

SENATE FINANCE COMMITTEE
February 22, 2011
10:04 a.m.

[10:04:37 AM](#)

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 10:04 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Lesil McGuire, Vice-Chair
Senator Johnny Ellis
Senator Dennis Egan
Senator Donny Olson
Senator Joe Thomas

MEMBERS ABSENT

None

ALSO PRESENT

Darwin Peterson, Staff, Co-Chair Stedman; Senator Bill Wielechowski.

PRESENT VIA TELECONFERENCE

Ester Cox, Chair Alaska State Department of Education and Early Development.

SUMMARY

SB 1 BD OF ED./EARLY DEVELOPMENT ANNUAL REPORT

SB 1 was REPORTED out of committee with a "do pass" recommendation and with a previously published zero fiscal note: FN1, (EED).

SB 3 FUNDING FOR SCHOOL MEALS

SB 3 was REPORTED out of committee with a "do pass" recommendation and with a new fiscal impact note from the Senate Finance Committee.

Co-Chair Stedman discussed the two bills on the agenda. He discussed HB 16, which was postponed from today's meeting. He expected the bill to return to committee in short order.

#sb1

SENATE BILL NO. 1

"An Act requiring the state Board of Education and Early Development to provide an annual report to the legislature."

[10:07:06 AM](#)

Senator Bettye Davis offered to answer questions. She pointed out the bill's zero fiscal note.

Co-Chair Stedman commented on the zero fiscal note from the Department of Education and Early Development. He mentioned that public testimony was delivered in the previous Senate Finance Committee meeting.

ESTER COX, CHAIR ALASKA STATE DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), spoke in support of SB 1. She applauded the commitment of the previous committees. She offered to prepare an annual report with the help of the department for the benefit of the legislature.

Senator Davis stated that she wanted the annual report in statute to ensure ongoing reports.

[10:10:55 AM](#)

Senator Thomas commented that a report from the Board of Education would prove helpful. He explained that as a member of the education committee, he required varied perspectives. He opined that the report requirement will prove helpful for the education committee as they move forward on initiatives.

Co-Chair Hoffman MOVED to report CSSB 1 (EDC) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SB 1 was REPORTED out of committee with a "do pass" recommendation and with a previously published zero fiscal note: FN1, (EED).

#sb3

SENATE BILL NO. 3

"An Act providing for funding for school lunch and breakfast."

[10:12:47 AM](#)

Co-Chair Hoffman MOVED to ADOPT proposed committee substitute, work draft #27-LS0020\D. Co-Chair Stedman OBJECTED.

DARWIN PETERSON, STAFF, CO-CHAIR STEDMAN, discussed changes in the Committee Substitute (CS). He explained the four changes. The initial change listed on Page 2 removed previous language stating the requirement for the annual adjustment to the base amount according to the Consumer Price Index (CPI) in Anchorage. The language was removed because of the change made on Page 2, Line 4 listing a sunset date of June 30, 2014. The act is temporary and will last three years. The issue will come back before the legislature for review of the annual adjustment to the CPI.

Mr. Peterson discussed the third change on Page 2, Line 5 where the committee added an immediate effective date with the intent that the legislation will go into effect prior to the next school year. He pointed out the final change on Page 1, Line 4. With the three year sunset date, the law is in effect for less than five years. The legislative legal attorney drafted the legislation as uncodified law.

Mr. Peterson introduced the new fiscal note drafted by the Senate Finance Committee reflecting the three fiscal years that the program will be in effect. Without the CPI adjustment, the fiscal note details a static cost of \$2,143,000 for the following three fiscal years.

Co-Chair Stedman removed his OBJECTION. There being NO OBJECTION, it was so ordered.

Senator McGuire removed both Amendments 1 and 2. She noted that amendments attempted to highlight agriculture and seafood from the Alaska marketplace. She realized that some outlying school districts are unable to satisfy the requirements as stated in the amendment. She intended to work further with the bill sponsor.

Co-Chair Stedman highlighted the new documents including responses to committee member questions from the previous meeting. He noted an eight page spreadsheet illustrating the percentage of students who consumed free and reduced price lunches.

[10:16:09 AM](#)

Co-Chair Stedman mentioned the new fiscal note from the Senate Finance Committee replacing the previous fiscal note

and reflecting a \$2,143,000 general fund appropriation in FY 12 through FY 14. He explained that the governor's budget currently has no funding for the program.

SENATOR BILL WIELECHOWSKI thanked the committee for hearing the bill. He supported the changes made in the CS.

Co-Chair Hoffman MOVED to report CSSB 3 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SB 3 was REPORTED out of committee with a "do pass" recommendation and with a new fiscal impact note from the Senate Finance Committee.

[10:18:29 AM](#)

Co-Chair Stedman encouraged a thorough review.

ADJOURNMENT

The meeting was adjourned at 10:19 AM.