

HOUSE FINANCE COMMITTEE
March 3, 2009
1:36 p.m.

1:36:10 PM

CALL TO ORDER

Co-Chair Hawker called the House Finance Committee meeting to order at 1:36 p.m.

MEMBERS PRESENT

Representative Mike Hawker, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Bill Thomas Jr., Vice-Chair
Representative Allan Austerman
Representative Anna Fairclough
Representative Richard Foster
Representative Les Gara
Representative Mike Kelly
Representative Woodie Salmon

MEMBERS ABSENT

Representative Reggie Joule
Representative Harry Crawford

ALSO PRESENT

Representative Bob Herron; Representative Cathy Munoz;
Representative Beth Kerttula; Representative David
Guttenberg

JUNEAU:

Dorothy Green, Director, Polaris House; Scott Ciambor, United Way of Southeast; Matt Felix, National Council on Alcoholism; Carl Rose, Executive Director, Association of Alaska School Boards; Cathy Johnson, Board of Directors Aware Shelter; Brad Cure, Resident; Joy Lyon, Alaska Association for Young Children; Pamela Watts, Administrator, Juneau Alliance for Mental Health; Walter Majores, Executive Director, Juneau Youth Services; Tina Young; Mandy O'Neil Cole, Direct Services Manager, Aware, Inc.; Andi Story, Member, Juneau School Board; Jayne Andreen, President, AK Public Health Association; Louise Galvan, Polaris House; Mary Hakala, Parent; Carol Comeau, Superintendent, Anchorage School District

PRESENT VIA TELECONFERENCE

BETHEL, KOTZEBUE, BARROW, NOME, DELTA JUNCTION, OFFNETS:

Nancy Mendenhall, Chair, Cooperative Extension Advisory Council, Nome; Maureen Nolan, Early Learning and Family Program, Kotzebue; Thor Williams, Bethel; Monica Charles Leinberger, Bethel; Michelle Dewitt, Women's Shelter Coalition, Bethel; Dan Leinberger, Vice Mayor of Bethel; Alvin B. Jimmie, Sr. VPSO Coordinator, Bethel; Ann Applebee, Bethel; Elizabeth Roll, President of Tundra Woman's Coalition, Bethel; Carol Piscoya, Norton Sound Louisa Riley, Chair for North Slope Shelter, Barrow; Ginny Walch, Barrow; Carolyn Sholley, Counselor for Arctic Women in Crisis, Barrow; Rosie Saganna, Counselor, Barrow; Cheryl Humme, Barrow; Jan Wrentmore, Skagway

FAIRBANKS:

Kara Carlson Interior AK Canter for Non-Violent Living, Fairbanks; Don Billings, National Alliance for the Mentally Ill, Fairbanks; Dick Farris, National Alliance for the Mentally Ill, Fairbanks; Val Dewey, For-Get-Me-Not Inc., Fairbanks; Shayle Hutchison, Weed & Seed, Fairbanks; Brenda Stanfill, Interior AK Center for Non-Violent Living, Fairbanks; Pete Pinney; FNSB HSS Commission/UAF, Fairbanks Jeanette Grasto, NAMI, Fairbanks; David Weaver, Chairman, Northstar Imagination Library, Fairbanks; Angie Ellis, Forensic Nursing Service, Fairbanks; Jay Quankenbush, Fairbanks; Guy Patterson, Director of Behavioral Health Services, Fairbanks; Lenetta Colbert, Open Arms Commission, Fairbanks; Jeff Werner, Future Farmers of America, Fairbanks Sue Hull, Fairbanks Northstar School District, Fairbanks; Mike Kolasa, Literacy Council of Alaska, Fairbanks; Emily Vockeroth, North Star Imagination Library, Fairbanks; Bryon Rogers, Chancellor of University of Fairbanks; Dana Thomas, University of Alaska Fairbanks; Ann Hooper; Joe Hayes, Alumni Director, University of Alaska, Fairbanks.

GENERAL SUBJECT(S):

#hb81
#hb83
HB 81-APPROP: OPERATING BUDGET/LOANS/FUNDS
HB 83-APPROP: MENTAL HEALTH BUDGET
Statewide Public Testimony

The following overview was taken in log note format. Handouts will be on file with the House Finance Committee through the 26th Legislative Session, contact 465-6814. After the 26th Legislative Session they will be available through the Legislative Library at 465-3808.

