

HOUSE FINANCE COMMITTEE  
March 7, 2012  
1:38 p.m.

[1:38:23 PM](#)

CALL TO ORDER

Co-Chair Thomas called the House Finance Committee meeting to order at 1:38 p.m.

MEMBERS PRESENT

Representative Bill Stoltze, Co-Chair  
Representative Bill Thomas Jr., Co-Chair  
Representative Mia Costello  
Representative Les Gara  
Representative David Guttenberg  
Representative Tammie Wilson

MEMBERS ABSENT

Representative Mike Doogan  
Representative Bryce Edgmon  
Representative Anna Fairclough, Vice-Chair  
Representative Reggie Joule  
Representative Mark Neuman

ALSO PRESENT

Abbe Hensley, Executive Director, Best Beginnings, Juneau;  
Representative Peggy Wilson.

PRESENT VIA TELECONFERENCE

John Duffy, University of Alaska Fairbanks (UAF), Fairbanks; Ray Barnhardt, Professor, Cross Cultural Studies, UAF, Fairbanks; Marvin Hassebroek, Olnes Pond, Whitefish Landing, Fairbanks; Becky Hassebroek, Olnes Pond, Fairbanks; John Glenn, Haystack Community, Fairbanks; Sharon Glenn, Haystack Community, Fairbanks; Lillian Ruedrich, Director of the Student Services Department, Fairbanks Memorial Hospital, Fairbanks; Shari McCartney, Nursing Director, Behavioral Health Unit, Fairbanks Memorial Hospital, Fairbanks; Todd Brinkman, Research Assistant Professor, UAF, Fairbanks; Nycolett Ripley, UAF,

Fairbanks; Gary A. Laursen, Senior Research Scientist, UAF, Fairbanks; Shirley Williams, Best Beginnings, Fairbanks; Mark Young, Alaska Marine Safety, Fairbanks; Stephen E. Enochs, Self, Fairbanks; Ginny Redmond, Director, Student Support Services, UAF, Fairbanks; Sara Smith, Academic Coordinator, Student Support Services, UAF, Fairbanks; Dana Kinzy, Intensive Advisor, Student Support Services, UAF, Fairbanks; Tristian Monterastelli, Student, Justice Program, UAF, Fairbanks; Greg Newby, Director, Arctic Research Center, UAF, Fairbanks; Linda Hapsmith, Director, Academic Advising Center, UAF, Fairbanks; Doris Robbins, Self, Fairbanks; L. Kaneyo Hirata, UAF, Fairbanks; Maggie Matheson, Student, UAF, Fairbanks; Mari Freitag, Student, UAF, Fairbanks; Sean Lee, Student, UAF, Fairbanks; Eric Gebhart, Chair of Governor's Council on Disabilities and Special Education, Fairbanks; Rob Thomason, Petersburg School District, Petersburg; Jim Schwartz, Petersburg School Board, Petersburg; Rick Braun, Self, Petersburg; Ken Callum, Petersburg Mental Health, Petersburg; Julianne Curry, Executive Director, Petersburg Vessel Owners Association, Petersburg; Jerry Djugan, Director, Alaska Maritime Safety Education Association (AMSEA), Sitka; Ed Sugai, President, Student Government Association, University of Alaska in Sitka; James Swift, Commercial Fisherman, Sitka; Doug Jensen, Self, Sitka; Jeff Farvour, Self, Sitka; Lisa Busch, Director, Sitka Sound Science Center, Sitka; Lon Garrison, President, Sitka School Board & Association of Alaska School Board; Tristan Guevin, Interim Director, Sitka Native Education Program, Sitka; Nancy Douglas, Director, Education & Employment Training Director, Sitka Tribes of Alaska, Sitka; Nicole Songer, Executive Director, Cordova Family Resource Center; Eric Jordan, Self, Sitka; Krissy Smith, Wrangell Early Childhood Coalition, Wrangell; Julie Decker, Parent, Wrangell; Bill Mcleod, Self, Dillingham; Ron Bowers, Self, Dillingham; Kim Kilkenny, Senior Clinician, Petersburg Mental Health Services, Petersburg; Morgan Falter, Client, Petersburg Mental Health Services; Micheal Biggers, Client, Petersburg Mental Health Services, Petersburg; Jennifer Ray, Self, Petersburg; Jim Nygaard, Superintendent, Cordova School District, Cordova; Sammy Crawford, Kenai Peninsula Borough Board of Education, Kenai; Rex Westergard, Ketchikan Maritime Education Committee, Ketchikan; Renee Schofield, TSS Inc., Ketchikan; Debra Patton, General Manager, Ketchikan Indian Community, Ketchikan; Peter Jacob, Student Council President, University of Alaska Southeast, Ketchikan; Bill Auger, President, United Southeast

Gillnetters Association, Ketchikan; Rowena Palomar, Executive Director, Advocates for Victims of Violence, Valdez; Ken Bergman, Self, Homer; Bonnie Betley, Families First, Homer; Bob Letson, South Peninsula Hospital, Homer; Malcolm Milne, North Pacific Fisheries Association, Homer; Lolita Brache, Families First, Homer; Rachel Greenberg, Deputy Director, Mat-Su Senior Services, Mat-Su; James Garhart, Self, Mat-Su; Brenda Fuller, Self, Mat-Su; Karl Schleich, Director of Professional Development, Mat-Su Borough School District, Mat-Su; Jim Hunt, City Manager, Seward; Jim Herbert, Self, Seward; David Smith, AVTEC Student, Seward; Liz Silvernale, AVTEC Student, Seward; Justin Flowers, AVTEC Student, Seward; Willard Dunham, Former Mayor, Seward; Christopher Smith, Self, Seward; Lindsey Hannevold, Head Start, Soldotna; Julie Matweyou, Self, Kodiak; Pat Branson, Alaska Commission on Aging and Senior Citizens of Kodiak, Kodiak; Stewart McDonald, Kodiak Island Borough School District, Kodiak; Aaron Griffin, Kodiak Island Borough School Board, Kodiak; Wayne Donaldson, Self, Kodiak.

