

**ALASKA STATE LEGISLATURE**  
**HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE**

May 1, 2007

3:05 p.m.

**MEMBERS PRESENT**

Representative Peggy Wilson, Chair  
Representative Bob Roses, Vice Chair  
Representative Anna Fairclough  
Representative Mark Neuman  
Representative Paul Seaton  
Representative Sharon Cissna  
Representative Berta Gardner

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 85

"An Act extending the termination date for the State Medical Board; and providing for an effective date."

- MOVED SB 85 OUT OF COMMITTEE

HOUSE BILL NO. 234

"An Act relating to the education loan repayment program and establishing the education loan repayment fund."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 85

SHORT TITLE: EXTEND STATE MEDICAL BOARD

SPONSOR(S): SENATOR(S) DAVIS

02/19/07	(S)	READ THE FIRST TIME - REFERRALS
02/19/07	(S)	HES, FIN
03/21/07	(S)	HES AT 1:30 PM BUTROVICH 205
03/21/07	(S)	Moved SB 85 Out of Committee
03/21/07	(S)	MINUTE(HES)
03/23/07	(S)	HES RPT 5DP
03/23/07	(S)	DP: DAVIS, ELTON, THOMAS, COWDERY, DYSON

03/27/07 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 03/27/07 (S) Moved SB 85 Out of Committee  
 03/27/07 (S) MINUTE(FIN)  
 03/28/07 (S) FIN RPT 6DP 1NR  
 03/28/07 (S) DP: HOFFMAN, STEDMAN, ELTON, THOMAS,  
 DYSON, HUGGINS  
 03/28/07 (S) NR: OLSON  
 04/04/07 (S) TRANSMITTED TO (H)  
 04/04/07 (S) VERSION: SB 85  
 04/05/07 (H) READ THE FIRST TIME - REFERRALS  
 04/05/07 (H) HES, FIN  
 05/01/07 (H) HES AT 3:00 PM CAPITOL 106

BILL: HB 234

SHORT TITLE: EDUCATION LOAN REPAYMENT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) JOHNSON

04/13/07 (H) READ THE FIRST TIME - REFERRALS  
 04/13/07 (H) HES, FIN  
 05/01/07 (H) HES AT 3:00 PM CAPITOL 106

**WITNESS REGISTER**

RICHARD BENAVIDES, Staff  
 to Senator Bettye Davis  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Presented SB 85 on behalf of Senator Bettye Davis, sponsor.

REPRESENTATIVE CRAIG JOHNSON  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Presented HB 234 as the prime sponsor.

TAMARA COOK, Director  
 Legislative Legal and Research Services  
 Legislative Affairs Agency (LAA)  
 Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 234.

SHERRI HARVEY  
 Anchorage, Alaska

**POSITION STATEMENT:** Speaking as an individual, testified in support of HB 234.

DIANE BARRANS, Executive Director  
Alaska Commission on Post Secondary Education (ACPE);  
Executive Officer, Student Loan Corporation  
Alaska Department of Education and Early Development (DEED)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 234.

ROD BETIT, President  
Alaska State Hospital and Nursing Home Association (ASHNHA);  
Member, Physician Supply Task Force  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 234.

PAT CARR, Director  
Health Planning and Systems Development  
Department of Health and Social Services (DHSS)  
Juneau, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 234.

KEVIN BROOKS, Deputy Commissioner  
Office of the Commissioner  
Department of Administration (DOA)  
Juneau, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 234.

MARK HICKEY, Lobbyist  
Alaska Nurses Association  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 234.

#### **ACTION NARRATIVE**

**CHAIR PEGGY WILSON** called the House Health, Education and Social Services Standing Committee meeting to order at [3:05:52 PM](#). Representatives Roses, Gardner, Fairclough, Neuman and Wilson were present at the call to order. Representatives Seaton and Cissna arrived as the meeting was in progress.

#### SB 85-EXTEND STATE MEDICAL BOARD

[3:06:03 PM](#)

CHAIR WILSON announced that the first order of business would be SENATE BILL NO. 85, "An Act extending the termination date for the State Medical Board; and providing for an effective date."

