

HOUSE FINANCE COMMITTEE  
July 25, 2008  
9:12 A.M.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [9:12:18 AM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair  
Representative Kevin Meyer, Co-Chair  
Representative Bill Stoltze, Vice-Chair  
Representative Les Gara (Present via Teleconference)  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Mike Kelly  
Representative Bill Thomas Jr.

MEMBERS ABSENT

Representative Harry Crawford  
Representative Richard Foster  
Representative Mary Nelson

ALSO PRESENT

Representative Bryce Edgmon; Jay Livey, Staff, Senator Hoffman; Ron Kreher, Chief of Field Operations, Public Assistance, Department of Health and Social Services; Jon Sherwood, Director, Office of Program Review, Department of Health and Social Services.

PRESENT VIA TELECONFERENCE

Representative Les Gara

SUMMARY

HB 4006 An Act authorizing, as a temporary rebate of state resources to certain state residents, payments to assist in meeting heating costs under the federal and state heating assistance programs; and providing for an effective date.

HB 4006 was HEARD & HELD in Committee for further consideration.

#hb4006

HOUSE BILL NO. 4006

An Act authorizing, as a temporary rebate of state resources to certain state residents, payments to

assist in meeting heating costs under the federal and state heating assistance programs; and providing for an effective date.

[9:12:56 AM](#)

JAY LIVEY, STAFF, SENATOR HOFFMAN, testified on HB 4006. He explained that the bill would provide relief to Alaskans for their home heating costs.

He provided a sectional overview of the legislation.

- Section 2 proposes to raise the amount of assistance relief for home heating costs. It does not specify amounts. The department determines a mechanism to determine the relief using the federally-funded Low Income Heating and Energy Assistance Program (LIHEAP) formula.
- Section 3 proposes to increase the benefit from up to 225% to 350% of poverty for eligible individuals. The legislation uses the LIHEAP formula to tie the benefit to income: the more money an individual earns the less benefit they receive.

[9:18:34 AM](#)

Mr. Livey explained that the formula takes into account the cost of the fuel the family is using, as well as the type of dwelling and income level of the individual family. The formula will provide a fair and equitable way to distribute the relief. The LIHEAP formula was chosen because the LIHEAP Administration is already in place and can be used and expanded for the intended purpose. He added that the formula is not specific to an area of the state. He pointed out that LIHEAP is a statewide effort to get the money out for heating costs.

[9:20:05 AM](#)

Mr. Livey provided members with data provided by the Department of Health and Social Services on the Heating Assistance Program: "Participation and Expenditure by Community" (copy on file). He observed that there is good data on fuel costs and how people heat their homes; however, there is not good data on how much each individual uses in the winter expenditure. The state knows that in the rural area, heating oil is used predominately. He observed that 70% of those living in Fairbanks use heating oil while Anchorage residents predominately use natural gas and the other areas use a mixture.

According to a 2007 study by the Institute of Social and Economic Research (ISER) of individuals at the bottom 20% of income (earning approximately \$30 thousand per year) paid about \$6,300 per year in remote rural areas, for their heating fuel and electricity costs as compared to \$1300.88 in Anchorage; \$3,000 in Kenai and Matsu; and \$2,600 in Juneau and Fairbanks. There is disparity in the areas of the state.

[9:22:32 AM](#)

Mr. Livey observed that LIHEAP is used as a mechanism to distribute funds and was originally designed as a poverty program, but emphasized that the legislation extends the poverty eligibility to 350% (\$80 thousand a year). He acknowledged that "under virtually any circumstances that it doesn't mean they still don't need some relief from the high cost of energy." The bill was designed to give the most money to those with lower incomes. He maintained that HB 4006 is not a poverty bill.

[9:23:43 AM](#)

Representative Hawker mentioned PCE (power cost equalization) and the state subsidy for electric power generation with a weighted average in Anchorage, Fairbanks, and Juneau. He observed that HB 4006 addresses a home heating fuel rebate. He asked how the bills overlap providing a dual subsidy.

Mr. Livey responded that there are two separate populations. He pointed out that PCE only subsidizes power above 15.4 cents per kWh. Bush inhabitants still pay higher electricity costs than other areas of the state. Heating for homes is limited to oil or natural gas, with very few exceptions, in the state of Alaska. In the rural areas, there is not much overlap, between the two sources of energy. He observed that LIHEAP does not pay all of an individual's heating costs; they will still be required to buy a considerable amount of heating oil.