SUMMARY

HB 179 ANIMAL CRUELTY

HB 179 was SCHEDULED but not HEARD.

HB 182 ELECTRONIC DISTRIBUTION OF AGENCY REPORTS

HB 182 was SCHEDULED but not HEARD.

HB 284 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 284 was HEARD and HELD in committee for further consideration.

HB 285 APPROP: MENTAL HEALTH BUDGET

HB 285 was HEARD and HELD in committee for further consideration.

HB 301 SUNSET OF BOATING REGULATION

HB 301 was SCHEDULED but not HEARD.

#hb284  
#hb285

HOUSE BILL NO. 284

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, amending appropriations, and making reappropriations; and providing for an effective date."

HOUSE BILL NO. 285

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

[1:38:34 PM](#)

FAIRBANKS

Co-Chair Thomas acknowledged the start of testimony in Fairbanks.

[1:39:13 PM](#)

JOHN DUFFY, UNIVERSITY OF ALASKA FAIRBANKS (UAF), FAIRBANKS (via teleconference), supported the university request of \$300,000 for the Resilience and Adaption Program. The curriculum provides practical, academic and interdisciplinary training and equips Alaskans throughout the state with the necessary tools to assist in the state's development. Rather than import outside scientists and consultants, the program trains Alaskans to build its own professional group who understand the state's special needs. The program provides real needs for communities and savings to taxpayers combined with cutting edge practical and educational guidance for best practices in Alaska.

[1:41:48 PM](#)

RAY BARNHARDT, PROFESSOR, CROSS CULTURAL STUDIES, UAF, FAIRBANKS (via teleconference), supported the university funding for the PhD program in Indigenous Studies; over 30 students are seeking entrance to the program. He asked for the \$1.5 million request for increasing state appropriations for the program to be reinstated. The request is for an additional faculty member and other positions to provide instructional support in distance

education. He appealed to the Governor's office to accept the Board of Regents request.

[1:44:29 PM](#)

MARVIN HASSEBROEK, OLNES POND, WHITEFISH LANDING, FAIRBANKS (via teleconference), indicated that Olnes Pond is Fairbanks only family operated camp ground and recreation area. The pond is stocked by Alaska Fish and Game. The popular family site has disintegrated in safety, sanitization, and facilities due to a budget cut in 2002. The cut eliminated the full time Park Ranger who managed the park. He pointed out that tourism officials have expressed reluctance in recommending the parks to visitors. The area has also become a magnet for problem situations. He urged funding to reinstate a full time Park Ranger for the area.

[1:46:31 PM](#)

BECKY HASSEBROEK, OLNES POND, FAIRBANKS (via teleconference), urged the legislature to reinstate funding for the Fairbanks Park Ranger position. She emphasized that recreation areas are important natural resources that deserve to be actively managed and preserved. Due to the local snow storm many supporters could not be at the meeting to voice their support for the reinstatement of the Park Ranger position. A petition with over 900 signatures has been sent to Representative Miller's office in support of the issue. Many other local groups support the reinstatement of the Park Ranger position and state management of the area.

[1:48:51 PM](#)

JOHN GLENN, HAYSTACK COMMUNITY, FAIRBANKS (via teleconference), voiced his support for the reinstatement of the Park Ranger position. He urged that the facilities at Olnes Pond be opened for use by the community. The facilities are used for community activities on a regular basis and are a very important social gathering area.

[1:51:09 PM](#)

SHARON GLENN, HAYSTACK COMMUNITY, FAIRBANKS (via teleconference), voiced support for restoring facilities to the Olnes Park campground and the restoration of the Park

Ranger position. The area is important to the entire community.

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Representative Guttenberg interjected that many are snowed in at Fairbanks and thanked the people who were able to come and testify.

[1:53:11 PM](#)

LILLIAN RUEDRICH, DIRECTOR OF THE STUDENT SERVICES DEPARTMENT, FAIRBANKS MEMORIAL HOSPITAL, FAIRBANKS (via teleconference), urged support for the Health Rotation program in Alaska. She spoke to the commitment of the hospital to coordinate and train health rotation experiences. She believed the training encouraged students to stay in the community and helped recruitment opportunities. The Alaska Psychiatric residency program could be a powerful recruitment program for much needed psychiatrists to remain in the state.

[1:54:53 PM](#)

SHARI MCCARTNEY, NURSING DIRECTOR, BEHAVIORAL HEALTH UNIT, FAIRBANKS MEMORIAL HOSPITAL, FAIRBANKS (via teleconference), noted the shortage of psychiatrists in Alaska. The shortage is both on an in-patient and out-patient basis that affects the people receiving services, their families and the community. It is difficult and expensive to recruit psychiatrists to Alaska, but the shortage could be lessened by implementing the Alaska Psychiatric Residency program. She encouraged the legislator's support in funding the program.

[1:56:11 PM](#)

TODD BRINKMAN, RESEARCH ASSISTANT PROFESSOR, UAF, FAIRBANKS (via teleconference), revealed that he was a graduate of the Resilience and Adaptation Program at the university, known as RAP. The RAP program is internationally recognized program that trains students to contribute to the social, ecological, and economic well-being of Alaskans. The future of RAP is in jeopardy with 10 years of external funding is about to expire. He urged the support and continuation of the program. Future funding is important for many reasons including solving real world problems and filling workforce

needs. Graduates Students are rapidly hired by local Alaskan employers. He declared that there is no program like it in Alaska and urged the financial support of the important program.

1:58:10 PM

NYCOLETT RIPLEY, UAF, FAIRBANKS (via teleconference), thanked the finance committee for the chance to request financial support for the Student Honors Program. She communicated that as a student and an employee of the program the many ways the program has helped. She appreciated the \$100,000 for the Honors program and asked for continued support of the program to keep more graduates in Alaska.