3:06:22 PM

RICHARD BENAVIDES, Staff to Senator Bettye Davis, Alaska State Legislature, presented SB 85 on behalf of Senator Davis, sponsor, paraphrasing from the sponsor statement which read as follows [original punctuation provided]:

Senate Bill 85 extends the sunset date of the State Medical Board until June 30, [2013], in accordance with the recommendations of the Legislative Auditor. The legislative auditor has concluded that the State Medical Board meets the statutory requirements of public need and should continue to regulate the occupations under its purview.

The board consists of five licensed physicians, one licensed physician assistant, and two persons with no direct financial interests in the healthcare industry. The board serves the public interest by establishing the minimum education and work experience requirements that individuals must meet to become licensed physicians, osteopaths, podiatrists, paramedics and physician assistants. The board further serves the public interest by investigating complaints against licensed professionals and taking disciplinary licensing action when appropriate.

The board has consistently proven to be efficient, therefore I recommend that the State Medical Board be extended to June 30, 2013, and ask for your support in passage of this bill.

3:07:37 PM

REPRESENTATIVE ROSES moved to report SB 85 out of committee with individual recommendations and the accompanying fiscal notes. Hearing no objection, SB 85 was reported from the House Health, Education and Social Services Standing Committee.

3:08:02 PM

REPRESENTATIVE FAIRCLOUGH stated that the State Medical Board should meet Finding and Recommendation No. 1 identified on page 7 of the audit report dated October 3, 2006.

3:08:33 PM

HB 234-EDUCATION LOAN REPAYMENT PROGRAM

CHAIR WILSON announced that the final order of business would be HOUSE BILL NO. 234, "An Act relating to the education loan repayment program and establishing the education loan repayment fund."

[3:08:53 PM](#)

REPRESENTATIVE CRAIG JOHNSON, Alaska State Legislature, presented HB 234, as prime sponsor. He paraphrased from the sponsor statement, which read as follows [original punctuation provided]:

The State of Alaska is facing severe shortages in certain professional fields. House Bill 234 aims to tackle those workforce shortages by creating a loan repayment program that would draw qualified jobseekers into those fields. The accompanying piece of legislation, HB 235, establishes a \$100 million endowment to fund the program.

The number of qualified individuals in the state isn't keeping pace with workforce demands in a few critical areas, including allied health, engineering, and teaching. A steadily growing economy and population, coupled with the mega-projects the state has on the horizon, means certain professions already in high demand are only going to become more critical. HB 234 takes a pro-active approach to workforce shortages in order to ensure the state's continued prosperity.

HB 234 creates an education loan repayment program to help attract and retain Alaskan workers in professions identified as having a severe workforce shortage. The bill establishes the program within the Alaska Commission on Postsecondary Education (ACPE), who would determine eligibility criteria and disburse loan repayment grants to qualifying individuals.

The loan repayment program would repay up to \$7500 in outstanding student loan debt for qualifying individuals per year, not to exceed 5 years or 50 percent of the total outstanding debt. Eligibility criteria established under HB 234 include:

The person must be a state resident on the date the application is filed.

The person must have been employed or otherwise engaged full time for at least a year in an occupation or profession identified as having a severe workforce shortage before being awarded the first grant.

The person must meet any additional eligibility requirements imposed under regulations adopted by the ACPE.

3:13:33 PM

REPRESENTATIVE NEUMAN asked for a reason to approve this bill if there are no funds available to appropriate.

REPRESENTATIVE JOHNSON responded that the bill is a work in progress; the hard part will be funding the \$100 million request. He explained that the legislature routinely sets money aside for education funds or the budget reserve. This is a similar request to set aside funds, and appropriate the interest from those funds to this program. HB 234 is only the first step in addressing the workforce shortage problem.

REPRESENTATIVE NEUMAN recalled that there are existing programs for the benefit of teachers and asked for information about them and whether this bill will affect them.

REPRESENTATIVE JOHNSON deferred the question to the National Education Association (NEA) representative that will be giving testimony later. He clarified that HB 234 is a broad brush approach that will be directed to a variety of needed industries as determined by the Department of Labor & Workforce Development (DLWD).

3:16:44 PM

REPRESENTATIVE GARDNER asked how this program is different from the previous loan forgiveness repayment programs. She also asked whether the goal of this program is to bring back Alaskan students who have gone outside for college, or to attract new residents.

REPRESENTATIVE JOHNSON answered that the goal of this bill is to recruit a quality workforce to Alaska. He expressed his belief that the five year minimum residency commitment will ensure that

many applicants will stay permanently. He said his wish is also to bring 100 percent of Alaskan college graduates back to the state; however, the bill is not targeted at any particular group.