[9:27:21 AM](#)[9:27:21 AM](#)

Representative Hawker requested empirical data supporting Mr. Livey's statement. Mr. Livey referred to an ISER document (written in 2007 or 2008) that indicated that there is little evidence that electricity is used to heat Alaskan homes. He maintained that the electrical and heating situations are different. Representative Hawker requested a copy of the study.

[9:28:23 AM](#)

Representative Hawker noted concern with inflated energy costs in the state. He thought that the bills before the committee largely benefit rural Alaska, but inflating energy costs have affected all Alaskans. He suspected the increases have been greatest in small villages and as a percentage in Fairbanks. He pointed out that cost inflation to the Railbelt communities has not been addressed. The cost of inflation in these communities is in the form of motor vehicle fuel costs. Motor fuel increases have been substantial for individuals in these communities that need to commute in order to support their families. He questioned if his constituents, individuals living in Railbelt communities, are any less deserving of state subsidies.

Mr. Livey acknowledged that part of the question is philosophical. He did not agree that the legislation was primarily aimed at rural residents even though they will receive the higher amount of the reward. The two areas of the state that have the highest percentage of those that will receive a benefit from the program are in Anchorage and Fairbanks. The differential is determined by how much money a person makes. "It is true, philosophically, we are making a decision, and saying, that if you make a lot of money, then use need less relief, then someone who makes less money."

Mr. Livey continued that the question remains: What is the state's role in relieving a person of a higher cost if they chose to live in a rural area. The state has taken the position that there are cultural and heritage characteristics related to living in rural areas.

Mr. Livey observed that in 1983 PCE was based on a tradeoff for Four Damn Pool and the interties. This relationship is broken by the legislation. The bill only determines if individuals are paying more than 120% no matter where they live or how the energy is provided. The program includes everyone and is based on income. The program expands the number of Alaskans receiving relief.

[9:34:41 AM](#)

Representative Hawker pointed out that urban dwellers have hundreds of years of cultural heritage, living in communal organizations. The concern is that urban dwellers receive equal benefits. He worried about discrimination in the process.

Co-Chair Meyer asked to see how many qualify for the program in Anchorage. Mr. Livey offered to provide the list.

[9:36:19 AM](#)

Vice-Chair Stoltze applauded the comments made by Representative Hawker regarding motor fuel expenses. He mentioned the high cost of fixed expenses in his area. He stated that, demographically, his community costs are continually rising. He asked about home heating fuel and the legislation requesting the State to place dollars into those costs. He thought that the State should freeze the sales taxes on home heating charges. He hoped to amend the Governor's call to put a moratorium on local government's charging taxation on a vital commodity.

[9:40:21 AM](#)

Mr. Livey responded that regardless of where the population lives in the State, the rise of oil costs has impacted all Alaskans. The costs are rising, but so are revenues.

Vice-Chair Stoltze addressed the sales tax issue. Mr. Livey requested additional testifiers to address the query. He wasn't sure what the impact might be through LIHEAP if you take away the taxation on the federal program or the administration of it.

Vice-Chair Stoltze stated that one effect would be cheaper barrel price. Co-Chair Meyer agreed.

[9:43:01 AM](#)

Representative Joule questioned the impact of the appropriation to the recipients. He warned about the need to point out the shortfalls of the legislation. He asserted that Alaska's problem with high energy costs is really an opportunity of potential for Alaska. He pointed out that PCE issues will not help rural Alaska. State resources should benefit all people of the State. He referenced the handout provided by Mr. Livey. He asked for an overview of the handout elaborating percentages.

[9:48:55 AM](#)

Mr. Livey stated that he had received the information from the Department of Health and Social Services. He asked that they address the handout regarding the requested percentages.

[9:49:51 AM](#)

RON KREHER, CHIEF OF FIELD OPERATIONS, PUBLIC ASSISTANCE, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, responded to questions. He explained that the department's data (provided by Mr. Livey) shows the number of households served in total, excluding data from tribal organizations.

Representative Joule inquired about the distribution between urban and rural areas. He asked that the percentages be attached.

Mr. Kreher agreed to break the data down by census districts.

[9:51:49 AM](#)

Co-Chair Chenault referred to tribal entities and the block grant distribution. He pointed out that Bethel had not been included. He wanted to know the amount of federal dollars going to tribal entities.

