

HOUSE FINANCE COMMITTEE

April 3, 2012

1:39 p.m.

1:39:03 PM

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 1:39 p.m.

MEMBERS PRESENT

Representative Bill Stoltze, Co-Chair  
Representative Bill Thomas Jr., Co-Chair  
Representative Anna Fairclough, Vice-Chair  
Representative Mia Costello  
Representative Mike Doogan  
Representative Bryce Edgmon  
Representative Les Gara  
Representative David Guttenberg  
Representative Mark Neuman  
Representative Tammie Wilson

MEMBERS ABSENT

Representative Reggie Joule

ALSO PRESENT

Joe Michel, Staff, Representative Bill Stoltze;  
Representative Bob Herron, Sponsor; Les Morse, Deputy  
Commissioner, Department of Education and Early  
Development; Denise Daniello, Executive Director, Alaska  
Commission on Aging; Marie Darlin, American Association of  
Retired Persons-Alaska; Wilda Laughlin, Legislative  
Liaison, Office of the Commissioner, Department of Health  
and Social Services; Jill Lewis, Deputy Director, Division  
of Public Health, Department of Health and Social Services;  
Erin Harrington, Staff, Representative Alan Austerman;  
Representative Alan Dick, Sponsor; Representative Max  
Gruenberg, Sponsor; Anne Carpeneti, Assistant Attorney  
General, Legal Services Section-Juneau, Criminal Division,  
Department of Law; Representative Alan Austerman

PRESENT VIA TELECONFERENCE

Ward Hurlburt, Director and Chief Medical Officer, Division of Public Health, Department of Health and Social Services; David D'Amato, Government Affairs Director, Alaska Primary Care Association; Rosalyn Singleton, Pediatrician, Alaska Native Tribal Health Consortium; Carmen Gutierrez, Deputy Commissioner, Department of Corrections

SUMMARY

HB 276 OIL/GAS PRODUCTION TAX CREDITS: NENANA

HB 276 was SCHEDULED but not HEARD.

HB 296 CRIME OF ESCAPE/DEF. OF CORRECT. FACILITY

CSHB 296(JUD) was REPORTED out of committee with "no recommendation" and with one new zero fiscal note from the Department of Law and two previously published fiscal notes: FN1 (DOC), FN3 (DOA).

HB 310 STATE IMMUNIZATION PROGRAM

CSHB 310(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from Department of Health and Social Services.

HB 330 STATE EDUCATION STANDARDS

HB 330 was HEARD and HELD in Committee for further consideration.

#hb310

HOUSE BILL NO. 310

"An Act temporarily reinstating the child and adult immunization program in the Department of Health and Social Services; and providing for an effective date."

[1:39:35 PM](#)

Vice-chair Fairclough MOVED to ADOPT proposed committee substitute for HB 310, Work Draft 27-LS1273\I (Mischel, 3/27/12).

Co-Chair Stoltze OBJECTED for purpose of discussion.

JOE MICHEL, STAFF, REPRESENTATIVE BILL STOLTZE, stated that the changes were all located on page 3 of the work draft. On page 3, line 5 "meningococcal" and "rotavirus" were added. On page 3, line 8 "zoster" was added; "zoster" was another name for shingles. Section 2, subsection g, part 2, sub-parts A and B were added:

- (2) subtract vaccines from inclusion in the program if
  - (A) the disease for which the vaccine is provided has been declared eradicated in the United States by the Centers for Disease Control and Prevention, United States Department of Health and Human Services; or
  - (B) the commissioner finds that available high-grade scientific evidence indicates that subtracting the vaccine from inclusion in the program will result in optimal efficacy and efficiency for the benefit of residents.

Mr. Michel stated that line 19, subsection h was added:

- (h) The procurement of vaccines that are provided under the program is subject to the availability of funding.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, Work Draft 27-LS1273\I was ADOPTED.