REPRESENTATIVE GARDNER then asked whether a full scholarship to local universities would accomplish the same goal without having the state reimburse tuition from outside schools.

REPRESENTATIVE JOHNSON stated that this is not a scholarship; this bill will encourage someone who has completed their education to come to Alaska and work. He pointed out that this bill will begin to fill jobs within one or two years; other remedies will be more effective for the long term.

[3:20:20 PM](#)

REPRESENTATIVE FAIRCLOUGH referred to the language on page 2 line 23, that states "full time" employment, and asked for a definition of this term.

REPRESENTATIVE JOHNSON answered that full-time employment is specific to the hiring institution's standard practice. He indicated that the Department of Labor & Workforce Development (DLWD) would be enlisted to include the appropriate definition in this bill.

REPRESENTATIVE FAIRCLOUGH suggested using "a minimum of 32 hours and above" and explained the rotational and seasonal rational that would support this minimum.

REPRESENTATIVE JOHNSON agreed and said that the DLWD standards and the industry standards would determine the limits of full time employment.

[3:22:55 PM](#)

REPRESENTATIVE FAIRCLOUGH stated her concern that the DLWD may use state standards and not account for the employees that work a variety of shifts in the private or municipal sector. She then referred to page 3, line 16, and inquired about guidelines on what defines a "severe shortage." Representative Fairclough also asked whether the interest earnings are the sole source of funding for the program, or if funds will be used from the initial \$100 million that is set aside.

REPRESENTATIVE JOHNSON responded that, using the percent of market value of \$100 million at 5 percent interest, the program will earn \$5 million in the first year. He opined that this sum will sufficiently fund the program initially.

REPRESENTATIVE FAIRCLOUGH stated her support of the percent of market value and distribution of endowment funds. She shared that there is a similar endowment in Anchorage.

REPRESENTATIVE JOHNSON noted that the estimated 5 percent [interest earnings] is a baseline, but it is expected that it would be higher. It is not the sponsor's intent to dip into the corpus, but to utilize the interest only.

[3:26:00 PM](#)

REPRESENTATIVE SEATON asked whether the program will be available to anyone who is filling a job that is designated in a category of "severe shortage" and has been in the state for 30 days.

REPRESENTATIVE JOHNSON expressed his understanding that, after one year of employment, an applicant could submit an application with his or her student loan information and request a loan repayment of up to \$7,500.

[3:27:22 PM](#)

REPRESENTATIVE GARDNER observed that, to attract workers who may not have a student loan, an increase in the pay scale of \$7,000 will accomplish the same goal.

REPRESENTATIVE JOHNSON informed the committee that a side benefit to this bill is that it addresses the "tier four" problem with state employees. The \$7,500 repayment is roughly equivalent to a three step increase in salary; the potential investment of this money could offset the lesser benefit package that state agencies offer to tier four new hires. However, he stated reservations about raising salaries by \$7,500 per year.

[3:29:06 PM](#)

REPRESENTATIVE GARDNER gave an example of a current employee, who is repaying a student loan, and who has a new coworker who qualifies for this program.

REPRESENTATIVE JOHNSON acknowledged that this example is a possibility and there may be repercussions. In fact, the benefit from this bill is similar to paid moving expenses and other recruitment tools.

[3:30:18 PM](#)

REPRESENTATIVE GARDNER gave another example of a teacher who moves from one Alaska school district to another in order to qualify for the program.

REPRESENTATIVE JOHNSON surmised that the teacher would qualify for the program.

[3:31:05 PM](#)

REPRESENTATIVE CISSNA relayed that traveling nurses, who make very high salaries, and the regular staff have a similar conflict in hospitals. She turned to the issue of eligibility and stated that the bill should have a liberal definition of full time pay in order to assist the health care industry which has many vacancies that are very difficult to fill.

REPRESENTATIVE JOHNSON said, "I would love for this program to run out of money because we have so many people to hire." However, the intent of the program is to assist people who are vested in the state as permanent residents, not someone who comes in on a part time basis.

[3:33:48 PM](#)

REPRESENTATIVE ROSES called the committee's attention to page 2 of the bill. He surmised that an employee, who is currently employed in an area of critical need and who is still paying on a student loan, may apply for repayment.

REPRESENTATIVE JOHNSON concurred.

