

HOUSE FINANCE COMMITTEE
March 4, 2015
1:12 p.m.

[1:12:46 PM](#)

CALL TO ORDER

Co-Chair Neuman called the House Finance Committee meeting to order at 1:12 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Cathy Munoz
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Sam Kito III; Representative Dan Ortiz in the audience.

PRESENT VIA TELECONFERENCE

Tom Saxton, KBRW Radio, Barrow; Peggy Cowan, Superintendent, North Slope Borough School District, Barrow; Mary Sage, North Slope Borough School District, Barrow; Alys Osborn, KBRW Radio, Barrow; Geoff Carrol, KBRW Radio, Barrow; Cyd Hanns, KBRW Radio, Barrow; Ethel Patkotak, KBRW Radio, Barrow; Lester E. Parks, Southwest Region Schools, Dillingham; Susie Jenkins-Brito, Self, Dillingham; Steve Noonkesser, Associate Superintendent, Southwest Region Schools, Dillingham; David Piazza,

Southwest Region Schools, Dillingham; Danny Frazier, Dillingham School District, Dillingham; Rebekah Fonkert, Imagination Library, Dillingham; Jenny Bennis, Imagination Library, Dillingham; Robyn Chaney, Imagination Library, Dillingham; Karen Carpenter, Services Coordinator, SAFE, Dillingham; John Marx, Library, Dillingham; Kim Williams, Parent, Dillingham; Jodi Sykes, Self, Dillingham; Victor Martin, Self, Fairbanks; Mary Segreti, Self, Fairbanks; Max Honft, Self, Fairbanks; Warren Christian, Doyon Associated, Fairbanks; Scott Eickholt, Local 942 Laborers, Fairbanks; Lance Roberts, Self, Fairbanks; Bryan Imus, Local 942, Fairbanks; John Plutt, Local 375, Fairbanks; Jeremy Holan, Local 959, Fairbanks; Alonzo Young, Local 375, North Pole; Albert Pagh, Self, Fairbanks; Diane Preston, Self, Fairbanks; Paul Reichart, Former Educator, Fairbanks; David Withoff, Self, Fairbanks; Sue Sherif, Self, Fairbanks; Tom Lamal, Self, Fairbanks; Wendy Dominique, Fairbanks North Star School District, Fairbanks; Theresa Williams, Self, Fairbanks; Jennifer Jolis, Breadline Inc., Fairbanks; Sandra Kawalski, Assistant Superintendent, Fairbanks School District, Fairbanks; Laura Volmert, Self, Fairbanks; Alysha Childs, Executive Director, North Star Youth Court, Fairbanks; Allison Baldock, Board President North Star Youth Court, Fairbanks; John Ferree, Assistant Business Manager, IBEW, Fairbanks; Kirsten McGraw, Self/Deaf Individual, Fairbanks; Taber Rehbaum, Arctic Alliance, Fairbanks; Wendell Whistler, Training Coordinator, Kornfield Training, Fairbanks; Maggie Matos, Self/Deaf Individual, Fairbanks; Varnell Allen, Interpreter, Hands Helping Hearts, Fairbanks; Joe Hardenbrook, Office of the Mayor, Fairbanks North Star Borough, Fairbanks; Don Gray, Self, Fairbanks; Doug Tansy, President, Fairbanks Central Labor Council, Fairbanks; Walter Robinson, IBEW 1547, Fairbanks; Sue Hull, Self, Fairbanks; Kelvin Lee, President, No Limits, Inc., Fairbanks; Judi Morack, Registered Nurse, National Alliance on Mental Illness, Fairbanks; Mike Prax, Self, North Pole; Janet Cobb, Executive Director, Technology Department, Fairbanks School District, Fairbanks; Andy Harrington, Self, Fairbanks; Brenda Stanhil, Self, Fairbanks; Roger Burggraf, Self, Fairbanks; Jazzanne Gordon-Fretwell, North Star Youth Court, Fairbanks; Afuat Demola, Alaska Legal Services, Fairbanks; Cheryl Kilgore, Executive Director, Interior Community Health Centers, Fairbanks; Will Putman, Forestry Director, Tanana Chiefs Conference, Fairbanks; Charles Mason, Teacher, University of Alaska Fairbanks, Fairbanks; Gail Gallou, Self, Fairbanks; Steve Masterman, Self,

