of the bill, explained that current State statute does not provide provisions to address a traffic violation that results in a death. He shared that he personally knows families who have lost a relative or suffered a disability as

the result of another driver running a red light, and he communicated that the at-fault driver only received a \$50 fine for a traffic violation. He stated that unless a driver is, for instance, intoxicated, there is no State statute that holds a driver who drives too fast for conditions or runs a red light responsible for their actions. He stated that the legal defense for these people "is that they really didn't intend to kill someone." He stated that similar legislation was presented to the Legislature the previous session, "but was held up in the closing minutes of the session."

Senator Taylor asked how this legislation would address a situation whereby a vehicle slides off a road due to icy road conditions and results in a family member in the car being killed. He noted that the driver's negligence, according to this Legislation, contributed to a fatality. He asked whether the word "may" in the Legislation would allow the court discretion in addressing this scenario.

Senator Ogan responded that judges would have sufficient authority to appropriately address the situation and that the court would render an appropriate response. He stated that this "is exactly the reason" the legislation includes the word "may." However, he asserted, this legislation would also allow a judge to appropriately address a situation whereby the action of the driver, or repeated infractions of a driver, causes personal damage to others.

Senator Bunde expressed understanding of the frustration that might be caused by current statutes limitations; however, he asked whether revoking a driver's license would have the desired result; as, he furthered, some people would continue to drive or might otherwise not be "inconvenienced."

Senator Ogan suspected that there are some people who "would thumb their nose" at the loss of their driver's license. However, he stressed that this legislation would be a deterrent to those people who violate traffic laws by driving too fast or who run red lights as opposed to those people who routinely drive recklessly or drive while intoxicated.

LIEUTENANT MATT LEVEQUE, Alaska State Troopers, Department of Public Safety, testified via teleconference from an offnet site and agreed that some people would continue to drive without a driver's license; however, some would respect the law and not drive. In response to Senator Bunde's comment about further inconveniencing offenders by, for instance, prohibiting them from airline travel because they would not have a driver's license to present as required at time of airline check-in, Lieutenant Leveque informed

that individuals who lose their driver's license would remain eligible to apply for a state identification card. Therefore, he continued the State would not deny individuals the ability to travel.

Senator Olson asked whether Lieutenant Leveque supports the bill.

Lieutenant Leveque responded that the Department supports the bill.

Senator Taylor moved to report the bill from Committee with individual recommendations and accompanying fiscal note.

Without objection, HB 53 was REPORTED from Committee with previous fiscal notes #1 and #2 from the Department of Administration and previous fiscal note #3 from the Department of Law.

#sb147

SENATE BILL NO. 147

"An Act relating to control of nuisance wild animals; and providing for an effective date."

This was the second hearing for this bill in the Senate Finance Committee.

Co-chair Wilken stated that this bill addresses nuisance animals and is sponsored by Co-chair Green.

MATT ROBUS, Acting Director, Division of Wildlife Conservation, Department of Fish and Game provided answers to questions asked in the first hearing on this bill by communicating that the Department currently has regulations to address situations involving large animals such as moose or bear through the Department's ability to issue public safety permits, Defense of Life and Property permits, and scientific permits. In addition, he stated that permits could be issued to "a responsible individual" were an enforcement official unavailable.

Mr. Robus stressed; however, "that the one thing not covered currently" through regulations are small animals and birds whose actions are creating nuisance problems including such things as birds eating grain crops or an ermine harming someone's house. He continued that this legislation would provide the Department the authority to address these types of issues.

Senator Hoffman asked whether there is a need for provisions to address the disposal of these small animals; particularly the

salvage of the meat or the disposal of the remains.

Mr. Robus informed that provisions are usually included in the permit for meat salvaging of large animals, and where small animals or birds are concerned, the Department attempts to be flexible and to appropriately take care of, for example, a fur-bearing animal whose hide could be salvaged. Furthermore, he mentioned that in the case of a food animal, provisions are included to allow the taker to either use it for individual use or provide it to an organization that provides food to other people. However, he noted that when a situation arises in which salvaging of the meat or fur is not an option or conditions would not allow for salvage, the flexibility to handle situations on a case-by-case basis is requested in this legislation.