REPRESENTATIVE BOB HERRON, SPONSOR, described SB 310. He stated that HB 310 is a stop-gap measure to reinstate the Alaska Immunization Program (AIP), which aimed to prevent and control vaccine-preventable diseases in Alaska, to its former level of coverage. Every year, Alaskans remember a storied health emergency - our Iditarod commemorates the 1925 "Great Race of Mercy" serum run to Nome. Then, Nome and several surrounding communities were in the throes of a diphtheria epidemic, and dog teams with their fearless mushers braved the elements to deliver a life-saving antitoxin. Today, thanks to preventative vaccines, the disease has been nearly eradicated in the United States. Still, Alaska communities are highly vulnerable to debilitating but entirely preventable health crises. For decades, Federal funding ensured the AIP could make preventative vaccines accessible to all Alaskans desiring them. But that funding has seen a sharp downturn - from \$4.3 Million in FY10, to a mere \$700 thousand in FY2013. These reductions have cut the number of vaccines available

to children, and completely discontinued those available to adults in our state. Preventative vaccines control diseases such as whooping cough, lockjaw, pneumonia, meningitis, polio, and others - silently saving lives every day. Prevention, generally, is key - and by far the most cost-effective way to address health issues. If we do not prevent, we will have to treat, at far greater human and financial cost. HB 310 and Senate Companion SB 144 temporarily substitute state funding for the decrease in federal funding to AIP, through FY2015, while we seek a more permanent solution. It provides a humane and business-smart solution to the growing problem of unnecessary disease wracking our communities.

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Co-Chair Thomas pointed to page 2, line 5, and wondered why the word "may" was used. Representative Herron responded that the bill gave the Department of Health and Social Services (DHSS) the authority to decide which vaccines may be added or subtracted to the program. He stated that DHSS currently wanted to add meningococcal and rotavirus to the list of "recommended vaccines."

Co-Chair Thomas reiterated his question about the term "may" included in the bill.

Representative Gara added that the department should have flexibility to determine the recommended vaccines, and felt that perhaps the word, "shall", should be used instead.

Representative Herron deferred the question to the Department of Health and Social Services (DHSS).

Representative Gara asked if the funding for Chlamydia and Gonorrhea prevention would disappear if the bill was passed. Representative Herron responded that HB 310 did not have any effect on that funding.

Representative Gara assumed the bill would cover public health center immunizations. He asked for verification that the bill would not provide immunizations for individuals who could pay for them. Representative Herron replied in the affirmative.

Co-Chair Stoltze wondered if there was a subsidy for vaccinations in medical facilities other than health

centers. Representative Herron responded in the affirmative.

Representative Gara wondered if the vaccination would be subsidized, if the patient was receiving the vaccination from a private provider.

Representative Herron deferred the question to the medical professional.

Representative Neuman declared that he had a problem with mandatory immunizations from the government. He looked at page 3, lines 4 and 5, which stated that the vaccines included in the program:

(1) for a child under 19 years of age are all vaccines required for school attendance under AS 14.30.125 and meningococcal, rotavirus, influenza, and pneumococcal vaccines

Representative Neuman wondered if the vaccinations were required for people who choose to keep their children home-schooled or in a correspondence program. Representative Herron responded that the bill would not change any current practice or process.

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LES MORSE, DEPUTY COMMISSIONER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, believed that Representative Herron was correct, but he would need to follow up on the question with more information at a later date.

Co-Chair Stoltze asked who would verify the issue. Mr. Morse would make contact the department and would follow up momentarily.

Representative Neuman remarked that his children were not required to receive vaccinations, because they did not attend school buildings.

Representative Neuman looked at page 3, line 9:

In addition to the vaccines listed in (f) of this section, the commissioner may  
(1) add vaccines for inclusion in the program based on recommendations by 11 the federal advisory committee

on immunization practices and the availability of funding

Representative Neuman remarked that although there were specific vaccines listed, the commissioner could add any immunizations, without statutory authority or approval from the legislature. Representative Herron affirmed that assumption.

Representative Neuman looked at page 3, line 4, "for a child under 19 years of age." He believed that people in the state of Alaska became adults at age 18. He wondered why an "adult" would be required to have a vaccination. Representative Herron deferred to the department, but assumed that language was currently written in statute.

Co-Chair Stoltze remarked that it was probably not uncommon for a 19-year-old to attend public high school.

Representative Neuman stressed that the statute did not list the age of the vaccine recipient.

Representative Guttenberg looked at page 2, line 21. He asked who was exempt from licensure under the provision. Representative Herron deferred the answer to DHSS.

