

MINUTES
SENATE FINANCE COMMITTEE
April 8, 2006
1:00 p.m.

CALL TO ORDER

Co-Chair Gary Wilken convened the meeting at approximately [1:00:27 PM](#).

PRESENT

Senator Lyda Green, Co-Chair
Senator Gary Wilken, Co-Chair
Senator Fred Dyson
Senator Lyman Hoffman
Senator Donny Olson

Also Attending: Testifiers are listed in the body of the minutes in the order they spoke.

SUMMARY INFORMATION

HB 365-APPROP: OPERATING BUDGET/LOANS/FUNDS

The Committee heard testimony from residents of Juneau and other locations in the state. The bill was held in Committee.

#hb365
[1:00:41 PM](#)

CS FOR HOUSE BILL NO. 365(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; making appropriations for state aid to public schools, centralized correspondence study, and transportation of pupils; and providing for an effective date."

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

1:01:48 PM

FLORENCE COLLINS testified via teleconference from an offnet location in Fairbanks that she is a resident of the Fairbanks Pioneers' Home and her husband resided at the facility before his death. The level of care is jeopardized due to inadequate staffing numbers.

1:04:21 PM

Co-Chair Wilken noted that the Committee approved \$284,000 for additional Certified Nurse Aid positions, \$904,000 to remodel 18 beds across the state and \$907,500 for increased staffing. The over \$2 million should assist in addressing the needs of the Pioneers' Homes this year with continued efforts intended for the following year.

1:05:14 PM

SUZANNE BAKLKEN testified via teleconference from an offnet location in Fairbanks that she and her husband reside at the Fairbanks Pioneers' Home following their involvement in a serious automobile accident. The staffing levels must be increased to provide adequate care. The quality of care is excellent and should be retained.

1:07:15 PM

JOE BANGHART, Superintendent, Iditarod Area School District, testified via teleconference from an offnet location in McGrath that the \$90 million appropriation to education proposed by the Governor should be increased to at least \$120 million. High oil prices have increased expenses. Salaries should be increased to allow for the recruitment and retention of qualified teachers. He also requested the cost differential needs be addressed, as McGrath receives only 61 cents on the dollar compared to Anchorage.

1:09:58 PM

Co-Chair Wilken corrected that McGrath is receiving the full student "dollar" for each one of its students. The study in which the cost differential claims are cited refers only to new students.

[1:10:42 PM](#)

LINDA GARCIA testified via teleconference from an offnet location in Palmer, reading the testimony of a resident of the Palmer Pioneers' Home requesting additional staffing for the facility.

[1:11:18 PM](#)

MARIE STRADBERG testified via teleconference from an offnet location in Palmer about the extraordinary care she has received as a resident of the Palmer Pioneers' Home. She requested additional funding.

[1:12:38 PM](#)

FREDDIE YOUNG testified via teleconference from an offnet location in Sitka that she receives Level 3 care at the Sitka Pioneers' Home. The facility needs additional nurses and aides. Although the Home is a pleasant place to live, existing caregivers are overextended.

[1:15:23 PM](#)

ROYCE PURITAN, Mayor, City of Nulato testified via teleconference from an offnet location in Nulato referencing written testimony he submitted to the Committee. He spoke of the Athabaskan community and the expenses of this second-class city that has no income except from a fuel depot.

[1:19:38 PM](#)

Co-Chair Wilken assumed Mayor Puritan supported municipal revenue sharing.

Mr. Puritan affirmed.

[1:20:06 PM](#)

MARIANNE MILLS, Juneau resident, testified via teleconference from an offnet location on the Kenai Peninsula about an organization that lobbies for services for senior citizens. She spoke of the benefits and importance of the flexible long-term care program.

[1:22:42 PM](#)

JAMES KULAS, Environmental Superintendent, Red Dog Mine, testified via teleconference from an offnet location near Kotzebue to request funding for the Kotzebue Vocational Technical Center. The Center has adopted programs to help fulfill the mine's commitment to hire 100 percent locally.

[1:24:06 PM](#)

Senator Olson asked the number of participants who attend the program each year.

[1:24:17 PM](#)

Mr. Kulas replied that the number varies depending on the employment needs. Over 100 students have gone through the program since 1997.

[1:24:36 PM](#)

Co-Chair Wilken noted the funding reduction is in federal funds, which is occurring for many programs statewide.