Senator Hoffman voiced that most people would willingly salvage the meat, and he questioned whether a provision requiring salvage would be necessary.

Senator Olson asked how this legislation would address a situation wherein an animal or bird is not a nuisance but rather poses a threat to, for instance, a private pilot or to national security by its presence on a private or military airport runway.

Mr. Robus replied that this issue is addressed currently by the Department's ability to issue public safety permits. However, he noted that this existing authority includes threats posed by small animals.

Amendment #1: This amendment inserts "and subject to AS 16.30.010" after the word "Act" on page 3, line 20.

Senator Olson moved for adoption of Amendment #1.

Co-Chair Wilken objected for explanation.

Senator Olson shared that muskox in the Nome area present a danger to airports during the animals' rutting season. He noted that this amendment addresses the issue of wanton waste, and he exclaimed that, "if you shoot it, and kill it, you better eat it."

Senator Olson withdrew the amendment.

Senator Taylor moved to report the bill from Committee with individual recommendations and accompanying fiscal notes.

There being no objection, SB 147 was REPORTED from Committee with previous fiscal note #1 from the Department of Fish and Game.

AT EASE 9:29 AM / 9:29 AM

Co-Chair Wilken introduced visiting Juneau Boy Scout Troop 11 consisting of SHAUN NESHEIM, KYLE KAHKLEN, CARLETON SHOREY, ALEX BOTELHO, TREVOR LARSEN, and BRUCE BOTELHO, Boy Scout Troop 11 Leader.

Mr. Botelho announced that the scouts are working on the Boy Scout Citizenship Award.

#sb157

CS FOR SENATE BILL NO. 157(HES)

"An Act relating to inpatient psychiatric services for persons who are under 21 years of age and are either eligible for medical assistance or are in the custody of the Department of Health and Social Services."

This was the first hearing for this bill in the Senate Finance Committee.

Co-Chair Green, the bill's sponsor, explained that this bill would require the Department of Health and Social Services to provide, when available, in-State psychiatric services to individuals under the age of 21, who are in State care and require or need those services. She stated that, while this requirement is currently in regulation, it is not being implemented. She expounded on the benefits of providing in-State care as: it "would stabilize the environment so that the State can attract and assure care providers in this field that in-State providers would be considered first" before a person would be sent out-of-State for treatment; would reduce the demand on the State to pay for expensive out-of-State treatment; and would keep individuals closer to family. She noted that the Denali KidCare program has contributed to the growth in the numbers of individuals identified as requiring treatment.

JOHN DUFFY Borough Manager, Mat-Su Borough, testified via teleconference from Mat-Su in support of this legislation, and he urged the Committee to support it. He stated that allowing children to receive treatment close to home and to family members would "increase the probability of treatment success." In addition, he noted that provisions of this legislation would remove "uncertainty from the private sector" and allow for more in-State treatment centers. This, he asserted, would benefit individuals, positively impact the economy, and provide jobs. He affirmed that in-State treatment is less expensive than out-of-State treatment, and that

"it makes sense that Alaskan dollars remain in Alaska" to support the State's economy.

KATHY CRONEN, Chief Executive Officer, Fairbanks NorthStar Hospital, testified via teleconference from an offnet site in support of bringing Alaskan children "home for treatment." She informed that 300-plus children were treated out-of-state last year, and she opined that this "has devastating impact of these children and their families, as well as on the State because we are not supporting our kids." She stressed that mental health care should be provided closer to home, that follow-up care is critical to a child's long-term success, and, she asserted, treatment should involve a child's family.

Ms. Cronen furthered that this legislation would be good for the State as it would allow in-State treatment programs to expand, would create hundreds of new jobs, and would keep Medicaid dollars in the State. She urged the Committee to pass this legislation.