[3:34:44 PM](#)

CHAIR WILSON agreed that it is an issue and it is important to address that aspect.

[3:35:00 PM](#)

REPRESENTATIVE JOHNSON clarified that the bill's effective date may preclude those who are employed. Representative Johnson then retracted his previous statement.

[3:35:31 PM](#)

REPRESENTATIVE ROSES cautioned that what often seems to be an opportunity to attract employees can become a deterrent. He provided an example of a situation that occurred in the Anchorage School District, and the contract labor agreement issues that arose as a result of special benefits offered to new hires.

REPRESENTATIVE JOHNSON acknowledged this possibility and reiterated that the goal is to attract good workers without creating openings for legal entanglements.

[3:38:21 PM](#)

CHAIR WILSON asked whether this bill is just for state employees.

REPRESENTATIVE JOHNSON said no. This is for anyone in a professional field that the DLWD has identified as "high need".

[3:39:19 PM](#)

CHAIR WILSON expressed her views that this bill should be an enticement for new workers rather than to encourage the retention of existing employees.

[3:39:52 PM](#)

REPRESENTATIVE SEATON referred to page 2, line 23, and asked for clarity of the language and the intent of this section.

REPRESENTATIVE JOHNSON clarified that the intention is that the worker has been employed for 12 months.

[3:41:07 PM](#)

REPRESENTATIVE FAIRCLOUGH proposed an amendment to correct the reference for the definition of "severe shortage" on page 3 line 17 from AS 114.43.415(b) to AS 114.43.415(b2).

REPRESENTATIVE JOHNSON deferred the question to the drafter, Tamara Cook, Director, Legislative Legal and Research, Legislative Affairs Agency (LAA).

[3:42:09 PM](#)

REPRESENTATIVE GARDNER stressed that the bill should not exclude an Alaskan student who is attending an Alaskan college in order to attain an education in a field of high need.

REPRESENTATIVE JOHNSON confirmed that the intent is inclusive and is not designed to exclude anyone.

[3:43:15 PM](#)

REPRESENTATIVE NEUMAN referred to the \$7,500 loan repayment and asked whether this amount could be thought of as a credit that would result in the recipient's ineligibility to apply for a loan.

REPRESENTATIVE JOHNSON opined that the best way to look at this is not as a debt repayment but as a grant. He indicated that the sponsors will look into the questions of the recipient's ability to qualify for loans.

REPRESENTATIVE NEUMAN opined that the money will be unearned income to the recipient.

REPRESENTATIVE JOHNSON agreed that a student loan is income for income tax purposes; this is similar to a hiring bonus, which is also taxable.

[3:45:42 PM](#)

REPRESENTATIVE SEATON asked for the definition of "loan" in the bill.

REPRESENTATIVE JOHNSON clarified that the definition of loan was left intentionally vague. A qualified recipient will be working in the state for a year and repaying a regular student loan.

[3:46:53 PM](#)

REPRESENTATIVE SEATON asked for the stipulation in the bill that identifies what type of loan can be repaid.

REPRESENTATIVE JOHNSON deferred the question to the drafter.

[3:47:27 PM](#)

TAMARA COOK, Director, Legislative Legal and Research Services, Legislative Affairs Agency (LAA), advised the committee that the bill as it is currently drafted does not define the term "education loan." Unless the bill is changed to add a definition, the Commission on Postsecondary Education (ACPE), Department of Education and Early Development (DEED), has the authority to determine, through regulation, what an education loan is. Regarding Representative Fairclough's question on the reference to define "severe shortage," Ms. Cook confirmed that the critical definition is found in AS 14.43.415(b2). She explained that, for drafting purposes, the section is given as a reference, but not the paragraph. The purpose for this is to allow new definitions to be added as the bill evolves. Consequently, all of the definitions will be included in alphabetical order and the paragraphs will change.

REPRESENTATIVE SEATON asked whether there is a due process or equal protection issue if identical employees are being hired and one has a student loan, thereby qualifying for this program, and one does not have a loan.

MS. COOK answered that an equal protection problem does not appear to exist. This bill applies to people who qualify because they have an educational loan debt. This category only aids those who are filling a severe shortage and who carry an education loan debt. She added that the legislature has the ability to elect to help a limited category of people.