Representative Guttenberg wondered if the screening records would be in compliance with Health Insurance Portability and Accountability Act (HIPAA) laws. Representative Herron responded in the affirmative.

Representative Wilson asked why specific language "for vaccines" was added. Representative Herron deferred the question to the DHSS. He assumed that diseases were common enough that the department agreed there should be regular vaccinations for specific diseases.

Representative Wilson looked at the attached fiscal note, and pointed out that the explanation showed that the federal funding had been cut to \$700,000 in 2010. She noted a possible discrepancy in total received federal funds. Representative Herron replied that he had not seen the finance fiscal note.

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WARD HURLBURT, DIRECTOR AND CHIEF MEDICAL OFFICER, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (via teleconference), explained that 50 percent of Alaskan children benefit from the federally funded recommended immunizations. He stated that an additional 25 percent of Alaska's children were in families where adequate private health insurance was available to cover most of the costs of the recommended immunizations, so the bill would not cover vaccines for any of those 75 percent of Alaska's children. Therefore, 25 percent of Alaska's children were not covered by private health insurance or federal vaccines for children program. This 25 percent of children places the other 75 percent at risk, because of the concept of "herd immunity." If the immunity level for a preventable contagious disease was not sufficiently high, all members of the community were at a higher risk. He stated that there was a low level of mumps immunization in California in 2010, more than 2000 babies and young children developed mumps. So, California needed to engage in a major immunization program. Alaska had seen remarkable successes related to vaccines that had become available during his professional tenure.

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Dr. Hurlburt suggested that the decisions regarding the specific recommended vaccines should be made on the medical and clinical level. He remarked that vaccines are constantly changing and improving.

Co-Chair Stoltze acknowledged Rotary Clubs International for their effort to eradicate polio.

Dr. Hurlburt agreed. He pointed out that the policy requirements were specific for "school entry." He stressed that there was no intent to change current policy. He stated that military physicians or public health service physicians were not required to have an Alaska license, but were required to have a license from another state. He remarked that the four new vaccines were recommended because they are not required for school entry, but were recommended by the American College of Emergency Physicians (ACEP). The meningococcal vaccine was used to prevent meningitis. The rotavirus vaccine was used to prevent diarrhea, and that vaccine was not as cost effective at the nationally, but Alaska had many cases of infantile diarrhea. Influenza and pneumococcal vaccines were

recommended annual vaccines, and he remarked that babies and older adults were particularly susceptible to influenza. He addressed the fiscal note, and stated there were two \$700,000 figures. The federal government funding had been reduced to \$700,000, and the governor had requested an additional \$700,000.

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Representative Wilson wondered who determined the required vaccinations for schools. Dr. Hurlburt responded that the vaccines required for school entry were specific to the risk and susceptibility of the specific diseases for the particular ages of the children.

Representative Wilson asked whether the doctor believed that children should receive the influenza vaccination annually. Dr. Hurlburt responded in the affirmative.

Vice-chair Fairclough wondered if the commissioner of Department of Health and Social Services was the person in charge to determine vaccinations at schools. Dr. Hurlburt responded in the affirmative.

Vice-chair Fairclough did not know why lines 3 through 8 needed to be in statute, as the commissioner currently had the ability to make the decision.

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Dr. Hurlburt believed that the language had been included to clarify the current practice. He understood that the decision-making authority was with the DHSS commissioner.

Vice-chair Fairclough declared that she had a son who had been adversely affected by an immunization. She did not want to be put in the position of recommending a particular immunization; she would leave that to the commissioner and medical professionals to make the decision.

Representative Gara asked what the added \$4.4 million covered, that the governor's request of \$700,000 did not. Dr. Hurlburt responded that vaccinations were very expensive. The total cost for a 2-year-old's vaccines, not including administration, was \$18,000. He furthered that the shingles vaccine, that was currently recommended for those 55-years-old and older, was very expensive. He stated

that the amount of the federal money and the governor's budget totaled \$1.4 million, and was very limited compared to the actual cost of vaccinations. He stressed that it was appropriate to examine vaccines from a cost-effectiveness perspective. He felt that the money spent on vaccinations was money spent to save human lives.

Representative Gara wondered how the department would prevent "duplicate vaccines" that were available at city health centers, schools, and community health clinics.