Representative Wilson thanked Ms. Ripley for her information on how the funds were being used.

1:59:35 PM

GARY A. LAURSEN, SENIOR RESEARCH SCIENTIST, UAF, FAIRBANKS (via teleconference), thanked the interior delegation for the support of the university system statewide, instituting the Alaska Performance Scholarship, and the University Student Honors Program. He also voiced his appreciation for the \$100,000 appropriation in FY 11. He urged the continuation of \$100,000 for the Honors Programs and suggested it be a permanent budget line item. He listed the ways the program has been applied and the benefits to the students and the state.

2:02:28 PM

SHIRLEY WILLIAMS, BEST BEGINNINGS, FAIRBANKS (via teleconference), urged continued support for Best Beginnings. She noted that often Alaskan children are going to school unprepared to learn or with the successful skills needed for their school future. Best Beginnings has brought awareness to the community on the importance of children entering school prepared to learn. The program has been instrumental in educating families to sign up for the Imagination Library which is a program for children age 0 to 5 years of age promoting literacy and early learning. The program has also sponsored health fairs and literacy playgroups. The playgroups help promote socialization, physical development and preparation for children to enter

school. The financial support will help with community engagement and tackle early literacy with a local community effort and increased Imagination Library enrollment. It would also increase home visiting with parents and teachers and an investment in the Head Start program.

2:05:15 PM

MARK YOUNG, ALASKA MARINE SAFETY, FAIRBANKS (via teleconference), supported the increased funding for the Alaska Marine Safety Education Association (AMSEA) request of \$60,000. The program has not asked for a funding increase in the past five years. The training is important to provide a network of instructors who have delivered quality training to over 80 communities. The interior is affected because there are over 100 commercial fishermen who hold permits. Since the training program began, there has been a 75 percent reduction in accidents and fatalities. Commercial fishing is one of the most high risk occupations in Alaska and makes up the largest number of family run businesses. Safety training is critical to Alaskan families.

2:07:25 PM

STEPHEN E. ENOCHS, SELF, FAIRBANKS (via teleconference), urged the reinstatement of the Park Ranger position in the northern region. The northern region has lost a great deal over the years starting in the late 90s. He appealed for the reinstatement of some of the things lost. He declared that Olnes Pond is unique in the area as nothing like it exists around Fairbanks. He is concerned about what the future costs, both financially and to the community, will be if nothing is done now.

Representative Wilson understood that if a Park Ranger is not reinstated in the area then all the improvement facilities would be removed. Mr. Enochs agreed that was correct.

Co-Chair Thomas commented that he thought when a park is shut down it should go back to public lands.

Representative Guttenberg interjected that the area went into a "passive management" and if the Park Ranger is not reinstated, then the land would revert to the Division of

Lands. It will still be used as a recreational area, but not managed.

2:11:02 PM

GINNY REDMOND, DIRECTOR, STUDENT SUPPORT SERVICES, UAF, FAIRBANKS (via teleconference), asked for support in including the new initiative to improve graduation rates. The initiative would provide comprehensive advising, improved retention, and increased graduation rates for limited income students. Student Support Services is a federally funded program and the initiative would expand the services from a small group of students to a larger university community. Advising and additional resources help more students graduate and become more competitive with those students from more privileged background. She pointed out that it would be an economic investment for Alaska.

2:12:48 PM

SARA SMITH, ACADEMIC COORDINATOR, STUDENT SUPPORT SERVICES, UAF, FAIRBANKS (via teleconference), voiced her support for including new initiatives to improve graduation rates. She opined the investment in disadvantaged and at-risk students was important to national security. It was imperative to have educated workforces who are able to compete globally. She also indicated that Alaska should have its best and brightest lead the way in developing and managing the states resources rather than outsiders. Students have emphasized the importance of an advisor to help them navigate the college system.

2:14:45 PM

DANA KINZY, INTENSIVE ADVISOR, STUDENT SUPPORT SERVICES, UAF, FAIRBANKS (via teleconference), urged support for including new initiatives to improve graduation rates in Alaska. She stressed that Alaska students are being left behind, ranking last in the nation for sending its low income Pell Grant eligible students to college. Fewer than 6 percent of low income high school students from Alaska go on to college, but a high 83 percent who do go to college, stay in state. These initiatives support precisely that population with some financial, motivational, and advising assistance. The population is underserved and the investment will reap long term rewards for the state. She

spoke of her personal success with the help offered under the program and that she was poised to receive her doctorate within the year. She showed the ways her advising of students was helping others.

2:17:04 PM

TRISTIAN MONTERASTELLI, STUDENT, JUSTICE PROGRAM, UAF, FAIRBANKS (via teleconference), urged support services for incentives to improve graduation rates. She indicated her appreciation for Student Support Services and similar programs. She has received financial assistance, academic advising, and mentoring.

2:18:10 PM

GREG NEWBY, DIRECTOR, ARCTIC RESEARCH CENTER, UAF, FAIRBANKS (via teleconference), reported on new supporting and forecasting efforts for all of Alaska. He noted that all information would be in a central area with the data in a new website, [www.datafedalaska.edu](http://www.datafedalaska.edu). The university budget proposal provides partial support for the effort called High Performance Computing for Alaskan Research. The request would broaden the utility of the university's outputs to reach all Alaskans. The budget request seeks an appropriation to help jump start the data portal.

2:20:02 PM

LINDA HAPSMITH, DIRECTOR, ACADEMIC ADVISING CENTER, UAF, FAIRBANKS (via teleconference), testified in support for the funding to improve graduation rates. There has been an initiative in recent years to find out why some students, especially those with a high number of college credits, have not graduated. The program seeks to find ways to help them graduate. Often there were barriers that the university was able to address and students, who may not have graduated, finally did so. Many of the students were from rural campuses throughout the state. Some did not realize they could graduate until they had the opportunity to meet with an advisor. She asked for the funding of the program to impact more students and provide a more educated population in Alaska.