[3:52:14 PM](#)

SHERRI HARVEY informed the committee that she was speaking as an individual. She stated her support for HB 234, and urged the committee to create the loan forgiveness program. She said she is a resident of Alaska for 36 years, a student of the university system, and a voter. Ms. Harvey suggested adding the area of social work to the critical work categories of health, engineering, and teaching. She said that she understood that the intent of the bill is to attract and retain workers trained in critical fields; her experience is that there is a great need for dedicated and diligent workers in the human services and social services field. Ms. Harvey stated that the bill will energize students and revitalize the Alaskan workforce. She closed by urging the committee to pass the bill from committee

with the professions of human and social services added to the critical need categories.

3:56:03 PM

REPRESENTATIVE SEATON asked for clarification of the "course of study" found on page 3, line 14, and of Sec. 14.43.438, which are the pre-eligibility determinations.

3:56:47 PM

DIANE BARRANS, Executive Director, Alaska Commission on Post Secondary Education (ACPE); Executive Officer, Student Loan Corporation, Alaska Department of Education and Early Development (DEED), paraphrased from a prepared statement, which read as follows [original punctuation provided]:

HB 234 establishes an Alaska workforce development program using a recruitment and retention financial incentive model. While workforce development is not within ACPE's core mission, as the state agency that originates and services both the state education loan program and participates as a federal education loan provider, the bill tasks us with a substantial responsibility for managing this new program. In discussion with the sponsor's office I have relayed my concern that one key component of the new program should not be ACPE's responsibility and that is the designation of the qualifying occupations and professions. ACPE has no research staff nor do we have the tools and knowledge to make these critical, high-stakes determinations. Specific to the bill, to protect the interest of the Alaska Student Loan Corporation, I would request program statutes contain an explicit statement that this program and any related funding needs is not the obligation of the corporation. I would also request throughout the bill the benefits paid out on an individual's behalf be termed a "benefit" earned rather than a grant. Within the array of programs ACPE administers, grants are need-based financial aid awards and to call these grants will inevitably lead to confusion and misunderstanding. This would require conforming change to AS 14.43.920.Repayment by ineligible recipient. Some technical changes are needed to insure benefits are paid out as intended. For instance-my understanding is that the cumulative

benefit will be the lesser of either \$37,500 or 50% of the participant's outstanding loan balance. There are unresolved issues regarding whether or not a participant could receive the 50% benefit in fewer than five years of employment. Because the current version requires benefits be paid directly to the lender, what happens if a participant pre-pays and loan and expects to have remaining benefits remitted directly to them? Bill language requires that an individual must be employed "or otherwise engaged" full time (page 2, line 23. "Otherwise engaged" should be defined or otherwise explained. Reference pre-eligibility (page 3, line 11)-this appears to be fairly problematic in that advance communication about or perceived determination of eligibility opens the commission (or another entity making the determination) up to subsequent disputes and grievances. It is possible the certain regions of the state will periodically have severe shortages of certain professionals when others, at the same time may have an adequate or even an oversupply. It will be important, in order to effectively and strategically deploy state funds, that early "commitments" not be in any way binding. No effective date for qualifying employment is established-should it be "first time" employment on or after a certain date: That will need to be specified.

[4:07:20 PM](#)

CHAIR WILSON recalled that there are already loan forgiveness, or home loan assistance, programs for teachers and nurses. In addition, doctors have the Washington, Alaska, Montana, Idaho, Medical Education Program (WAMI) loan forgiveness program.

MS. BARRANS explained that the teacher education loan program is run on a very limited basis and is available only to those who graduated from an Alaska high school and who are nominated by a rural school district. She stated that her experience is that a loan repayment model is better than a loan forgiveness model.

[4:09:01 PM](#)

CHAIR WILSON asked whether the [teacher] mentoring program has helped.

[4:09:18 PM](#)

MS. BARRANS responded that there is no connection between the teacher mentor program and the teacher education loan program.

CHAIR WILSON re-stated her question.

MS. BARRANS relayed that there is a high attrition rate in the program.

[4:10:14 PM](#)

REPRESENTATIVE SEATON asked whether the education loan program has a loan forgiveness component for those who are teaching in the state.

MS. BARRANS answered that education loans are 100 percent forgivable when the applicant is teaching in one of the qualifying schools.

[4:10:38 PM](#)

REPRESENTATIVE SEATON stated that his understanding is that the purpose of the program is to attract workers. He asked what residency requirement in the bill is being used to determine page 2, line 22, "resident of the state."