TIME	SPEAKER	DISCUSSION
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1:36:15 PM		JUNEAU
1:40:46 PM	Dorothy Green, Director, Polaris House	Urged support for behavioral health services grants, which were reduced by 43 percent from the governor's proposed increment. She urged full funding for mental health services and substance abuse grants as submitted by the Governor.
1:45:56 PM	Scott Ciambor, United Way of Southeast	Testified in support of affordable housing in Southeast Alaska.
1:48:43 PM	Matt Felix, National Council on Alcoholism	Testified in support of funding for alcohol treatment programs. He emphasized that the needs are so great for this program that there is no wasted money. He spoke in appreciation of Representative Joule's support.
1:51:29 PM	Carl Rose, Executive Director, Association of Alaska School Boards	Spoke in support of funding for K-12 education programs. The school's promise is to improve quality statewide, but this takes money. There is a need for early childhood financial help and training innovation for the future.
1:56:18 PM	Representative Gara	Asked about reductions to school services. He noted that school districts have indicated that the \$100 increase to the student base allocation will not be sufficient to prevent reductions for districts that are not getting extra funds for cost differentials. He questioned what would be needed to hold those districts (such as Anchorage) harmless.
1:58:10 PM	Carl Rose	Noted that the only way the Anchorage School District could benefit would be through an increase in the base student allocation. The foundation formula is designed to distribute funds across the state. The Anchorage school district is also the largest provider of intensive needs. In response to a question by, Representative Gara, Mr. Rose noted that Anchorage is the base at 1.0.
1:58:40 PM	Cathy Johnson, Board of Directors Aware Shelter	Urged support for behavioral health services grants. She spoke in support of full funding for the Council on Domestic Violence and Sexual Assault.

2:00:27 PM	Co-Chair Hawker	He did not believe the base for behavior health grants were being reduced.
2:00:44 PM	Vice-Chair Thomas	Questioned if there was a spike in domestic violence when the Kensington mine was shut.
2:01:16 PM	Cathy Johnson	Felt that lost jobs and homelessness leads to domestic violence throughout the state.
2:01:48 PM	Vice-Chair Thomas	Wanted to emphasize that unemployment is one of the greatest problems leading to domestic violence.
2:02:25 PM	Representative Austerman	Asked for clarification of the \$1.7 million cut in behavioral grant programs and if this included in the base.
2:02:55 PM	Co-Chair Hawker	Clarified that the base was left intact. There was a request to increase the base by \$1.75 million; \$1 million of the increase was accepted. There was a 43 percent reduction of the requested increase, not a reduction from the base.
2:03:45 PM	Brad Cure, resident	Urged support for behavioral health services grants. He urged full funding for mental health services and spoke in personal terms of loss of friend who did not get the help needed.
2:06:11 PM	Joy Lyon, Alaska Association for Young Children	Spoke in support of funding for K-12 education programs. She observed that 1 in 88 Alaskans are in prison, which reflects the need to help children succeed early.
2:08:48 PM	Pamela Watts, Administrator, Juneau Alliance for Mental Health	Urged support for behavioral health services grants. Community mental health statewide is struggling with long waiting periods for help.
2:10:50 PM	Representative Gara	Asked if grants are different from the earlier \$1.75 million increment.
2:11:12 PM	Pamela Watts	Understood that there are two increments: substance abuse and mental health; each was reduced to \$1 million.
2:11:39 PM	Walter Majores, Executive Director, Juneau Youth Services	Urged support for behavioral health services grants. He stressed the need for full funding for mental health services and substance abuse grants as submitted by the Governor. He indicated programs were losing

		staff and running a deficit.
2:14:44 PM	Vice-Chair Thomas	Pointed out there is a difference between cuts to the base and increments that were not accepted in full.
2:15:49 PM	Tina Young	Urged support for behavioral health services grants. She has young child in need of professional help and fears a loss of funding will hurt. She stressed that there are children in community that are in need.
2:17:41 PM	Mandy O'Neil Cole, Direct Services Manager, Aware, Inc.	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She pointed to overwhelming needs in the community as money continues to be decreased. The \$1.2 million hardly keeps pace, and does not help to move these programs forward.
2:20:28 PM	Andi Story, Member, Juneau School Board	Stressed the importance of high quality education to employers. Spoke in support of funding for K-12 education programs. She maintained that increase funding is not keeping pace with the costs of education. Schools need highly skilled teachers with good pay. She pointed out that arts are being cut and size of classes increased with less money.
2:25:25 PM	Jayne Andreen, President, AK Public Health Association	Expressed support for the Obesity Prevention and Control program. She noted that Alaska is experiencing an epidemic of obesity among the young and adults. She added that 27% of high school students are overweight. Alaska is spending over \$200 million in obesity issues.
2:29:34 PM	Louise Galvan, Polaris House	Urged support for behavioral health services grants and mental health services. She revealed it was hard to get services in the area and noted long waits for appointments.
2:32:27 PM	Mary Hakala, parent	Spoke in support of funding for K-12 education programs. She spoke in support of funding for vocational education training programs. These programs have been forced out of the school system. She noted the need to promote stimulation in the minds of the young.
2:35:54 PM	Carol Comeau, Superintendent , Anchorage	Thanked members for increases in some programs recommended by the Education Funding Task Force. She