2:23:34 PM

DORIS ROBBINS, SELF, FAIRBANKS (via teleconference), asked for at least an \$8 million contribution for the PERS/TERS underfunding. She declared that Alaska ranks 44th in the United States in retirement funding. She also requested funding for pre-kindergarten. She believed the program pays for itself and that education should get an inflation increase like many other groups. She supported additional funding for improving graduation rates.

[2:25:21 PM](#)

L. KANEYO HIRATA, UAF, FAIRBANKS (via teleconference), asked for support in new initiative for improving graduation rates. The initiative provides comprehensive advising to improve retention and increase graduation rates for limited income students. She received services from the program that helped her to reach her goals. She believed that society will be the long term winner.

[2:27:22 PM](#)

MAGGIE MATHESON, STUDENT, UAF, FAIRBANKS (via teleconference), urged support for the Student Support Services. She spoke to how the program has helped her reach her goals in graduating with a business degree. The program offered food boxes at Christmas, help with advising, tutoring, and technical resource availability. She said the program helps find community service opportunities.

[2:29:32 PM](#)

MARI FREITAG, STUDENT, UAF, FAIRBANKS (via teleconference), commented that she was currently the President of Student Government and member of the Collation of Student Leaders. She testified in support of the advising portion of the operating budget. The initiative improves advising for students which she believed to be critical. Advisors can help save time and money by advising students on the appropriate classes to help them graduate earlier. She also asked for support for 2+2 Veterinary program that has been cut.

Representative Guttenberg appreciated Ms. Freitag's service as a student body president and a student regent.

[2:31:54 PM](#)

SEAN LEE, STUDENT, UAF, FAIRBANKS (via teleconference), remarked that he was a masters candidate and teaching assistant at the university. He requested funds for the engineering operating budget of \$400,000 requested by the Board of Regents for new teaching assistants and facility. He spoke that teaching assistants and facility have an obligation to see where their students need to go with their careers. The funding is not presently in the governor's request.

[2:33:43 PM](#)

ERIC GEBHART, CHAIR OF GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION, FAIRBANKS (via teleconference), supported the Complex Behavioral Collaborative \$650,000 increment to the Mental Health budget. The CBC will allow for people who have complex behaviors to be served in their home community with training and expertise provided on-call and on-site. Alaskans can live in their communities while being helped.

[2:35:23 PM](#)

ABBE HENSLEY, EXECUTIVE DIRECTOR, BEST BEGINNINGS, Juneau, thanked the committee for the past support and urged continued support. She declared that investments in the early years pay dividends. She provided packets with more detailed information for all the committee members. She talked about all the places that would receive help. She noted that foundations, corporations and individuals also support many of the programs. She requesting an increment of \$500,000 to enhance and expand current activities with early childhood partnerships and the Imagination Library efforts. She believed the program helps build awareness of how critical and important it is to reach children in the early years. Parents need to be aware of the choices and opportunities for their children.

Representative Wilson requested from Ms. Hensley last year's budget. Ms. Hensley replied that from the beginning the entire Best Beginnings Budget was \$1.2 million. Representative Wilson asked if the additional funding would make it \$1.7 million. Ms. Hensley said it would not totally add on \$500,000 to the year's amount.

Representative Costello encouraged people to watch the video on Best Beginnings. She questioned if the increased

funding would expand the program to new communities, and, if so, how many communities could be affected.

Ms. Henley acknowledged that the program would like to expand to new communities. There are currently 10 new communities and inquiries from at least five other communities. Representative Costello indicated she had seen research that links the success of a child in school to number of books in the home. Ms. Hensley reported that information was correct. The reports state that students with less than 10 books in the home were unlikely to become good readers. If a child is enrolled at birth in Imagination Library then, by the time the child graduated from the program at five, there could be as many as 60 books in the home. The research shows that children enrolled for longer than a year in Imagination Library have will have more books in the home and will be read to more.

[2:41:47 PM](#)

Co-Chair Stoltze expressed his support when non-governmental groups make private contributions. He asked for the ballpark number on private investment in the program. She listed private contributors and reported that since Best Beginnings was organized in 2006, there have been at least \$1.5 million in private donations.

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[3:06:44 PM](#)

RECONVENED

SITKA, WRANGELL, PETERSBURG, DILLINGHAM, CORDOVA, UNALASKA

ROB THOMASON, PETERSBURG SCHOOL DISTRICT, PETERSBURG (via teleconference), voiced his support of HB 284 with amendments. He stated that through attrition, Petersburg had reduced staff by seven members. Although the district did not foresee any budget shortfalls for FY 12 through FY 13, he stated that if the base student allocation (BSA) remained at current levels, the lack of funding would put them in a precarious position for the FY 13 through FY 14 school year. He urged that equitable funding would allow them to continue to perform at a high level

[3:09:38 PM](#)

Co-Chair Thomas announced that the governor had recently come out with a press release that supported a one-time K-12 education increase of \$30 million for energy and pupil transportation.

[3:09:52 PM](#)

JIM SCHWARTZ, PETERSBURG SCHOOL BOARD, PETERSBURG (via teleconference), voiced his support of HB 284 with amendments for additional education funding. He mentioned a report that showed the actual cost increase to the BSA was \$320 per student. He spoke of the rising costs in healthcare, fuel, and transportation. He noted the operating budget contained \$66 million in salary and benefit increases and observed that a similar increase to the BSA was reasonable and fair. He mentioned that Alaska's expenditures have continued to drop relative to other states, but that it ranked second in the cost of living in the U.S.