[1:25:05 PM](#)

MAYNARD MILLER, Dr, Foundation for Glacier Research, testified via teleconference from an offnet location to the benefits of the University of Alaska, Southeast. He requested funding to strengthen the science and environmental programs at the campus.

[1:29:59 PM](#)

BARBARA LEWIS testified via teleconference from an offnet location in Haines that she had submitted written testimony addressing the Alaska Marine Highway System. Today she spoke of the funding needs for Fetal Alcohol Syndrome education programs to inform parents of the dangers of the disease. She also supported special education programs in schools. She favored municipal revenue sharing and the Power Cost Equalization program. She questioned the hiring of a public relations firm from outside the state, and suggested continued retention of the services of the Alaskan firm, Arctic Power.

[1:33:57 PM](#)

JIMMY HURLEY testified via teleconference from an offnet location in Ekwok about the importance of the Village Public Safety Officers in rural communities. These officers respond to medical and other emergencies.

[1:36:04 PM](#)

MARTIN MOORE, City Manager, City of Emmonak, testified via teleconference from an offnet location in Emmonak on behalf of the mayor and community members to request funding for the Rural Utility Business Advisor (RUBA) program.

JENNIFER KEMEROFF, City Treasurer, City of Emmonak had testimony read into the record by Mr. Moore about the accounting training and assistance she receives through the RUBA program.

[1:41:07 PM](#)

JIM HICKERSON, Assistant Superintendent, Bering Strait School District testified via teleconference from an offnet location in Unalakleet in support of the Statewide Teacher and Principal Mentoring Project. The District has had lower turnover and retains better-trained teachers and principals with the assistance of this program.

[1:42:30 PM](#)

Co-Chair Wilken agreed with the importance of this program. Federal funding has been reduced and efforts were underway to secure replacement funding. He spoke recently with the Department of Education and Early Development requesting it to identify funding. In addition, the University of Alaska is asked to contribute \$1 million for the program.

[1:42:55 PM](#)

JEANNE GERHARDT-CYRUF testified via teleconference from an offnet location in Kiana that she is the parent of six children with prenatal alcohol diseases. She urged support for the Fetal Alcohol Syndrome programs.

[1:45:22 PM](#)

ROBIN GRAY testified via teleconference from an offnet location in Brevig Mission to the Alaska Teacher and Principal Mentor Project. Three new teachers in the local school and herself, as a first-year principal, are benefiting from the mentors.

[1:47:22 PM](#)

DAWN GROSSMAN, Member, Alaska State Community Service Commission, testified via teleconference from an offnet location in Delta Junction to request additional funding for use in its grants and services. The Commission serves the AmeriCorp and other volunteer organizations. She gave examples of services the Commission supports, including litter clean up.

[1:49:55 PM](#)

ELISE DAVIS, Principle, Bering Strait School District, testified via teleconference from an offnet location in Diomedes that she receives mentoring from the Alaska Teacher and Principal Mentoring Project.

[1:51:18 PM](#)

Senator Olson asked the number of teachers in Diomedes and the number involved in the program.

[1:51:33 PM](#)

Ms. Davis listed five teachers, with three involved in the program. All but one have committed to returning for the next school year.

[1:52:28 PM](#)

MAC CARTER, Chair, Alaska State Community Service Commission testified via teleconference from an offnet location in Prudhoe Bay that the Commission distributes \$5 million in federal and grant funding for service organizations statewide. The Commission needs approximately \$48,000 in state funding to administer the programs.

[1:56:44 PM](#)

RON SUMMERVILLE, Vice-Chair, Alaska Board of Game, testified in Juneau in support of funding for the Board and the Department of

Fish and Game. However, funding for the Division of Wildlife Conservation is inadequate to address predator and prey management.

[2:01:03 PM](#)

BARBE MCCLUNG testified that previous legislators made it possible for her mother to receive care in her home through the services of the flexible long-term care program after suffering a stroke. She appreciated the care she received and the ability to remain home. Many families could provide care for relatives with this assistance.

[2:05:00 PM](#)

Senator Olson asked the importance of the personal care attendant in assisting with Ms. McClung's mother.

Ms. McClung described it as invaluable, as she is an only child and her mother required almost 24-hour care. She would have been unable to provide this without the help of the attendants.

[2:05:43 PM](#)

BRENDA TAYLOR testified in Juneau about the need to fund the Alaska Teacher Mentor Project. Her daughter's new teacher had 26 students, no mentor and little supplies and was expected to provide the same level of education as more experienced teachers. The students must meet the benchmark standards. This teacher, despite much initial enthusiasm, became overwhelmed.