2:15:09 PM

Dr. Hurlburt believed that DHSS would procure the immunizations in all of the mentioned examples. He understood that there were some duplication issues, so he felt that there needed to be only one procurement source. He furthered that DHSS continued to look at different ways to obtain funding. He understood that the three-year initial authorization was intended for the department to examine funding alternatives. The public health nursing centers had been designated by the Anchorage Community Health Center, so therefore uninsured children would be qualified under the Federal Vaccines for Children Program.

Vice-chair Fairclough referred to a question related to the overall subsidy of vaccines. She wondered if the subsidy of vaccines was reflected in his previous statement about the State providing vaccines at a lower cost to health clinics and municipalities.

Dr. Hurlburt responded that vaccinations that were procured under this legislation to providers were given to eligible children at no cost for the vaccine. However, an administrative fee may be charged.

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DAVID D'AMATO, GOVERNMENT AFFAIRS DIRECTOR, ALASKA PRIMARY CARE ASSOCIATION (APCA) (via teleconference), spoke in strong support of HB 310. He discussed that there had been a profound shortage of vaccinations in recent years. Some of the more capable locations had bought vaccinations to provide; however, others had not. The APCA was "delighted" the bill had been introduced.

ROSALYN SINGLETON, PEDIATRICIAN, ALASKA NATIVE TRIBAL HEALTH CONSORTIUM (via teleconference), testified in support of HB 210. She remembered treating a very high number of infants with meningitis, who had either died or developed severe brain damage as a result of the meningitis. Alaska had a very high rate of the disease, but since 1990 the rate of the disease had decreased by 95 percent. In the year prior to the licensure of the vaccination, four people had been lost including two teenagers. She discussed hospitalization of individuals with measles, was very concerned about the growing number of communities that were under vaccinated. She urged the passage of the bill.

Co-Chair Stoltze remembered a family member that had dealt with a measles outbreak.

2:25:03 PM

DENISE DANIELLO, EXECUTIVE DIRECTOR, ALASKA COMMISSION ON AGING, spoke in support of HB 310. The commission felt that the legislation was important for Alaskans of all ages. The vaccinations would help to keep people healthy. As people age, their immune systems deplete and the immunizations would help keep people healthy. Also thanked committee for adding the shingles vaccine.

MARIE DARLIN, AMERICAN ASSOCIATION OF RETIRED PERSONS-ALASKA, testified in support of HB 310. She stressed that vaccinations of older citizens was an effective health procedure. She also mentioned grandparents raising grandchildren, and felt that this legislation was very important for them and the state.

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Co-Chair Stoltze CLOSED public testimony.

Representative Edgmon stated that Dr. Hurlburt had worked with one of his relatives.

Vice-chair Fairclough remarked that the fiscal note stated that the State would replace federal funds, so she wondered if there were new listings in the area of illness that had been added or if were they all covered under the previous federal program. Dr. Hurlburt asked to hear the question again.

Vice-chair Fairclough restated her question. Dr. Hurlburt stated that the only added immunization was for HPV.

Representative Costello spoke in support of the legislation. She discussed receiving immunizations in the family health clinic. She asked whether there was a provision included that would allow people with insurance to visit the public health clinic.

Dr. Hurlburt responded that if an individual had insurance that covered the immunizations the bill would not provide funding for those individuals. He added that no one would be denied care at a public health center.

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Representative Neuman pointed to a vaccination exemption form that listed administrative codes. He wondered if refusal to vaccinate based on a philosophical standpoint would be considered an exemption based on religion. Dr. Hurlburt stated that some parents have vaccination hesitancy. He stressed that the vaccine hesitancy rate in Alaska was 9 percent, which was the highest of any state. He remarked that Alaska was number 42 in the country for immunizations, and stressed that there was work to continue efforts in thorough vaccinations.

Representative Neuman wondered why there were immunizations required as listed on page 3, lines 4 through 9. Dr. Hurlburt answered that the items had been listed to clarify that there would not be a change. He stressed that the list included vaccinations required for school entries and federal recommendations. He furthered that the recommended vaccinations for adults were based on the perceived level of importance.

Representative Doogan referenced the repeal language on page 4. He wondered why the program would be discontinued in 2015.