MS. BARRANS responded that the residency requirement, in the present version of the bill, is twelve months domiciled in Alaska. She offered that there may be changes to this part of the bill.

[4:11:45 PM](#)

REPRESENTATIVE SEATON also asked whether Ms. Barrans wanted the definition of loan to be written in statute or regulation.

MS. BARRANS stated that this is one area that would be best left for regulation to determine. She advised that it would not suit to establish statute, considering the ever changing world of finance.

REPRESENTATIVE SEATON confirmed that educational loans could include loans from family members.

[4:13:29 PM](#)

MS. BARRANS opined that a policy determination is not necessary because parents do not make standard education loans. In fact, loans to parents who borrowed on their student's behalf would not qualify.

REPRESENTATIVE SEATON clarified that these are institutional loans.

MS. BARRANS said yes.

[4:14:15 PM](#)

REPRESENTATIVE NEUMAN recalled that there is an existing student loan program that is earning interest income for the state.

MS. BARRANS affirmed that the Alaska Student Loan Corporation statutes provide that one-third of the net income can be returned to the state. That provision does not relate to this bill.

REPRESENTATIVE NEUMAN asked whether this same system would be incorporated into this bill.

MS. BARRANS stated that it does not appear so at this time.

[4:16:22 PM](#)

ROD BETIT, President, Alaska State Hospital and Nursing Home Association (ASHNHA); and member, Physician Supply Task Force, stated his support of the concept of HB 234 and said that the bill is a good start to attracting workers to professions of critical shortage, including health care. He shared the attrition rates for physicians in Alaska and noted that progress that has been made on the medium-term problem through expansion of the WAMI legislation. In fact, what this bill does not do is to fill the physician gap, although it could be modified towards that end. Mr. Betit said this bill is a major help with respect to nursing, radiological technicians, pharmacy technicians and physical therapist's aides. He expressed his hope that work will be done on the bill so that it can be refined to address specific needs more effectively.

[4:21:32 PM](#)

PAT CARR, Director, Health Planning and Systems Development, Department of Health and Social Services (DHSS), stated her support for the concept of loan repayment and the inclusion of

the field of health professionals. She offered the committee information on a federal procedure, through the U. S. Department of Health and Human Services (USDHHS), to identify shortages of high need professions. The designation criteria used studies primary care, central health, and mental health. Ms. Carr referred to information supplied to the committee about the history of the federal procedure; it has been used in the long term as a means to determine the shortage area designations. As part of the process, the procedure considers: provider to population ratio, travel time to health facilities, infant mortality rates, and the percentage of the population below the poverty level. Ms. Carr continued to say that health professional shortage area designations are used for approximately 39 federal programs, such as the USDHHS National Health Service Corps Scholarship Program.

[4:25:52 PM](#)

KEVIN BROOKS, Deputy Commissioner, Office of the Commissioner, Department of Administration (DOA), informed the committee that he is representing the state as an employer. He explained that his department has provided the sponsor with demographic studies on job classifications that are difficult to fill, and the coming shortages as a result of retiring employees, public and private. A high priority of the DOA is to study Alaska's workforce during the interim. Mr. Brooks pointed out that professional positions are in demand in the private sector as well as the state, and that shortages are further anticipated by region. He stressed that solutions will require a coordinated approach.

[4:28:38 PM](#)

REPRESENTATIVE GARDNER asked whether there is any way to know what proportion of this fund would be paid to graduate level students versus those who hold vocational, two-year or four-year undergraduate degrees.

DEPUTY COMMISSIONER BROOKS clarified that, although his testimony stressed the critical shortages of professionals, the shortages will include the trades as well. He opined that the quantified analysis of the levels of education is available for study and that this information is also desired by the DOA.

[4:30:28 PM](#)

MARK HICKEY, Lobbyist, Alaska Nurses Association, informed the committee that the Alaska Nurses Association supports HB 234; however, the definition of "full time" will need further attention. He pointed out the shortage of registered nurses in Alaska, and nationwide, and cited the various reasons for this trend.

[4:32:06 PM](#)

CHAIR WILSON offered to bring the bill back later in the week.

REPRESENTATIVE JOHNSON stated that the goal of the sponsor is to work on the bill during the interim.

[HB 234 was held over for further testimony.]

[4:33:01 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Health, Education and Social Services Standing Committee meeting was adjourned at 4:33 p.m.