Mr. Kreher offered to provide that information. He noted that the data from the tribes lags until October. He offered to provide the 2007 data and their share of the federal block grant.

[9:53:02 AM](#)

In response to a question by Representative Hawker, Mr. Kreher explained that the state receives a block grant, which determines the base amount. The state also receives periodic emergency contingency funds that are calculated at the end of the application process to determine the supplemental amount eligible households receive. The offset [between the amount in the regular cases category and the total cases category] is the result of additional supplemental payments made to eligible households. For example, Akhiok received a base block grant amount of \$3,400 that was increased to \$4,998 with the addition of emergency contingency funds.

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Representative Hawker pointed out that the supplemental amount column was missing, which explained why the total is greater than the sum of the two. He noted that the Anchorage area indicates a total of \$45 thousand. He asked if that had been redistributed. Mr. Livey offered to research that information. He added that households in Anchorage should have received a supplemental payment.

[9:56:19 AM](#)

Representative Joule requested information on the amount each area receives and how much oil or gas that money would purchase including the obvious differences in those areas.

Mr. Kreher stated that he could access information on the price of fuel. The point system of benefit for households uses a program from the Alaska Housing Finance Corporation that uses variances between the fuel costs in different

communities. However, the price of fuel is so volatile that it is difficult to do so on an on-going base.

[9:59:42 AM](#)

Representative Hawker referenced the LIHEAP program and asked if it creates a taxable event to any of the beneficiaries from the standpoint of federal income tax. Mr. Kreher replied that it does not.

Representative Hawker wondered if the proposal being contemplated in the legislation would result in a taxable event. Mr. Kreher could not answer, but observed that the Department of Law requested the exploration of the same inquiry.

Representative Hawker asked if LIHEAP receipts would be counted against the beneficiaries in the receipt of other federal or state human service benefits. Mr. Kreher said it does not.

Representative Hawker asked if the expansion of the LIHEAP program would have an effect on the receipt of those benefits. Mr. Kreher stated that they did not believe it would because these are direct vendor payments. He added that beyond 225% of poverty, most households would not be eligible for needs based or tested programs.

[10:02:11 AM](#)

Representative Kelly wanted an overview of all aid programs (existing and proposed) to see how they are interconnected. He acknowledged the need to mitigate the impact of the high fuel costs, but warned that these [proposed programs] could place more "harm" on Alaska's future in the area of individual responsibility and self reliance.

[10:06:00 AM](#)

Representative Gara asked for income qualifications for the percent of poverty in the current LIHEAP program. Co-Chair Meyer referred to a chart provided by Mr. Kreher: "2008 Poverty Guidelines for Alaska, Income Guidelines as Published" (copy on file). Mr. Kreher clarified that the income limit for the current low income heating energy assistance program is 150% of the federal poverty guidelines; the legislation would increase the limit of up to 350%. Co-Chair Meyer pointed out that the legislature added \$10 million to the state portion in the previous year. Mr. Kreher stated that the legislation from last year created a state funded program. Any balance left over from that program would be used to supplement all households that received heating assistance.

[10:08:33 AM](#)

Representative Gara clarified that the provision increases the state limit to 350%. Mr. Kreher observed that the federal law caps income limits at 150% of poverty.

Representative Gara commented on campaigning process. He acknowledged that the program does not treat people equally and people recognize that there are some that are suffering more than others. Most are particularly sympathetic to rural Alaska. He admitted to recently learning that heating a house in Dillingham costs \$2,000 per month. He referenced the chart distributed by Mr. Livey with regard to the \$45,418 in LIHEAP money designated to Anchorage. He questioned the possibility of the data presented being a mistake, or possibly deserving a bigger explanation.

Mr. Kreher replied that the presented data regarding Anchorage was an anomaly. He will look into it and get back to the committee on what the correct amounts of total payments were for Anchorage. Representative Gara noted that while the data was inaccurate, the number remains striking to him, because most of his low income constituents live in public housing where the heat is paid for, so they wouldn't be getting LIHEAP money.

[10:12:19 AM](#)

Representative Thomas requested the number of other administrated programs that are below 350% of poverty. His concern was that if the level was raised then the expectation of other programs would increase as well.

Mr. Kreher responded that he was not qualified to answer the question.

Representative Gara agreed that it does not need to go up as high 350%. He asked the total dollars associated with that percentage.