[2:09:43 PM](#)

MARY FRANCIS, Executive Director, Alaska Council of School Administrators, testified in Juneau that almost every district is incurring difficulty in maintaining services. The Council requests some implementation of the cost differential study recommendations. The Council would like to extend the Alaska Teacher and Principle Mentor Project to include mentoring for new superintendents.

[2:12:23 PM](#)

WILLOW RITTER testified in Juneau about the special needs of her mother who resides in the Sitka Pioneers' Home. These needs have

not been met because of limited staffing. She urged the Committee to make the resources available.

[2:15:50 PM](#)

MARTHA PENROSE, Member, Alaska Pioneers' Home Advisory Board, testified in Juneau to share the story of her 97-year old grandmother who lives in the Juneau Pioneers' Home. The current populations of the Pioneers' Homes require significant care.

[2:19:55 PM](#)

PAMELA MUELLER-GUY, Deaf Services Coordinator, Southeast Alaska Independent Living (SAIL), testified in Juneau that the Interpreter Referral services have had no increased funding for 15 years. She and many others have benefited from the training the program provides.

[2:23:40 PM](#)

JANET KUSSART testified in Juneau that she arrived in Alaska on a State ferry many years ago. The Alaska Marine Highway System provides a vital link to Southeastern communities and should be fully funded.

[2:25:03 PM](#)

Co-Chair Wilken noted the Committee recommended fully funding the increased fuel costs for FY 06. The 90 percent funding provided for FY 07 would not affect Southeast service rather cross-gulf service would be reduced.

[2:28:09 PM](#)

WALTER MAJOROS, Executive Director, Juneau Youth Services, testified in Juneau that as many as 400 children on any given day must be sent to treatment facilities outside the state to get the care they need. Juneau Youth Services is developing a new program and constructing a residential treatment facility to accommodate up to 15 youth with chemical dependency and mental health problems. The facility is about 75 percent complete and would begin providing services in September 2006. Behavioral Health Rehabilitation rate increases and Behavioral Rehabilitation increases in the Children's Medicaid Services

programs must be restored. Funding is necessary for these efforts.

[2:30:47 PM](#)

Co-Chair Wilken identified the Governor proposed \$3.57 million and the Committee approved funding of \$870,000.

[2:31:26 PM](#)

MARY ALICE MCKEEN testified in Juneau to request funding public television in the amount requested by the Governor. The local KTOO station provides services to Juneau and outlying communities. It also produces Gavel-to-Gavel, which although not funded with State funds, would not be possible without the local station.

[2:34:23 PM](#)

KEVIN GADSEY, Independent Living Specialist, Southeast Alaska Independent Living, testified in Juneau to request the Senate increase the \$150,000 approved by the House of Representatives for sign language services, the Youth in Transition program and other services.

[2:38:02 PM](#)

C E FURBISH, Skagway resident, testified in Juneau to request funding allocated for the Juneau Access Road Project for road construction be transferred to meet other needs. The planning for this road is incomplete and the project is controversial. The majority of Skagway and Haines residents have voted in favor of referendums advocating increased Alaska Marine Highway Services.

[2:40:44 PM](#)

KEN RUSSO, Skagway resident, testified in Juneau in support of fully funding the Alaska Marine Highway system. He appreciated the allocation to address increased fuel costs. He agreed the system must be reviewed and made more efficient.

[2:43:27 PM](#)

SHARON DEJA testified in Juneau to her disappointment that the House of Representatives rejected the Governor's proposal to add 21 new staffing positions for the Alaska Pioneers' Homes. Her parents both reside in the Juneau Pioneers' Home. The staffing shortages adversely affect the residents.

[2:46:50 PM](#)

Co-Chair Wilken shared that both his parents spent their final days in the Fairbanks Pioneers' Home and he appreciated the importance of the facilities. He reiterated the funding approved by the Committee totaling approximately \$36 million for the Alaska Pioneers' Home system and the intention to provide additional funding the following year.

[2:48:19 PM](#)

BARBARA BELKNAP, Board Member, AWARE Shelter, testified in Juneau to request funding for the Alaska Council on Domestic Violence and Sexual Assault. She also supported SB 218, which increases punishment for sexual assault. Although much attention was given to abuse of children, elderly and disabled, little mention was made to the abuse of women. Many of her female relatives were victims of abuse.