	School District	spoke in support of the initiative to reverse childhood obesity trends and Dr. Butler's work. She noted good health influences student achievement.
2:37:49 PM	Co-Chair Hawker	Thanked Ms. Comeau on her help with the obesity program in the schools. Appreciated the well thought out plan for helping children.
2:38:55 PM	Carol Comeau	Noted that she wanted to continue working with the state. She noted that school districts do not see the benefit in daylight savings time and would like to return to 1980s time, prior to the present daylight savings time.
2:40:10 PM	Vice-Chair Thomas	Questioned what school districts are doing to reduce the drop out rate.
2:40:24 PM	Carol Comeau	In Anchorage, with increase funding, the goal is to hire new graduation coaches. She stressed that the need for more help with vocational education programs and pointed out that school needs to be more stimulating for children.
2:41:50 PM	Vice-Chair Thomas	Would like to see the program moving toward changing the drop-out rate.
2:43:13 PM	AT EASE	
3:08:24 PM	RECONVENED	
		BETHEL, KOTZEBUE, BARROW, NOME, DELTA JUNCTION, OFFNETS
3:08:56 PM	Nancy Mendenhall, Chair, Cooperative Extension Advisory Council, Nome	Urged support for the Board of Regent's increment request for Energy Engineering and Climate Change program, which was removed by the subcommittee. There is a need to assist households with energy costs. This is part of the outreach program in the University. She emphasized that they are looking for better outreach and communication with the rural villages.
3:13:23 PM	Maureen Nolan, Early Learning and Family Program, Kotzebue	Spoke in support of funding for the Infant Learning Program and K-12 education programs. She believed all programs for the young will be beneficial.
3:14:51 PM	Representative Gara	He asked what was in the infant learning program. He wanted to know what the program did.
3:15:27 PM	Maureen Nolan	She explained that the Infant Learning Program is an early

		learning and intervention program such as physical therapy.
3:16:11 PM	Representative Gara	He asked if this was for more than children with disabilities.
3:16:32 PM	Maureen Nolan	Explained that the children that are targeted will need extra help, but all children receive screening, such as vision screening, reading programs, as well as early intervention.
	BETHEL	
3:17:52 PM	Thor Williams, Bethel	Spoke in support of funding for K-12 education programs. He urged funding for public safety and juvenile justice programs. He emphasized the need for full the VPSO program and funding for mental health services and substance abuse grants.
3:19:24 PM	Monica Charles Leinberger, Bethel	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. Supported more funding for housing for women and children in need. She noted that the need for night shelters is growing.
3:21:11 PM	Co-Chair Hawker	Indicated they were looking for alternative funding.
3:21:29 PM	Michelle Dewitt, Women's Shelter Coalition, Bethel	She believed the governor's increase was well justified.
3:22:40 PM	Dan Leinberger, Vice Mayor of Bethel	Urged support of revenue sharing for rural communities.
3:23:25 PM	Co-Chair Hawker	Noted that revenue sharing was fully funded.
3:23:40 PM	Dan Leinberger	Wanted expansion for all users of energy in Alaska. He testified in support of full funding for the Power Cost Equalization Program.
3:24:30 PM	Co-Chair Hawker	Observed that PCE was fully funded at \$32 million.
3:24:50 PM	Dan Leinberger	Spoke of HB 310 that included money for service patrol, which was not included in this year's budget. This project may have to be terminated. He urged the committee to find other funding sources. He understood there was a funding cut for ADA and a director position and urged this to