Mr. Kreher observed that the fiscal note would be \$75.162 million additional money. Mr. Livey added that the department intends to prepare a fiscal note with the dollar amount based on the assumption that the current energy costs for the program would triple.

Mr. Livey explained that the LIHEAP payments would go to a vendor on behalf of the individual and not directly to the individual.

Co-Chair Meyer asked if the payout was retroactive to July 1<sup>st</sup>. Mr. Livey did not think the intention was to make the appropriation retroactive.

[10:16:55 AM](#)

Mr. Kreher explained that the purpose of the LIHEAP program is to provide home heating assistance. The state receives a block grant that is shared out with nine tribal organizations. In FY2008, the state of Alaska served about 15,000 households; tribal organizations served an estimated 6,400. The 9,353 households served by the state reached 27,000 individuals. Two-thirds of the households that were under 150% of poverty were below 100% of poverty. Generally, for eligibility criteria an individual must be a resident of the state, must reside in the household that incurred heating costs and have unsubsidized heating costs above \$200. Payments must be used for heating fuel. The vast majority of these are vendor payments. The methodology used to calculate awards is based on community heating cost points. The points are calculated taking into account geographic location, heating fuel type, climatic conditions, and the type of dwelling with an additional point awarded for an elderly or disabled resident or a child under the age of five. He continued that an individual's income bracket is also a factor in point allocation.

Based on block grant amounts received from the federal government, the number of households served is anticipated, giving a dollar point that is used to apply against the points that are available to the household. Mr. Livey concluded his overview of how the LIHEAP program works. The application period for LIHEAP is September 1<sup>st</sup> to April 30<sup>th</sup>, with initial benefits issued on November 1<sup>st</sup>. The Alaska Heating Assistance Program mirrors LIHEAP except that it looks at a population of 150%-225% of poverty and allows for tribal programs.

Mr. Livey continued that pushing the eligibility level to up to 350% places the department outside the realm that was intended to serve the most economically disadvantaged households. He indicated difficulty arriving at hard numbers for the potential service population. The estimate is conservative. There could be as many as 22,000 households served.

[10:23:12 AM](#)

Representative Kelly requested information on how the LIHEAP program affects residents. He asked for further explanation of the mechanics of the proposal.

Mr. Kreher observed that the state program has always been able to provide some level of benefit to households. He explained that they look at the federal block grant and past caseloads to make their best estimate of the dollar value per point per household.

Representative Kelly wanted to see the formula for clarification. Mr. Kreher stated that he could provide a mock-up of household scenarios. Representative Kelly pointed out that a person at 80% of poverty receives different treatment than someone that is at 200% of poverty. Mr. Kreher explained that households receive a percentage for every 25% change in income level after the initial eligibility determination. For example, households between 0 and 25 percent of poverty would receive 100% of the points or 10 points. The ten points would be multiplied by the dollar factor calculated based on the funding stream. Households between 25 - 50 percent of poverty would receive 90% of the points. He observed that no benefits have been issued for the \$10 million passed by the legislature.

Co-Chair Meyer commented on retroactivity of HB 152, which added \$10 million, to November 1<sup>st</sup> 2007. Mr. Kreher stated that HB 152 left the retroactivity clause to the discretion of the department. He believed the strategy used satisfied the intent of the retroactivity, and at this point the retroactive provision is not activated.

[10:28:42 AM](#)

Representative Thomas inquired about those on fixed incomes: state and federal retirees, and the disabled. He wanted to see those persons addressed.

[10:30:26 AM](#)

JON SHERWOOD, DIRECTOR, OFFICE OF PROGRAM REVIEW, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (DHSS), provided information on the LIHEAP program. He agreed that a line has to be drawn somewhere. He emphasized that under the LIHEAP program as incomes increase the percentages of eligibility decrease, so that the difference of falling on one side or other on the line is less significant.

Representative Thomas commented that expenses are rising along with incomes and that even among higher income brackets such as his; the financial struggle is present without the luxury of a subsidy.

[10:31:55 AM](#)

Representative Hawker mentioned the Senior Benefit Program as a factor of the equation. He referenced the FY 07 [appropriation] for LIHEAP and expressed concern with the difference in amounts that have historically been appropriated to the program and the amount actually delivered to the intended beneficiaries. In FY 07, \$9.7 million were budgeted for that program, but the actual expenditure of money in FY 07 was under \$7.5 million. He questioned the discrepancy.