[3:12:55 PM](#)

RICK BRAUN, SELF, PETERSBURG (via teleconference), expressed support for HB 284 with amendments related to the public school foundation program. He explained that the Petersburg school system was very effective and prepared children well for college and life. He was worried that funding would not keep up with increased costs and stated that trying to save costs by cutting education would only hurt the State's economy in the long run.

[3:14:10 PM](#)

Co-Chair Thomas noted that the legislature did not control the teacher or state contract negotiations; administration was responsible for the negotiations.

[3:14:32 PM](#)

KEN CALLUM, PETERSBURG MENTAL HEALTH, PETERSBURG (via teleconference), voiced his support of funding for the mental health budget and related a personal story about his experiences with serving in Iraq and coming home with post-traumatic stress disorder (PTSD). He voiced that there had been no support from the veterans association for many of his PTSD issues. He spoke of all the services that he

received from Petersburg Mental Health Services and noted that the Department of Military and Veterans Affairs' budget had been continually cut.

[3:17:19 PM](#)

JULIANNE CURRY, EXECUTIVE DIRECTOR, PETERSBURG VESSEL OWNERS ASSOCIATION, PETERSBURG (via teleconference), spoke in support of the \$60,000 increment for AMSEA. She stated that commercial fishing industry was Alaska's number one private sector employer and reiterated that the Association was highly supportive of the previously mentioned line item.

[3:18:29 PM](#)

JERRY DJUGAN, DIRECTOR, ALASKA MARITIME SAFETY EDUCATION ASSOCIATION (AMSEA), SITKA (via teleconference), expressed his support for AMSEA funding. He related that additional training was going to be federally mandated in the next five years and would increase the need for AMSEA. He stated that AMSEA needed a \$60,000 increase and had not had any increases in funding for 5 years. Further training could not be offered without additional funding. Since 1985, AMSEA has provided needed and required training to over 80 communities in Alaska. The training they provided was shown by the National Institute of Occupational Safety and Health to be partially responsible for the four fold decrease in commercial fishing fatalities in Alaska since the 1980's. There was evidence of 57 lives being saved as a result of AMSEA's training.

[3:20:37 PM](#)

ED SUGAI, PRESIDENT, STUDENT GOVERNMENT ASSOCIATION, UNIVERSITY OF ALASKA IN SITKA (via teleconference), expressed his support for postsecondary education funding and stated that the students on the Sitka campus had a unique opportunity for a higher level postsecondary education on site, as well as through distance technology.

[3:21:52 PM](#)

JAMES SWIFT, COMMERCIAL FISHERMAN, SITKA (via teleconference), urged an increase in Alaska Maritime Safety Education Association funding and related a story about how commercial fishing safety in Alaska had improved

over the years. He stated that the improved safety in Alaska's commercial fishing industry was a result of AMSEA's efforts.

[3:23:24 PM](#)

DOUG JENSEN, SELF, SITKA (via teleconference), stated his support for Alaska Maritime Safety Education Association funding and spoke about how effective an organization it was. He remarked that he owned an educational training company in Sitka and that they had been the survival instructors for the Alaska U.S. Coast Guard for the last 18 years. He shared that AMSEA was very effective in promoting safety, was a no frills organization, was well liked by the fisherman, and was cost efficient.

[3:24:32 PM](#)

JEFF FARVOUR, SELF, SITKA (via teleconference), expressed his support for funding Alaska Maritime Safety Education Association and noted that the \$60,000 dollar increase that AMSEA was asking for was modest. He shared some personal experiences of how AMSEA had helped him and noted that Sitka was one of the largest fishing fleets in Alaska.

[3:25:51 PM](#)

LISA BUSCH, DIRECTOR, SITKA SOUND SCIENCE CENTER, SITKA (via teleconference), spoke in support of funding for the University of Alaska's fisheries technology program. The Sitka Sound Science Center provided a facility for the fish tech training program, which was a well-documented success. The program was diversifying economies, building on strong existing economies, and was using partnerships with industries and non-profit organizations to leverage their services. She indicated that there was a need for the program in other parts of the state; other communities out west had asked for the program, but could not afford it under current funding.

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Co-Chair Thomas asked if Ketchikan based program was the same one that she was referring to. Ms. Busch responded that it was and furthered that the program was based in Ketchikan but had staff in Sitka.

[3:28:18 PM](#)

LON GARRISON, PRESIDENT, SITKA SCHOOL BOARD & ASSOCIATION OF ALASKA SCHOOL BOARD (via teleconference), stated the need for increases in education funding. He stated that SB 171 laid out a plan for additional school funding over a three year period and that it would enable the state to plan efficiently in order to meet the demands of educating its children.

[3:29:15 PM](#)

TRISTAN GUEVIN, INTERIM DIRECTOR, SITKA NATIVE EDUCATION PROGRAM, SITKA (via teleconference), expressed his support of SB 171 and increases in the BSA. He stated that a good education was the foundation of a healthy and vibrant society and that it had the power to transform lives and communities. Without the necessary education funding, problems in society would get worse. He stressed that one of his missions as interim director was to make the school system a better place for native students; there had been a lot of positive gains in making a school system that was better for native students and he expressed concern that without more funding the progress would be not be able to continue.

[3:31:29 PM](#)

NANCY DOUGLAS, DIRECTOR, EDUCATION & EMPLOYMENT TRAINING DIRECTOR, SITKA TRIBES OF ALASKA, SITKA (via teleconference), urged her support of SB 171 and expressed support for education funding. She stated that the tribe believed that it was time to stop asking school district to do more with less funding and that increased funding would help children succeed.

[3:32:26 PM](#)

NICOLE SONGER, EXECUTIVE DIRECTOR, CORDOVA FAMILY RESOURCE CENTER (via teleconference), expressed her support of fully funding the governor's increase for domestic violence and sexual assault programs. She shared that her program had seen increases across the board in demand for their services and mentioned that they could not afford to offer health insurance to their staff.