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Co-Chair Stoltze assumed that the sunset date was standard for this kind of legislation.

Representative Herron looked to page 2, line 1, and stated that the act is considered temporary. He furthered that time was needed to determine what is best for Alaskans. The next legislature and administration would be given the chance to determine the next step.

Representative Gara asked about the "shall" language. He pointed to page 2, line 5. He wondered whether there was objection to change "may" to "shall." Dr. Hurlburt replied that he was not an attorney. As a reasonable person, he believed the change would allow for flexibility.

WILDA LAUGHLIN, LEGISLATIVE LIAISON, OFFICE OF THE COMMISSIONER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, asked for a restatement of the question.

Representative Gara repeated his question.

Ms. Laughlin deferred the question to the Department of Law.

Representative Gara stated that he would discuss the issue with the Department of Law after the meeting, and also speak to the issue on the House floor, if the bill reported out of committee.

Representative Neuman asked whether anyone in Alaska could visit a clinic and ask to receive the vaccinations

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Ms. Laughlin deferred the question to Dr. Hurlburt.

Dr. Hurlburt responded that the bill's intent was for services for Alaskan residents. He believed the issue may not be clear and that visitors could potentially get the vaccinations.

Representative Neuman asked how the program would work.

Dr. Hurlburt responded that the vaccinations were distributed to the providers at no cost to the recipient and by the agreement the provider could not charge a vaccination fee; however an administration fee could be charged.

Ms. Laughlin noted that the department was working on getting an answer from DOL.

Mr. Morse addressed an earlier question, and he discussed medical and religious waivers. He stated that every student that was enrolled in the public and private school systems was required to be immunized, therefore, the requirement also applied to correspondent students. He addressed a question related to school age. He explained that school age was defined as age 6 through 19.

Representative Wilson asked whether children receiving homeschooling would be exempt. Mr. Morse read from the bill, "before entry into a state public school district or a non-public school offering pre-elementary through grade 12." He stressed that the requirement spoke of entry into a school.

Co-Chair Stoltze asked whether it was entry into a school building or the system. Mr. Morse clarified that it was a school system and not a "brick and mortar" building. He felt that if a child was privately home-schooled, that would not apply to a "school system."

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Vice-chair Fairclough directed attention to the Department of Health and Social Services fiscal impact note. She detailed that FY 13 through FY 15 included \$4.496 million per year, with \$700,000 added from the governor's current budget request.

Representative Doogan discussed the fiscal note. He wondered whether the money in the governor's budget was subtracted or added to the \$4.5 million. Co-Chair Stoltze interjected that it was \$5.1 million.

JILL LEWIS, DEPUTY DIRECTOR, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, asked for a repeat of the question.

Representative Doogan wondered whether the money in the governor's budget was subtracted or added to the \$4.5 million. Ms. Lewis replied that the total amount was \$5.8 million. The current budget included \$700,000 of federal funds and the governor's budget included \$700,000 - both were subtracted from the amount which equaled \$4.5 million.

Representative Doogan surmised that the actual fiscal note would include amounts that were actually above \$4.5 million. Ms. Lewis replied that there was an assumption that the federal funds would continue to be provided, along with the governor's request.

Representative Doogan believed it was a big assumption.

Vice-chair Fairclough stressed that the governor's request for the \$700,000 was part of the base, so it currently existed in the operating budget that had passed the House. Ms. Lewis affirmed Vice-chair Fairclough's statement.

Vice-chair Fairclough asked if the fiscal note added \$4.456 million in FY 13 through FY 15 to the \$700,000 from the federal government, the additional \$630,000 of general funds, plus the \$70,000 of federal match funds, for a grand total of \$770,000 of federal receipts and \$630,000 of general fund receipts.

Representative Wilson asked

Ms. Lewis replied that the bill provided flexibility to add or subtract vaccines to fit the available funding

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Representative Wilson asked if there would be flexibility in the required list of vaccinations. Ms. Lewis responded that under the conditions listed in the bill, the flexibility was provided.

Ms. Laughlin informed the committee that Commissioner Streur preferred the "may" language, but he was concerned that if there was a lack of funding there would be a problem.

Representative Herron stated that the language on page 3, line 19 was very important for the legislation.