Mr. Kreher responded that the nature of the funding stream allowed them to carry-over a certain amount of funds designated to heating assistance for the upcoming year. He offered to research the subject further.

Representative Hawker cautioned the expansion of a program that historically has had discrepancies. He wanted to make sure it would be used to benefit the recipients, under expenditure of authorized funds.

[10:34:45 AM](#)

Mr. Sherwood addressed the fiscal note and explained that a target number was chosen of three times the value of current points used for the LIHEAP program. In addition to tripling the value of those points, the slope was flattened at which points diminished as income decreased. He estimated the amount of claims paid for both supplementing LIHEAP and the Alaska heating assistance program would be just over \$74 million. Administrative expenses are just over \$850.0 thousand. Currently they have fourteen staff members that accomplish 11,000 applications per year. He anticipated 25,000 applications. Higher income applications are more complicated to evaluate. He requested an increase of 16 temporary staff members. Regarding retroactivity, he continued that an increase for this year, would meet the intent of providing a retroactive benefit as expressed in HB 152.

Co-Chair Meyer asked for further clarification regarding retroactivity.

Mr. Sherwood responded that a retroactive payment was discretionary to the department. The fiscal note triples the amount of the benefit and would effectively meet the intent of the new population of HB 152.

[10:38:05 AM](#)

Vice-Chair Stoltze questioned if the proposed number of employees would be adequate. Mr. Kreher replied that it will be a seasonal benefit program. Having more staff will not address the problem due to the recruitment, training, and hiring processes. If the tribal organizations come into the program, some of the work effort will go out: pushing administrative funds to the tribes. He expressed concern about the volume of applications anticipated.

Vice-Chair Stoltze added that weatherization was a seasonal matter as well, yet was successfully expedited. Mr. Kreher replied that it is a seasonable program and the positions are temporary.

Co-Chair Meyer wanted to see a sunset or review on the bill if it is passed. He commented that oil prices are falling and if they continue to fall, assistance should not be given to a family of four making \$92,000.

Mr. Sherwood explained that the bill applies to September 1<sup>st</sup> 2008<sup>t</sup> to August 1<sup>st</sup> 2009. The goal is to process all eligible applications by the end of the fiscal year, although there is no authority to extend beyond August 1<sup>st</sup> 2009. He declared that it is factored into the assumptions when asking for temporary positions.

[10:43:49 AM](#)

Co-Chair Meyer asked how many additional households would qualify. Mr. Kreher estimated 22,250.

Co-Chair Meyer asked how the public would be informed regarding the availability of the funds. Mr. Kreher explained that the department's Public Information Office and the Heating Assistance Program have developed a communication plan using websites, and public service announcements, as well as a number of different media outlets.

[10:45:08 AM](#)

Representative Kelly asked about the before mentioned qualifications to identify the unsubsidized piece. He asked if a person had a 1,000 square foot home, and used 1,000 gallons per year; would the \$1,200 plan be recognized.

Mr. Kreher replied that would depend on whether the \$1,200 plan would be considered a fuel subsidy.

[10:47:05 AM](#)

Representative Hawker stated that if program money was rolled into the permanent fund dividend and identified as such, state regulations would exempt it as income, but if it came through some other vehicle, it would have to be reexamined.

Mr. Kreher pointed out that HB 152 could, upon appropriation, still provide a program for households between 150% and 225% of poverty.

Representative Hawker cautioned that public expectation would be created once the program started. He cautioned that the need would continue, but the resources will not be there, and the state would see itself back in challenging deficits.

Representative Gara asked about the fiscal impact of paring back to 250% of poverty. He requested various levels including 275%, 300%, and 350% to determine the various costs.

Mr. Kreher agreed to provide the requested data.

[10:50:44 AM](#)

Representative Gara commented on the difficulty of the issues. He stated concerns about expense and commented that lowering the percentage would allow the state to administer benefits for a considerable time.

Co-Chair Chenault requested an explanation of what payoff would be under guidelines for a family of one and a family of five at 350% of poverty.

Mr. Kreher agreed to provide the information. He offered to provide data for two communities: Anchorage and Dillingham.

Representative Kelly added that he would like to see numbers comparing the proposed program with the current LIHEAP program.