[2:52:23 PM](#)

SARA LYN TABACHNIK, Director, AWARE Shelter, had testimony read by Ms. Belknap in support of funding the Governor's requested amount for the Alaska Council on Domestic Violence and Sexual Assault.

[2:53:51 PM](#)

JOE PARRISH, Director, SAGA, testified in Juneau to request \$25,000 increased funding for the Alaska State Community Service Commission. The non-profit SAGA organization receives AmeriCorp and other federal grants. The 120 YouthCorp members of SAGA provide community services.

[2:57:37 PM](#)

NANCY DAVIS, RN, Alaska Nurses Association, testified in Juneau in appreciation for the increases to nurses salaries. This would assist in recruitment for the Pioneers' Homes, psychiatric

treatment facilities, the judicial system, and other Department of Health and Social Services programs. Increased funding would also benefit public health.

[3:00:38 PM](#)

Co-Chair Wilken pointed out that the Committee approved \$2.115 million for nurse salary increases as well as funding for other nursing programs.

Ms. Davis acknowledged this, furthering that the Department of Corrections budget also included salary increase for its nursing staff.

[3:01:24 PM](#)

Senator Olson asked where Ms. Davis received her education.

[3:01:32 PM](#)

Ms. Davis replied that she received her undergraduate degree at the University of South Carolina and her master's degree at the University of Colorado. She retired as the Chief of Public Health Nursing of the Department of Health and Social Services and continues to volunteer as a registered nurse.

[3:02:12 PM](#)

BENJAMIN BROWN, Chair, Board of Directors, KTOO TV, testified in Juneau that as a Republican he supports fiscal conservatism. However, the gains of funding public broadcasting outweigh the expense.

[3:05:37 PM](#)

LARISSA ROOP testified in Juneau that as a high-school dropout, she realized the need to earn a GED to obtain employment to support herself and her daughter.

[3:07:04 PM](#)

Senator Dyson congratulated Ms. Roop for turning her life around.

[3:07:37 PM](#)

CARIN SMOLIN testified in Juneau in support of adult education services and the \$1 million for this program requested by the Governor. She expounded on the basic skills learned by participants, many who continue their education and training.

[3:09:49 PM](#)

Co-Chair Wilken pointed out the program was appropriated \$1.57 million last year and the Governor proposed a \$1 million increase with the Committee approving a \$527,000 increase.

[3:10:36 PM](#)

PEGGY COWAN, Superintendent, Juneau School District, testified in Juneau to request the Committee increase the base student formula. Not doing so would require districts across the state to reduce programs and positions. She compared the operating and utility costs of Juneau to the less expensive costs of Anchorage. She also supported Municipal assistance, as a strong borough helps ensure a strong school district.

[3:14:48 PM](#)

EMILY FERRY, Alaska Transportation Priorities Project, testified in Juneau that the cost to operate the Alaska Marine Highway System could cause sticker shock. Many riders of the system agree with Co-Chair Wilken that the system should be improved. The proposed Juneau Access Road project would result in doubled operating costs for transportation in Lynn Canal over the current ferry system.

[3:17:32 PM](#)

Senator Olson asked Ms. Ferry's position on the fast ferries M/V Fairweather and M/V Chenega.

[3:17:51 PM](#)

Ms. Ferry clarified her organization is an advocacy group. The fast ferries are appropriate for some summer seasonal service. Additional alternatives should also be considered.

[3:18:42 PM](#)

MARK JOHNSON testified in Juneau in support of increased funding for public health nurses. He also requested increased funding for the emergency medical services grant program. Many EMS responses are for urban residents in rural situations.

[3:21:42 PM](#)

GARETH HUMMEL testified in Juneau about the fiscal responsibility of the proposed Juneau Access Road project. He requested full funding for the Alaska Marine Highway System and consideration of alternatives to improve service and operations. He characterized the system of the State of Washington as a bad example.

[3:24:06 PM](#)

KARLA HART testified in Juneau that she donates to many local programs and volunteers her time to schools and has taken EMT training courses. She is a consumer of the Alaska Marine Highway System and encouraged its viability. She understood the need to change the system. Fares have become so expensive it is more viable for independent travelers to use air travel to the detriment of the small port communities.

[3:27:24 PM](#)

Co-Chair Wilken remarked that of all the issues facing the legislature, the Alaska Marine Highway System is one of the most challenging. However, it would be addressed.

Co-Chair Wilken noted that a total of 174 people provided testimony to the Committee.

#

ADJOURNMENT

Co-Chair Gary Wilken adjourned the meeting at [3:28:04 PM](#)