[3:34:26 PM](#)

ERIC JORDAN, SELF, SITKA (via teleconference), Spoke in support of fisheries technology training and Alaska Maritime Safety Education Association funding. He stated that he and his family had benefited from marine safety education. He noted that there was a need for more technicians to deal with enhanced salmon and added that training had helped him become a better fisherman.

[3:36:05 PM](#)

KRISSY SMITH, WRANGELL EARLY CHILDHOOD COALITION, WRANGELL (via teleconference), urged support of Best Beginnings. She discussed how Best Beginnings had helped them build a scholarship mentoring program in Wrangell. The program insured that all of the incoming kindergarteners had access to early childhood education.

[3:37:48 PM](#)

JULIE DECKER, PARENT, WRANGELL (via teleconference), urged more funding for Best Beginnings. She related the accomplishments of early childhood education in the Wrangell school district and spoke about its benefits.

[3:39:11 PM](#)

BILL MCLEOD, SELF, DILLINGHAM (via teleconference), urged funding to the base student allocation and support of SB 171. He warned that flat funding the Dillingham school district would result in a funding shortfall which would force them to make cuts in staff. He stated that prior money that had been put into the education system had made a huge difference in Dillingham, but stressed that they could not sustain the progress on flat funding.

[3:41:33 PM](#)

RON BOWERS, SELF, DILLINGHAM (via teleconference), expressed support of the \$60,000 increment for Alaska Maritime Safety Education Association funding. He observed that AMSEA had trained 1500 people in marine survival instructor courses the prior year. He mentioned that the Bristol Bay region had nine deaths due to drowning versus two the prior year. He stated that AMSEA related training was the best and most effective safety training he had seen in commercial fisheries.

[3:43:29 PM](#)

KIM KILKENNY, SENIOR CLINICIAN, PETERSBURG MENTAL HEALTH SERVICES, PETERSBURG (via teleconference), voiced support for the mental health budget. She thanked the committee for their prior support and urged them continue to support funding for mental health services.

[3:44:16 PM](#)

MORGAN FALTER, CLIENT, PETERSBURG MENTAL HEALTH SERVICES (via teleconference), stated support for outpatient services and the mental health budget. She spoke highly of Petersburg Mental Health Services and related a personal story about the help that they had provided her.

[3:45:20 PM](#)

MICHEAL BIGGERS, CLIENT, PETERSBURG MENTAL HEALTH SERVICES, PETERSBURG (via teleconference), expressed support for Petersburg Mental Health Services; He spoke of the importance of the services that they provided and how they were expanding into different areas. He discussed the possibility of establishing crisis respite in Petersburg to eliminate the need and expense of having to "ex parte" someone who was a danger to themselves or others. He furthered that if client was in crisis and was able to stay in his community, the end result was better.

[3:47:28 PM](#)

JENNIFER RAY, SELF, PETERSBURG (via teleconference), expressed support of the mental health budget and urged for increases in funding. She related a personal story of how her daughter had battled with mental illness and stated that the services Petersburg Mental Health provided were essential. She continued to speak about how important mental health services were to the survival to people with mental illnesses.

[3:49:20 PM](#)

JIM NYGAARD, SUPERINTENDENT, CORDOVA SCHOOL DISTRICT, CORDOVA (via teleconference), voiced his support of SB 171 and urged for additional funding to education. He stated that the Cordova high school was recently recognized as one

of the top ten percent high schools in the country and that their elementary school had a blue ribbon and was also recognized by the federal government. He furthered that the Cordova school district was running a very successful program, but warned that a lack of funding would keep the district from continuing to do well. He spoke of the district's efforts to save money through working with the Department of Education and Early Development and fiscally responsible practices. He warned that the loss of students would cause schools to cut staff.

Co-Chair Thomas asked if Mr. Nygaard had seen the governor's press release reflecting a one-time \$30 million increment for K-12 energy and pupil transportation. Mr. Nygaard responded that he had not, but that it was great news.

[3:52:02 PM](#)

AT EASE

[4:19:22 PM](#)

RECONVENED

HOMER, KENAI, VALDEZ, KETCHIKAN, KODIAK, MAT-SU,  
GLENNALLEN, TOK, SEWARD

[4:20:08 PM](#)

SAMMY CRAWFORD, KENAI PENINSULA BOROUGH BOARD OF EDUCATION, KENAI (via teleconference), urged support for increasing BSA funds. She relayed that consistent early funding for planning and business purposes were very important. There had been an increase in costs for pupil transportation and fuel; a funding increase needed to be directed at operating costs in the classrooms. The borough was proud of its success in schools and dropout rates had been decreasing.

[4:21:46 PM](#)

REX WESTERGARD, KETCHIKAN MARITIME EDUCATION COMMITTEE, KETCHIKAN (via teleconference), spoke in strong support funding for the University of Alaska Southeast associate of arts degree in Marine Transportation.

Co-Chair Thomas noted that the legislature was considering adding the funding to the base.

[4:22:47 PM](#)

RENEE SCHOFIELD, TSS INC., KETCHIKAN (via teleconference), thanked the committee for its support for mental health and substance abuse treatment programs. She was grateful that there were funds to help individuals in need of treatment. She urged support for continued funding in the areas.

[4:23:46 PM](#)

DEBRA PATTON, GENERAL MANAGER, KETCHIKAN INDIAN COMMUNITY, KETCHIKAN (via teleconference), spoke in support of the proposed increase for the marine transportation and fisheries technology faculty positions. She emphasized that the programs were critical to the economy of Southeast Alaska and helped to develop needed skilled workers in the areas. The Ketchikan Indian Community operated a hatchery and depended on a local fisheries technology program to provide educated workers.

Co-Chair Thomas believed the committee intended to include funds for the two projects into the base allocation.

[4:24:58 PM](#)

PETER JACOB, STUDENT COUNCIL PRESIDENT, UNIVERSITY OF ALASKA SOUTHEAST, KETCHIKAN (via teleconference), spoke in support of the marine transportation and fisheries technology programs. He believed that the programs were vital and could help the economies of Southeast communities.