		be changed. He also spoke of business license fees being cut in half and urged reinstating higher fees for funding source.
3:28:39 PM	Alvin B. Jimmie, Sr. VPSO Coordinator, Bethel	Observed that the work in the villages by village public safety officers is difficult and there has been a lot of burn-out. He encouraged more money to increase the number of village public safety officers in the villages.
3:31:58 PM	Co-Chair Hawker	Appreciated this information because of his concern for lack of public safety in the villages.
3:32:48 PM	Co-Chair Stoltze	Agreed that this is a challenging problem in Alaska. There is a commitment for more hearings during the summer to try to improve the VPSO program. The goal is to hire good people with great training.
3:35:33 PM	Ann Applebee, Board, Infant Learning Program, Bethel	Thanked the governor's increment for a \$2 million increase in the Infant Learning Program and encouraged that this be kept in by the legislature. She observed the difficulty in recruiting good people to Bethel.
3:37:32 PM	Co-Chair Hawker	Observed that the money has been kept in the budget.
3:37:49 PM	Elizabeth Roll, Dr., President of Tundra Woman's Coalition, Bethel	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She noted an increase in domestic violence due to the hard economic times. She spoke in support of the governor's increment. She agreed the VPSOs offer a great deal of help in the communities.
3:40:16 PM	Representative Gara	Questioned what would happen if more money was given or what would not happen if there was less money received.
3:40:58 PM	Dr. Roll	Observed that the greatest problem is the lack of staff and the need for help with paying general bills, such as energy and housing. She noted that Bethel has the largest domestic abuse in the country.
3:42:41 PM	Representative Herron	Noted that the integration back into the community of those who have served overseas is increasingly difficult.
3:43:51 PM	Carol Piscoya, Norton Sound	Thanked the legislature for services. She agreed that the

		integration of National guardsmen going overseas returning home has been a problem. She urged support for behavioral health services grants and encouraged more support for VPSO funding. She requested upgrade and educational training for technical systems in the area.
	BARROW	
3:50:15 PM	Louisa Riley, Chair for North Slope Shelter, Barrow	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She acknowledged that funding covers the minimum, but stressed that the need is great. There are an increasing number of victims that need shelter and care, and without funding they will suffer.
3:52:41 PM	Ginny Walch, Barrow	Spoke of the great need for help for those needing help. Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault.
3:54:13 PM	Carolyn Sholley, Counselor for Arctic Women in Crisis, Barrow	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She urged more support for staffing and help for women and children.
3:55:43 PM	Rosie Saganna, Counselor, Barrow	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault.
3:56:35 PM	Cheryl Humme, Barrow	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She spoke in support of healthy families for Alaska and urged support for behavioral health services grants. She stressed that without funding many services will have to shut down.
3:58:42 PM	Jan Wrentmore, Skagway	Spoke in support for tourism funding. She indicated tourism is down this summer and the great impact it will have on many communities.
4:00:10 PM	Co-Chair Hawker	Agreed that tourism revenue will be down this summer and agreed of its importance.
4:01:18 PM	AT EASE	
4:09:30 PM	RECONVENED	
		FAIRBANKS

4:11:02 PM	Kara Carlson Interior AK Center for Non-Violent Living, Fairbanks	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She in support of a raised minimum wage.
4:13:37 PM	Don Billings National Alliance for the Mentally Ill, Fairbanks	Urged full funding for mental health services and substance abuse grants as submitted by the Governor. He requested support for families facing mental health issues and urged support for behavioral health services grants.
4:20:51 PM	Dick Farris National Alliance for the Mentally Ill, Fairbanks	Urged support for behavioral health services grants.
4:21:55 PM	Co-Chair Hawker	Pointed out that there have been no cuts to the base level in the mental health budget.
4:22:33 PM	Val Dewey For-Get-Me-Not Inc., Fairbanks	Urged support for behavioral health services grants and requested support for mentally ill adults in particular. She stressed the need to pass SB 21, funding tuition relief for mental health providers in Northern AK, and to renegotiate gold royalty rates to fund an endowment.
4:26:12 PM	Co-Chair Hawker	Wondered about the mentioned document.
4:26:34 PM	Shayle Hutchison Weed & Seed, Fairbanks	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She requested competitive wages for domestic violence, sexual assault, and mental health employees.
4:28:34 PM	Brenda Stanfill Interior AK Center for Non-Violent Living, Fairbanks	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She spoke of the need for health insurance for victims in order to receive quality services and urged full funding for mental health services and substance abuse grants as submitted by the Governor. She expressed support for continued funding for child advocacy centers and asked to restore the funding increase.
4:33:17 PM	Pete Pinney FNSB HSS Commission/UAF , Fairbanks	Spoke in support of funding for K-12 education programs. He expressed appreciation for the Community Matching Grant Program.