[10:54:27 AM](#)

Representative Thomas asked if a recipient was using electric heat primarily, would the bill paid to the electric company, because he knew of several communities where electric heat is less expensive than heating oil.

Mr. Kreher affirmed that if the primary source of heat is electric, then a vendor payment would be made to the electric company. He reported that it is not uncommon for people living in poverty during the winter months to postpone paying their bill. He reported that there was then negotiation with the vendor for electricity to be provided to make sure there is some assistance overlap.

Co-Chair Meyer asked if the administration had a position on the bill.

Mr. Sherwood observed that the administration is currently reviewing the bill and did not currently have a position. The governor said that she would consider ideas brought forth by the legislature.

Co-Chair Meyer asked the average income in the state of Alaska.

Mr. Kreher answered that the data regarding mean incomes is readily available through the Department of Labor, broken down by census areas.

Co-Chair Meyer described a hypothetical situation and thought the total subsidy would be informative, for both an urban and rural area.

[10:58:45 AM](#)

Representative Kelly asked about joint custody situations with children in two homes and how to prevent the double count.

Mr. Kreher observed that most programs try to determine who has true physical custody over 50% of the time.

Co-Chair Chenault referred to a call dealing with power cost equalization (PCE) for a \$9.0 million fiscal note as an increase to PCE.

Representative Joule commented on child custody issues in the area of garnishments in a two-family situation.

[11:01:31 AM](#)

Mr. Kreher replied that he was not sure how garnishments were treated, when determining income for the LIHEAP program.

Representative Joule observed that if the intent is to help people during difficult times, a garnishment might prevent the person from receiving the help.

Mr. Sherwood asked for clarification regarding whether the concern was that the assistance payment was being garnished, or is the concern about the counting of income that may have been garnished.

Representative Joule realized that he was talking about a bill he hadn't heard yet.

Representative Hawker commented on the energy policy direction for the state. He stressed the need to see the proposals as components of a whole and not as individual bills. He listed benchmarks as efficient, equitable, and effective solutions. He asked that the desired objectives be determined as either long term evolutionary/revolutionary change, or short term crisis relief.

[11:06:56 AM](#)

Representative Hawker stated grave concerns about the risk of ripping the urban rural divide wide open. He urged sensitivity and maintaining unity. He asserted the need to keep the discussion rational.

Co-Chair Meyer agreed that the challenge was to find a solution that benefits all Alaskans. He thought it would be a package deal; one that takes into account PCE, LIHEAP and maybe the \$1,200; although he agreed that he doesn't like giving 30% to the federal government. He asked for ideas from the committee regarding a possible package.

[11:10:34 AM](#)

Representative Joule acknowledged the need for balance between short-term and long-term needs in a variety of communities. He stressed that some of the services are in jeopardy. He suggested that these issues be addressed in each community prior to the next meeting.

[11:13:08 AM](#)

Representative Kelly urged a broad perspective. He maintained that while Fairbanks had been hit hard because of increased fuel costs, many smaller rural communities are also suffering.

Co-Chair Chenault spoke to rural issues. He urged consideration, not only of particular constituents, but all Alaskans.

[11:16:30 AM](#)

Vice-Chair Stoltze spoke to regional divides. Each region has unique challenges.

Representative Gara described the evolution of his thinking regarding flat payments. He noted that the flat \$1,200 payment includes more money than PCE and LIHEAP (combined at \$75 million.) He compared the flat payment at \$700 million. He revealed that he would like to see a combination of all three presented as a compromise. He thought the special session could address some of the longer term challenges of leveling out the cost of energy. He advised that money be added to the Renewable Energy Fund.

Representative Gara warned of weatherization programs without state-wide building codes. He maintained that AHFC rules and construction codes are questionable. He surmised that the public wants some sort of long term relief plan to come out of the special session.

[11:20:59 AM](#)

Co-Chair Meyer felt that the long-term solution was with the passing of AGIA (Alaska Gas Inducement Act), which is at least ten years down the line. He thought the idea of putting more money into an alternative energy fund needed further discussion.

Co-Chair Meyer addressed the handout: "State of Alaska Heating Assistance Program, Division of Public Assistance Department of Health and Social Services." He advised the review of the handout.

Mr. Kreher clarified that the handout was the proposal and plan for the federal government last year and would perhaps not be helpful in the current situation.

[11:23:08 AM](#)

#  
ADJOURNMENT

The meeting was adjourned at 11:23 AM