[4:26:08 PM](#)

BILL AUGER, PRESIDENT, UNITED SOUTHEAST GILLNETTERS ASSOCIATION, KETCHIKAN (via teleconference), believed the governor's proposed Department of Fish and Game budget related to fisheries management was inadequate. He explained that the program had to cut a stock assessment program in Southeast to remain within its financial constraints. He stressed that the department relied on too much soft money; 70 percent of funding for salmon was federal and could not be relied upon. He urged a \$1.9 million increase to the Southeast commercial budget and a \$1.2 million increase to the Southeast sport fish budget.

[4:28:27 PM](#)

ROWENA PALOMAR, EXECUTIVE DIRECTOR, ADVOCATES FOR VICTIMS OF VIOLENCE, VALDEZ (via teleconference), encouraged support of a \$475,500 increment for domestic violence and sexual assault programs. The agency had seen an increase in program costs over the years; it had seen a fuel cost increase of 45 percent from the prior year. She relayed that there had been significant increases in employee health insurance costs. Shelter food costs had also increased.

[4:30:33 PM](#)

KEN BERGMAN, SELF, HOMER (via teleconference), encouraged support for Best Beginnings. The strong future of Alaska depended upon the state's children and educating them at an early age. He stressed that early education would help children to become valuable members of the Alaskan society.

[4:32:08 PM](#)

BONNIE BETLEY, FAMILIES FIRST, HOMER (via teleconference), vocalized support for all children's services increments in the proposed budget. She discussed the significance of Families First and Best Beginnings programs. She supported funding for Sprout Family Services, a successful infant learning program in the community. The funding was vital to the young children Homer.

[4:33:16 PM](#)

BOB LETSON, SOUTH PENINSULA HOSPITAL, HOMER (via teleconference), urged funding support for the Alaska Psychiatric Residency Program. The funding would help to address a significant shortage of psychiatrists in rural and urban communities. The Division of Behavioral Health would work with partners including University of Washington School of Medicine, the Alaskan Tribal and non-tribal healthcare providers, and the Veterans Association to help implement the program. The state had a deficit in psychiatrists of 30 to 40 percent; the shortage adversely impacted health care costs, quality, and outcomes in care. He relayed that there was no full time psychiatrist in the Homer area.

[4:35:34 PM](#)

MALCOLM MILNE, NORTH PACIFIC FISHERIES ASSOCIATION, HOMER (via teleconference), spoke in favor of funding for the Alaska Marine Safety Education Association. The program provided invaluable safety information to individuals in the boating industry. He encouraged support for the \$196,000 increment in the FY 13 operating budget under Department of Commerce, Community and Economic Development to address the increased demand for marine safety training.

[4:37:09 PM](#)

LOLITA BRACHE, FAMILIES FIRST, HOMER (via teleconference), spoke in favor of early childhood education funding for Best Beginnings. She discussed that the Imagination Library was a part of Best Beginnings and provided children with free books on a monthly basis; the program helped to encourage reading skills and vocabulary. She detailed that Families First ran parenting classes that were well attended. She emphasized the importance of providing support to young children and families.

[4:39:21 PM](#)

RACHEL GREENBERG, DEPUTY DIRECTOR, MAT-SU SENIOR SERVICES, MAT-SU (via teleconference), urged support of the governor's proposed \$250,000 for the senior in home grant that included care coordination, respite, and chore services. She supported the \$225,000 incremental increase for adult day services. She relayed that seniors represented the fastest growing segment of the population. The program had seen a 10 percent services increase between FY 11 and FY 12. She thanked the committee for the prior year increase directed at Nutrition Transportation Support Services. She supported training for caregivers for adults with complex behavioral issues.

[4:41:25 PM](#)

JAMES GARHART, SELF, MAT-SU (via teleconference), suggested that the legislature increase the budget by 1 percent less than the rate of inflation. He believed democrats wanted to spend money and republicans wanted to invest money. He wondered why there was not a forward funded operating budget. He was disappointed in the Department of Revenue and its lack of answers to his questions. He proposed a rebate that would help to increase oil throughput and production.

4:43:33 PM

BRENDA FULLER, SELF, MAT-SU (via teleconference), believed that education funding should be decreased. She believed that the state was trying to institutionalize children. She opined that money should go to high school programs to encourage students to graduate. She did not believe that kids would be criminals if the funding was not increased.

4:44:25 PM

KARL SCHLEICH, DIRECTOR OF PROFESSIONAL DEVELOPMENT, MAT-SU BOROUGH SCHOOL DISTRICT, MAT-SU (via teleconference), supported HB 284 with the proposed amendments. The funding would help the school district with its \$13 million deficit that consisted of a \$5 million shortfall in transportation funding and an \$8 million shortfall in operating funding. The district did not have a fund balance to assist it with the deficit in accordance with a local ordinance. He pointed to steps the district had taken to address the ongoing costs; cuts had been made as far from the classroom as possible. The district had seen increased health costs, fuel costs, and other. He believed that additional teacher reductions would cause classroom sizes to skyrocket. He stressed the importance of education funding.

4:47:01 PM

JIM HUNT, CITY MANAGER, SEWARD (via teleconference), in support of the Alaska Vocational Technology Center (AVTEC). He asked the committee to support the reinstatement of funding for the registered nurse program and for the \$250,000 general fund increase. He pointed to high AVTEC graduation and employment rates. The maritime and recertification program was needed.

4:48:09 PM

JIM HERBERT, SELF, SEWARD (via teleconference), spoke in favor of funding for the Alaska Marine Safety Education Association. He communicated that the program had a long history of serving individuals with efficient and effective training. He explained that the interest from the Alaska Fisherman's Fund Advisory and Appeals Council had been put into the general fund; 50 percent of the interest could be used for safety programs in the state.