Representative Neuman asked whether the fiscal note included money for advertising the immunizations.

Ms. Lewis responded in the negative.

Representative Doogan commented that the total fiscal note was \$5.9 million. He wanted to make sure that the committee understood that there was a \$6 million total.

Co-Chair Stoltze believed the comment was a relevant part of the fiscal discussion.

Vice-chair Fairclough MOVED to report CSHB 310(FIN) out of committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 310(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from Department of Health and Social Services.

[3:05:24 PM](#)

AT EASE

[3:17:59 PM](#)

RECONVENED

#hb330

HOUSE BILL NO. 330

"An Act establishing a Joint Legislative Task Force on Education Standards; requiring the Department of Labor and Workforce Development to provide information and resources to the task force; establishing state education standards; amending the authority of the Department of Education and Early Development to adopt education standards; and providing for an effective date."

[3:18:08 PM](#)

Vice-chair Fairclough MOVED to ADOPT proposed committee substitute for HB 330, Work Draft 27-LS1100\0 (Mischel, 4/3/12).

Co-Chair Stoltze OBJECTED for discussion.

ERIN HARRINGTON, STAFF, REPRESENTATIVE ALAN AUSTERMAN, explained the changes in the CS:

-Title & Section 1:  
Deletes Legislative Findings Section.

-New Section 1:

Minor modifications to language.

Revised the analysis of public education funding to make the work product more concise.

Report of findings and any proposed legislation to the Governor, Department of Education & Early Development and the legislature by September 30, 2013.

Task Force Membership consists of six members of the Legislature and five members as follows:

1. President of the Association of Alaska School Boards
2. President of the Alaska Council of School Administrators
3. A public school superintendent
4. A University of Alaska representative
5. A representative of a major career destination of high school graduates in the state.

The Governor shall appoint a representative.

6. The task force meets at the call of a co-chair. The Senate President and House Speaker shall jointly appoint the co-chairs of the task force.

The Department of Education & Early Development will provide data and information necessary for the Task Force to carry out its work.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO OBJECTION, Work Draft 27-LS1100\O was ADOPTED.

3:22:35 PM

AT EASE

3:23:04 PM

RECONVENED

Co-Chair Stoltze MOVED to ADOPT Amendment 1.

Vice-chair Fairclough OBJECTED for discussion. She explained that in order to represent the sponsor's intent Amendment 1 deleted the word "five" and inserted the word "four" on page 3, line 3. The oversight of the superintendent of a public school was deleted on page 3, line 6. She WITHDREW her objection.

There being NO further OBJECTION, Amendment 1 was ADOPTED.

REPRESENTATIVE ALAN DICK, SPONSOR, discussed the bill and asked for a meaningful conversation related to several educational issues. He directed attention to the standards of the educational system. He had experience with Alaska core and Alaska state standards that were essentially the same with some minor exceptions. He was concerned that the adoption of the proposed standards would lead the state down a path with an indeterminate fiscal note. He discussed that most curriculum cycles were 6 years. The Department of Education and Early Development and the Board of Education would, by default, be required to adopt the core standards if no action was taken.

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Representative Dick read from the proposed standards. He asked whether the standards spoke to the need. He thought every standard in school should have a real life application. He believed rigor should be redirected; so students should be encouraged towards careers. He believed there should be a meaningful conversation before "we follow the lemmings over the cliff."

Representative Dick felt that if a child was not college bound, the standards were unnecessary. He wondered if the system should be designed for all students to be on a fast track to college, or should it be designed to let everyone be exposed to the "crumbs that fall off the table."

Representative Dick would like to see the standards field tested. He wondered whether a massive infrastructure would be built on a faulty foundation.

[3:42:48 PM](#)

Co-Chair Stoltze CLOSED public testimony.

Vice-chair Fairclough believed there was a valid point that may not be reflected in the fiscal note. She discussed the system that was requesting additional support, and pointed out that there would be an additional expense. She thought the fiscal note fell short, and felt that there would be costs in curriculum and text books. She believed the Department of Education and Early Development should be required to make a cost estimate.

Co-Chair Stoltze believed that the fiscal notes were appropriate because they were waiting on information from the task force.

HB 330 was HEARD and HELD in Committee for further consideration.