Senator Olson asked the staffing situation at the Northstar Hospital, particularly whether the hospital is able to attract board-certified psychiatrists and other support staff as, he understands, there is a shortage of personnel in these fields of practice.

Ms. Cronen confirmed that "staffing and recruitment is always a challenge for any health care provider;" however, she informed that, while the hospital has at times experienced nursing and psychiatrist staff shortages, the hospital has been successful in the long-term. She voiced the need to provide job security, and she contended that legislation of this nature would provide the foundation.

Senator Taylor moved to adopt CS SB 157 (HES) as the working document.

There being no objection, the (HES) committee substitute was adopted as the working document.

JODY SIMPSON, Member Mat-Su Borough Assembly, testified via teleconference from Mat-Su and voiced that the Mat-Su Borough supports this bill. She voiced that out-of-state treatment removes Alaskan children from their families as well as sends Alaska dollars elsewhere thereby resulting in a loss of in-State job opportunities.

ROBERT BUTTCANE, Programs/Administration, Division of Juvenile Justice, Department of Health and Social Services informed that the

Department supports this legislation and its goal of establishing "adequate in-State resources to meet the treatment needs of young people." He informed that the Division is committed to working with providers to develop the needed capabilities. However, he noted that some complicating factors must be addressed to include the fact that parents of children who are not in the State's custody have the right to decide whether their child would receive in-State or out-of-State treatment. He furthered that another factor is that few Alaskan facilities provide "secured, locked care" which is required in some situations. However, he attested that the provision requiring an assessment to be conducted on each child is an appropriate one as it would enable the Division to compile a facility needs list that would propel the State's system to evolve as necessary with the goal that eventually the State's resources would meet all needs.

Co-Chair Green asserted that even though a child might not be in State custody, the fact that the child might be a Medicaid recipient would provide the State with the right to determine where the child might receive treatment.

Mr. Buttane concurred.

Co-Chair Green furthered that a recent Medicaid audit [copy not provided] recommended that requests for out-of-state and in-state travel for medical necessities should be accompanied by written justification. She reiterated that this legislation is taking what is currently in regulation and putting it into statute to assure that the regulations would be implemented.

Senator Hoffman asked how rural children would benefit from this legislation as, he communicated, and they would still be removed from their small communities and their families to receive care.

Mr. Buttane responded that this is a valid concern as individuals from rural areas would continue to experience upheaval, and he stated that "there is no easy answer" to the situation. He suggested that, "the next step" to address this scenario would be to provide more in-state care options to keep the "children at least that much closer to their communities." He stated that further action from Native Health organizations, State, federal, and private, non-profit entities could assist in providing better service to young people.

Senator Hoffman allowed that this bill would enable rural children to be one step closer to home; however, he concluded that the needs of rural children are still being addressed.

Co-Chair Green agreed that Senator Hoffman has a good point. She stated that this bill would allow for small, private care facilities with perhaps as few as eight employees to locate in rural areas where there is a need. She stressed that through legislation such as this, the emphasis would be to keep youth in-State "to create the synergy and the energy and the numbers" required to encourage the private sector to service smaller communities. She predicted that there would be "a gradual growth" in this direction.

Senator Olson asserted that mental health treatment is a complicated process, and he asked how the decision regarding the proper course of treatment and whether the State has adequate facilities to provide that treatment would be determined.

Mr. Buttane told of "a shared process of review by a interdisciplinary team" comprised of medical and psychology doctors, social workers, and care providers who would conduct an inventory of State's programs and the needs of child, before rendering a recommendation, and he furthered that funding would be determined by Medicaid. He stated that were someone to determine that the outcome of the review was improperly derived at; there would be an opportunity for a review.

Senator Olson asked whether a physician or psychiatrist would be on the staff of the review board.

Mr. Buttane clarified that there is a psychiatrist on staff.

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Co-Chair Green responded that the current regulations specify that a licensed psychiatrist, a physician, a clinical social worker, a registered nurse, an occupational therapist, a psychological associate, and representatives from the Division of Family & Youth Services and the Division of Juvenile Justice would comprise the members of the review board.