[4:50:02 PM](#)

DAVID SMITH, AVTEC STUDENT, SEWARD (via teleconference), spoke in favor of funding for the AVTEC program. He had learned a significant amount in the program. He believed AVTEC was boosting the state's trained workforce one graduate at a time.

[4:50:46 PM](#)

LIZ SILVERNALE, AVTEC STUDENT, SEWARD (via teleconference), vocalized support for the AVTEC program. She was impressed with the quality of the education she had received in the culinary program. She valued the technical education as a business owner. She believed continued funding was crucial to help manage rising costs. She opined that it was important to encourage people to continue their education in order to provide quality skills to Alaska's workforce.

[4:51:46 PM](#)

JUSTIN FLOWERS, AVTEC STUDENT, SEWARD (via teleconference), spoke in favor of AVTEC. He relayed that the program provided students with a well-rounded, top notch education. The school provided students with many opportunities and helped to prepare them for the workforce.

[4:52:50 PM](#)

WILLARD DUNHAM, FORMER MAYOR, SEWARD (via teleconference), urged support for the AVTEC program. He asked the committee to reinstate the \$250,000 funding increment for increased supply costs. He encouraged funding for the registered nurse program expansion. Other registered nurse programs such as the University of Alaska had three year waiting lists. He had been an advocate of throughout AVTEC's existence. He stressed that it was up to the legislature to help the program.

[4:54:58 PM](#)

CHRISTOPHER SMITH, SELF, SEWARD (via teleconference), spoke on behalf of state correctional officers. He opined that the Department of Corrections blended-shift plan would not save the state money. He believed the change would cause higher burn out rates amongst officers. He pointed to the

higher overtime rates that would be amassed under the new system.

Co-Chair Stoltze explained that the legislature did not have much sway over contract negotiations at state levels. He had visited every correctional facility in the state and it had been a consistent recruiting message that the week-on week-off was part of the plan for correctional officers. He reiterated that the legislature did not have authority over how departments implemented employee management plans.

[4:58:00 PM](#)

LINDSEY HANNEVOLD, HEAD START, SOLDOTNA (via teleconference), urged funding increases for Head Start programs. A \$3 million increase to the program would address infrastructure needs and would allow it to serve approximately 220 additional children and families in the state. She stressed that the program had been vital to her family. She added that it had helped her children with writing and basic math skills.

[4:59:09 PM](#)

JULIE MATWEYOU, SELF, KODIAK (via teleconference), spoke in support of the budget increase for the Alaska Marine Safety Education Association. She relayed that the increase would address the increased demand for safety training and education throughout the state. She used the skills she had learned from the program on a daily basis. She detailed that the Marine Advisory program worked closely with AMSEA.

[5:00:50 PM](#)

PAT BRANSON, ALASKA COMMISSION ON AGING AND SENIOR CITIZENS OF KODIAK, KODIAK (via teleconference), spoke favor of funding for senior services. She relayed that Alaska's senior population growth rate was higher than the national average. She urged the committee's support for the \$225,000 increment for adult day programs, \$250,000 for senior in-home service grants, and \$650,000 for the Alaska Complex Behavioral collaborative program.

[5:02:20 PM](#)

STEWART MCDONALD, KODIAK ISLAND BOROUGH SCHOOL DISTRICT, KODIAK (via teleconference), encouraged support for an

increase to the BSA, pupil transportation, and considerations for energy and other costs that continued to rise and took money away from classrooms. He pointed to higher graduation rates, decreased dropout rates, and an increased number of students prepared for college. He emphasized that without the funding there would be a \$3.5 million shortfall that would require the district to lay off up to 35 teachers.

5:04:30 PM

AARON GRIFFIN, KODIAK ISLAND BOROUGH SCHOOL BOARD, KODIAK (via teleconference), spoke in favor of a multi-year funding model for public education. He opined that the state needed to provide for increases that were in line with the Alaska Consumer Price Index (CPI). The current Office of Management and Budget ten-year plan did not take into account any increased oil or gas production. The \$320 per student increase request was less than 1 percent than the governor's projected 2013 Constitutional Budget Reserve. The deficit to the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) represented dollars that students never saw. He added that forward funding of education had been consistently below the increased cost base of the Alaska CPI.

Co-Chair Thomas noted there was an \$11 billion to \$12 billion obligation to retirement. He did not believe the state was flourishing in as much money as some people thought.

5:06:46 PM

WAYNE DONALDSON, SELF, KODIAK (via teleconference), testified in support of the University of Alaska's FY 13 budget request. He relayed that the university had made a significant difference in his life and provided him with necessary tools to succeed professionally. He was in favor of the university's initiative for high demand jobs that supported workforce development. He believed that fisheries biologists that were educated in Alaska allowed for a better understanding of resource issues in rural and urban areas. He opined that biologists educated in the state were more likely to remain in Alaska. He stressed that commercial fishing was very important to the state's economy.

Co-Chair Thomas discussed that the schedule for the following week would be forthcoming.

#hb179

HOUSE BILL NO. 179

"An Act relating to cruelty to animals and making failure to care for five or more animals in a single continuous episode a class C felony."

HB 179 was SCHEDULED but not HEARD.

#hb182

HOUSE BILL NO. 182

"An Act relating to distribution of annual reports by state agencies."

HB 182 was SCHEDULED but not HEARD.

#hb301

HOUSE BILL NO. 301

"An Act amending the termination date of certain statutes relating to the use, operation, and regulation of boats, a uniform state waterway marking system, and civil liability for boat owners; providing for an effective date by amending the effective date of secs. 3, 5, 7, 9, 11, 14, 16, 18, 20, 23, 26, and 27, ch. 28, SLA 2000, as amended; and providing for an effective date."

HB 301 was SCHEDULED but not HEARD.

#

ADJOURNMENT

[5:09:23 PM](#)

The meeting was adjourned at 5:09 PM.