[3:47:36 PM](#)

AT EASE

[3:49:20 PM](#)

RECONVENED

#hb296

HOUSE BILL NO. 296

"An Act relating to service of process on prisoners; relating to the crime of escape; relating to the definition of 'correctional facility'; amending Rule 4, Alaska Rules of Civil Procedure; and providing for an effective date."

[3:49:25 PM](#)

Co-Chair Stoltze referred to a question about clarity from the Department of Corrections. He had asked for a letter on position that had not been provided.

CARMEN GUTIERREZ, DEPUTY COMMISSIONER, DEPARTMENT OF CORRECTIONS (via teleconference), commented on the work of the department with the Department of Law on the definition of "secure confinement."

[3:51:10 PM](#)

AT EASE

[3:51:23 PM](#)

RECONVENED

Co-Chair Stoltze queried DOC's position on the bill.

Ms. Gutierrez replied that the department had worked with Department of Law on a definition of secure confinement. The department was neutral on its position on the bill.

Co-Chair Stoltze asked Ms. Gutierrez to proceed.

Ms. Gutierrez continued to explain that the department had worked with DOL on a definition of secure confinement. She remarked that the purpose of determining the definition was to ensure that the statute was in line with the Court of Appeals recent decision in the Bridge v. State case. She stated that DOC had no position with regard to the classification of a misdemeanor offender as a "misdemeanant" if he or she should walk away from a half-way house or community residential center. She stressed the recognition of the cost to the state when individuals are prosecuted for felony offenses for that kind of conduct.

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Co-Chair Stoltze asked how DOC became involved in the bill. Ms. Gutierrez explained that the department had become involved when it had heard about the definition of secure confinement, so DOC had wanted to ensure that the definition would do what was intended.

Co-Chair Stoltze surmised that the department's involvement was that it ensured that the legal requirements were met.

Representative Gara asked about a case - Bridge v State - he wondered about the ruling. Ms. Gutierrez replied that if a misdemeanant walked away from a half-way house, it was a class A misdemeanor offense.

Co-Chair Stoltze asked whether the term "security guards" were used in half-way houses.

REPRESENTATIVE MAX GRUENBERG, SPONSOR, requested that Anne Carpeneti come forward.

Co-Chair Stoltze wondered if the personnel at half-way houses were considered "security guards." He stated that at correctional facilities it was pejorative to call correctional officers "guards."

Ms. Gutierrez replied that the Department of Corrections staff was referred to as "correctional officers."

Ms. Gutierrez spoke in high regard of the correctional officers. The goal of the statute was to ensure that the halfway houses or community residential centers were distinguished as secured correctional facilities.

4:00:40 PM

ANNE CARPENETI, ASSISTANT ATTORNEY GENERAL, LEGAL SERVICES SECTION-JUNEAU, CRIMINAL DIVISION, DEPARTMENT OF LAW, explained how the issue had evolved. The Department of Law wanted to ensure that the definition applied only to the statute.

Representative Wilson asked whether the department believed that there would not be more prisoners walking away from the facilities. Ms. Gutierrez believed that prior testimony had explained it would be a case by case basis. The department did not know whether the bill would affect a prisoner's decision to walk away from a half-way house.

Co-Chair Stoltze was frustrated that the Department of Corrections did not have an official position on the bill. He remarked that he was not comfortable moving the bill out of the committee.

Vice-chair Fairclough discussed the fiscal notes.

Representative Gara moved to make the Department of Administration fiscal note a zero fiscal note.

Co-Chair Stoltze objected, and felt that an indeterminate fiscal note was better than a zero fiscal note.

Vice-chair Fairclough MOVED to report CSHB 296(JUD) out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CSHB 296(JUD) was REPORTED out of committee with "no recommendation" and with one new zero fiscal note from the Department of Law and two previously published fiscal notes: FN1 (DOC), FN3 (DOA).

#hb276

HOUSE BILL NO. 276

"An Act providing for a credit against the oil and gas production tax for costs incurred in drilling certain oil or natural gas exploration wells in the Nenana Basin."

HB 276 was SCHEDULED but not HEARD.

Co-Chair Stoltze discussed the schedule for the following day.

#

ADJOURNMENT

[4:09:54 PM](#)

The meeting was adjourned at 4:09 PM.