4:35:06 PM	Jeanette Grasto, NAMI, Fairbanks	Urged support for behavioral health services grants. She believed that proper treatment leads to recovery and not providing the correct care lead to more costs for Alaska. There is a need to take care of more vulnerable people.
4:38:50 PM	David Weaver, Chairman, Northstar Imagination Library, Fairbanks	Spoke in support of funding for books for children. He noted that most of the funding for their program has been raised locally, but state funding.
4:42:17 PM	Co-Chair Hawker	Spoke that this was high on the list when more funding available.
4:42:59 PM	Angie Ellis, Forensic Nursing Service, Fairbanks	Spoke in support of full funding for the Council on Domestic Violence and Sexual Assault. She spoke in support of the public safety budget.
4:45:05 PM	Co-Chair Hawker	Spoke in support of forensic nurses in communities.
4:45:26 PM	Jay Quankenbush, Fairbanks	Spoke in support of the Regent's request for full funding for the University of Alaska. He spoke in support of energy relief for Alaska communities and stressed the need to support an investment in the University engineering programs. He urged funding for deferred maintenance for the university.
4:49:04 PM	Co-Chair Stoltze	Expressed that Representative Foster helped in that area over the years.
4:50:05 PM	Co-Chair Hawker	Expressed that the university has received funding over the years to improve conditions.
4:50:35 PM	Guy Patterson, Director of Behavioral Health Services, Fairbanks	Urged support for behavioral health services grants and the need to attract health professionals to the area. He stressed that increased costs have offset funding.
4:53:56 PM	Lenetta Colbert, Open Arms Commission, Fairbanks	Thanked the legislature for an increase in the child care reimbursement rates to 50 percent. She spoke for young children and their parents who can not speak for themselves and in support of funding for K-12 education programs. She urged support for behavioral health services grants and noted that higher funding provides more quality

		care.
4:58:07 PM	Jeff Werner, Future Farmers of America, Fairbanks	Spoke in support of funding for K-12 education programs. He spoke of help he received with support of the Palmer school system to achieve his career path to stay and work in Alaska.
5:00:54 PM	Sue Hull, Fairbanks Northstar School District, Fairbanks	Stressed that salary increases in the teacher contracts have put a strain on the budget. She spoke in support of funding for K-12 education programs and noted reductions in staff and vocational improvements due to lack of money.
5:03:44 PM	Co-Chair Stoltze	Observed that education was of the forward fund and wondered how important this was to the school system.
5:04:21 PM	Ms. Hull	Expressed the extreme importance of getting this funding.
5:05:03 PM	Mike Kolasa, Literacy Council of Alaska, Fairbanks	Spoke of the community initiative grant.
5:05:35 PM	Co-Chair Hawker	Said that both are fully funding, but not with inflation dollars.
5:06:28 PM	Emily Vockeroth, North Star Imagination Library, Fairbanks	Spoke in support of the Imagination Library and the importance of early reading for children.
5:07:03 PM	Co-Chair Hawker	Said this program was on the radar screen of the committee, but with lower funds this year, it may have to wait.
5:07:54 PM	Bryon Rogers, Chancellor of University of Fairbanks	Thanked the legislature for their support and noted some of the funding issues for the University. He highlighted the energy program for communities in Alaska.
5:11:47 PM	Co-Chair Hawker	Urged that the University not take anything personally in the budget decisions. He noted this was a time when funding would be lower.
5:12:44 PM	Dana Thomas, University of Alaska Fairbanks	Supported the words of Chancellor Rogers and student drafted bills for financial aid programs. She noted that Alaska was 51 st in the nation for low income participation in

		college studies.
5:14:57 PM	AT EASE	
5:17:08 PM	RECONVENED	
5:18:16 PM	Ann Hooper	Urged support for behavioral health services grants. She expressed support for an increase in the human resources matching grant and community resource grants.
5:20:18 PM	Joe Hayes, Alumni Director, University of Alaska	Urged support for behavioral health services grants. He spoke in support of full funding for the Council on Domestic Violence and Sexual Assault and the Regent's request for full funding for the University of Alaska.
5:22:32 PM	Representative Foster	Thanked Mr. Hayes for his university advocacy.
5:23:05 PM	ADJOURNMENT	The meeting was adjourned at 5:22 PM
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