Co-Chair Wilken informed the Committee that a question arose in the Senate Health Education and Social Services Committee hearing as to whether bringing children who are currently being treated out-of-state back to the State would increase the State's Medicaid expenses. He stated that the answer is no, it would not. He noted that this information is provided in fiscal note #1.

Co-Chair Green moved to report the bill from Committee with

individual recommendations and accompanying fiscal note.

There being no objection, CS SB 157 (HES) was REPORTED from Committee with previous fiscal note #1 from the Department of Health and Social Services.

RECESS TO THE CALL OF THE CHAIR 9:55 AM / 1:25 PM

Co-Chair Green chaired the remaining portion of the meeting.

#sb35
#hb75
#sb36
#hb76

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 35

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; 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."

CS FOR SS FOR HOUSE BILL NO. 75(FIN) am(brf sup maj fld)

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 36

"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."

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 76(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."

This was the eighth hearing for these bills in the Senate Finance Committee.

Co-Chair Green informed the Committee that previously adopted amendments are incorporated into the committee substitutes for these bills.

Senator Taylor moved to adopt SCS CS SS HB75 (FIN), Version 23-GH1002\Z as the working draft.

There being no objection, Version "Z" was adopted as the working document.

Senator Taylor moved to adopt SCS CS SS HB 76 (FIN), Version 23-GH1004\U as the working document.

There being no objection, Version "U" was adopted as a working document.

Senator Hoffman inquired to the Constitutional Budget Reserve (CBR) funds that would be required to support this legislation, excluding any revenue sources.

Co-Chair Green replied that that information is not yet available.

Senator Hoffman asked regarding the funding level required to support the amendments that were adopted during the seventh hearing on this legislation.

Co-chair Green responded that the amount is slightly less than one billion dollars.

Senator Hoffman complimented the Committee and staff on the caliber of work that was provided in support of developing the FY 04 operating budget.

Senator Taylor moved to report the committee substitute for HB 75 from Committee with individual recommendations.

There being no objection, SCS CS SS HB 75 (FIN) was REPORTED from Committee.

Amendment MH #1 for HB 76, Version "U": This conceptual amendment deletes one million dollars of funding designated for the Fairbanks Mental Health Detoxification Unit Expansion and Renovation as specified on page 11, lines 13, 14, and 15.

Co-Chair Wilken moved to adopt the amendment. He shared that this amendment is offered "out of concern" regarding "the wisdom" of the planning and measurement about this project. He stated that while the project might "be well-intentioned...it is not well thought out." He stated "that until good answers" are forthcoming to questions regarding how to address the problem of intoxicated individuals; he could not support the project.

Senator Taylor objected to the amendment. He voiced concern that "when the state transitioned public drunkenness" from a crime to an illness and "removed it from the criminal statutes and placed it under Title 47 Statutes, the only way that police officers could remove someone off the streets" was a situation wherein they were a danger to themselves or to others. He furthered that the State has never adequately addressed the problem "with either funding or the staffing necessary," and as a consequence, he declared that communities have had to assume the responsibility. However, he opined, efforts do not adequately address the root of problem, and he asserted that the State should fund the provisions in Title 47 to address the problem.

Senator Taylor withdrew his objection.

Co-chair Wilken echoed Senator Taylor's concern, and stated that were adequate answers to questions such as how the funds would be utilized; how the outcomes would be measured; and how individuals would benefit and improve their quality of life, he would be able to support the detoxification center funding.

There being no further objection, Amendment MH #1 was ADOPTED.

Senator Taylor moved to report HB 76, as amended, from Committee with individual recommendations.

There being no objection, SCS CS SS HB 76 (FIN), as amended, was REPORTED from Committee.

AT EASE 1:35 PM / 1:35 PM

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ADJOURNMENT

Co-Chair Lyda Green adjourned the meeting at 01:36 PM.