

HOUSE FINANCE COMMITTEE  
March 31, 2008  
6:13 P.M.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [6:13:44 PM](#).

MEMBERS PRESENT

Representative Kevin Meyer, Co-Chair  
Representative Mike Chenault, Co-Chair  
Representative Bill Stoltze, Vice-Chair  
Representative Harry Crawford  
Representative Les Gara  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Bill Thomas Jr.

MEMBERS ABSENT

Representative Richard Foster  
Representative Mike Kelly  
Representative Mary Nelson

PRESENT VIA TELECONFERENCE

Cynthia Henry, Vice Chair, University, Board of Regents, Fairbanks; Kathy Morgan, Tok Community Umbrella Corporation, Tok; Jeff Hermans, Division of Forestry, Department of Natural Resources, Anchorage; Doug Penn, Area wide Principle, Chugiak School District, Chugiak; Jason Gazewood, Lawyer, Board Member for Fairbanks Counseling Adoption, Fairbanks; Michelle Dewitt, Director, Tanana Women's Coalition (TWC), Bethel; Dave Trantham, Self, Bethel; Ed Zastrow, President of the Local AARP Chapter, Alaska Commission on Aging, Ketchikan; Bob Weinstein, Mayor, City of Ketchikan

GENERAL SUBJECT(S):

The following overview was taken in log note format. Handouts will be on file with the House Finance Committee through the 25th Legislative Session, contact 465-6814. After the 25th Legislative Session they will be available through the Legislative Library at 465-3808.

**STATEWIDE PUBLIC TESTIMONY ON THE CAPITAL BUDGET**

#HB311

TIME	SPEAKER	DISCUSSION
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<a href="#">6:15:20 PM</a>	CYNTHIA HENRY, VICE CHAIR, UNIVERSITY, BOARD OF REGENTS, FAIRBANKS	Testified in support of maintenance funding of \$40 million dollars to be used for the University renovation and renewal projects. The funding would be used to address major maintenance including roof repairs and mechanical needs. She worried about the reduction proposed in the Senate, which would place the University in a difficult situation. The public expects the University to maintain their facilities; it is difficult to attract new students if the facilities are not kept up. Ms. Henry urged favorable consideration of the number proposed by the Governor.
<a href="#">6:18:30 PM</a>	Vice-Chair Stoltze	Requested additional comments on funding requests for the sport complex.
<a href="#">6:19:04 PM</a>	Ms. Henry	Clarified that the sports center was not considered a priority at present time; instead, the science building at University of Alaska-Fairbanks (UAF) is the highest priority. She maintained that academics are easier to sell potential students. The Board has not taken a position on the sports facility and reiterated that the University's number one priority is the Biological Sciences building.
<a href="#">6:20:12 PM</a>	Representative Thomas	Inquired regarding requested funding for the \$45 million dollar research vessel. Co-Chair Meyer noted those were federal funds.
<a href="#">6:21:41 PM</a>	KATHY MORGAN, TOK COMMUNITY UMBRELLA CORPORATION	Testified in support of funding for the Upper Tanana Valley Renewable Energy Initiative capital improvement project. She indicated concerns for fire safety protection in that community, which would be addressed by removing the fuel. The funding would provide for equipment and materials for removing fuel and then using it to heat public buildings. She summarized that funding the incremental request would essentially save the State money.
<a href="#">6:23:32 PM</a>	Co-Chair Chenault	Asked if the request had moved through a public meeting process in Tok. Ms. Morgan replied there have been meetings throughout the area, including Tok.
<a href="#">6:24:25 PM</a>	Co-Chair Chenault	Questioned if Ms. Morgan had discussions with any environmental

		groups regarding cutting down trees for the project. Ms. Morgan responded, there are no organized environmental groups in that area. The trees need to be cut as they are creating a danger and are past maturity.
<a href="#">6:25:38 PM</a>	Co-Chair Chenault	Mentioned the difficulties in his community for initiating such projects unless endorsed by environmental groups.
<a href="#">6:26:35 PM</a>	JEFF HERMANS, DIVISION OF FORESTRY, DEPARTMENT OF NATURAL RESOURCES, ANCHORAGE	Testified in support of Upper Tanana Valley Renewable Energy Initiative. He noted his experience in the field. He explained that wildfires threaten Tok and the seven surrounding villages and communities. Those fires create a great cost to the State of Alaska and its residents.  Mr. Hermans said that the State of Alaska has spent over \$50 million dollars in the last 25 years on fire suppression, which does not include costs to the federal government. He reiterated the importance of supporting the Upper Tanana Valley Renewable Energy Initiative for safety reasons as well as creating a cost savings for the State.
<a href="#">6:29:37 PM</a>	DOUG PENN, AREA-WIDE PRINCIPLE, CHUGIAK SCHOOL DISTRICT, CHUGIAK	Requested funds to address the critical roof repair needs at the Whittier Community School. The roof is at a place of continued deterioration due to the harsh winter conditions and the snow load. Now, it has become a safety hazard to both the structural integrity of the facility and the students.  The project was submitted to the Department of Education and Early Development for the past several years. If the roof is not repaired soon, the fear is that much greater damage will occur to the building structure. He requested that the budget be approved with the Whittier roof renovation project included.
<a href="#">6:31:05 PM</a>	Representative Hawker	Inquired the ranking position for the project on the Department of Education and Early Development priority list. Mr. Penn responded that it is currently listed as #3 on that list.
<a href="#">6:31:46 PM</a>	JASON GAZEWOOD, LAWYER, BOARD	Pointed out that the Interior delegation has requested approximately \$150 thousand dollars for emergency

	MEMBER FOR FAIRBANKS COUNSELING ADOPTION, FAIRBANKS	funds from the Capital budget for the Fairbanks Counseling Agency. He noted the organization provides services to the community in determining ways to bring families together through adoption services; counseling services are also offered. Ultimately, the organization assists the State. He highlighted the amount of federal dollars, which had been lost to the project.
<a href="#">6:34:18 PM</a>	MICHELLE DEWITT, DIRECTOR, TANANA WOMEN'S COALITION (TWC), BETHEL	Testified in support for a new facility construction request in the amount of \$1.5 million dollars. Currently, the Center has roof damage, which has created a dangerous situation in Bethel. She urged legislative support for the funding.
<a href="#">6:35:27 PM</a>	DAVE TRANTHAM, SELF, BETHEL	Testified in support of funding dollars to address the fire station roof, which now has structural damage resulting from the leakage.
<a href="#">6:36:32 PM</a>	ED ZASTROW, ALASKA COMMISSION ON AGING, PRESIDENT OF THE LOCAL AARP CHAPTER, KETCHIKAN	Addressed the lack of senior housing. He urged greater State support for funding to the Alaska Housing Finance Corporation (AHFC), an agency that can help address statewide needs. He directed additional comments to high energy costs for fuel paid by the senior population. Mr. Zastrow made a plea that some sort of energy assistance grants be provided for the State's seniors.
<a href="#">6:39:39 PM</a>	BOB WEINSTEIN, MAYOR, CITY OF KETCHIKAN	Encouraged support for the House Finance Committee to look at local infrastructure needs. Due to the high price of fuel, it has become more important to enhance the capital budget for addressing local needs.
<a href="#">6:41:45 PM</a>	AT EASE	
<a href="#">6:56:34 PM</a>	RECONVENE	
<a href="#">6:56:37 PM</a>	Co-Chair Meyer	Noted that there would be further opportunities for public testimony taken on the capital budget later in the week.
	<u>ADJOURNMENT</u>  The meeting was adjourned at 6:58 P.M.	

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