Fairbanks; Darlene Supplee, Executive Director, Fairbanks Senior Center, Fairbanks; Barry Donnellan, Self, Fairbanks; John O'Brien, Self, Fairbanks; Doreen Schenkenberger, Executive Director, Partners for Progress, Anchorage; Doug Walrath, Director, Northwestern Alaska Career and Technical Center (NACTEC), Nome; Marguerite LaRiviere, Library Director, Keogoyah Kogza Library, Nome; Alana Tousignant, Chiniak Public Library, Chiniak; Sue Baker, Chiniak Public Library, Chiniak; George Pierce, Self, Kasilof; Kathy Hanson, KYUK, Bethel; Rick Robb, Mayor, Bethel; Michelle Dewitt, KYUK, Bethel; Nicholas Hoover, Social Services Director for Association of Village Council Presidents (AVCP), Bethel; John McIntyre, Temporary Assistance for Needy Families (TANF) Director, AVCP, Bethel; Susan Murphy, KYUK, Bethel; Amy Marshall, Director Craig Public Library, Craig; John Holst, Superintendent, Denali School District, Healy; Rob Goldberg, Chair, Haines Borough Planning Commission, Haines; Jennifer Gibbins, Cordova Chamber of Commerce, Cordova; Steve Graves, Nicholas Backdoor Company, Cordova; Kendra Apodaca, Cordova Imagination Library, Cordova; David Glasen, Coach, Cordova Iceworm Swim Team, Cordova; Curt Herschleb, Self, Cordova; Barclay Kopchak, Self, Cordova; David Otness, Self, Cordova; Randy Robertson, City Manager, City of Cordova, Cordova; Deborah Eckley, Self, Cordova; Steven Angasan, Executive Director of Southwest Alaska Vocational Education Center (SAVEC), King Salmon; Annette Skarhus, Technical Director of the Bering Strait School District, Unalakleet; Phyllis Swetzof, Acting City Manager, St. Paul Island; John Strassenburgh, Self, Talkeetna; Ruth wood, Self, Talkeetna; Pearl Brower, President, Illisagvik College, Barrow; Ben Glover, Dean of Community and Workforce Development, Illisagvik College, Barrow; Sally Dybdahl, School Board Member, Hoonah City School District, Hoonah; Bill Hill, Superintendent, Bristol Bay Borough School District; James Squyers, Self, Delta Junction; Pamela Goode, Self, Delta Junction; Misty Fitzpatrick, City Administrator, Coffman Cove; Brian Okonek, Self, Talkeetna; Robin Gray, Superintendent, Yakutat School District; Scott Hahn, City manager, Skagway; John Tronrud, Owner, Whitehouse Bed and Breakfast, Skagway; Wendy Anderson, Skagway Convention and Visitor's Bureau; Jacqui Taylor, President, Golden Circle Chapter, AK Tourism Industry Association, Skagway; Chris Valentine, Owner, Sergeant Preston's Lodge, Skagway; Paul Reichert, Tempsco Helicopter, Inc., Skagway; Mark Schaffer, Mayor, Skagway; Katie Fry, Self, Anaktuvuk Pass; PJ Ford Slack, Interim Superintendent, Hoonah School District, Hoonah; Joe Plesha,

Trident Seafoods, Seattle; Carolyn Sayer, Self, Talkeetna; Ellen Woolf, Self, Talkeetna; Molly Wood, Self, Chase; Sarah Hanuske-Hamilton, Interim Superintendent, Iditarod School District, Grayling; Doug Smith, Self, Talkeetna; Mark Vink, Business Manager, Bering Strait School District, Unalakleet; Steve Atwater, Vice President, K-12 Outreach, University of Alaska, Fairbanks; Norma Holmgaard, Superintendent, Yupiit School District, Akiachak; Mathew Allen, Self, McGrath; Anthony Cravalho, Maniilaq Government Council, Kotzebue; Clara Henry, Kotzebue Public Radio, Kotzebue; Willi Prittie, Self, Sunshine; Elenor Henke, Self, Sunshine; Diane Brown, Self, Denali National Park; Benjamin Brown, Self, Denali National Park; Bill Thomas, Self, Haines; Naomi Norvack, Self, McGrath; Norm Carson, Pelican Chamber of Commerce, Pelican; Jackie Ray, Self, Soldotna; Randall John Rosencrans, Self, Galena; Rob Brown, Self, Ruby; Marla Howard, Self, Kake; Barbara Mannix, Self, Talkeetna; Grete Perkins, Self, Talkeetna; Jack Walsh, Superintendent, Craig School District, Craig; Whitney Wolff, Chair, Talkeetna Community Council, Talkeetna; Heather Leba, Self, Talkeetna; Janet Balice, Nome Public Schools, Nome; Luisa Machuca, Northwestern Alaska Career and Technical Center (NACTEC), Nome; Angie Gorn, President and CEO, Norton Sound Health Corporation (NSHC), Nome; Mathew Michels, Nome Eskimo Community, Nome; Debi Baldwin, Child Development Director, Rural CAP, Nome; Brian Merritt, Wrangell Fish and Game Advisory Committee, Wrangell; Jeff Jabusch, Borough Manager, City and Borough of Wrangell, Wrangell; Ruth Stough, Self, Wrangell; Patrick Mayer, Superintendent, Wrangell Public Schools, Wrangell; Michelle Galla, Self, Wrangell; Zach Fansler, Councilman, City of Bethel, Bethel; Kara Johnson, Self, Cordova; Kathy Leary, Workforce Development Training Manager, Illisagvik College, Barrow; Tyler Rose, Executive Directive, White Pass and Yukon Route Railroad, Skagway;

SUMMARY

HB 72 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 72 was HEARD and HELD in committee for further consideration.

HB 73 APPROP: MENTAL HEALTH BUDGET

HB 73 was HEARD and HELD in committee for further consideration.

#hb72

#hb73

HOUSE BILL NO. 72

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, making reappropriations, and making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

HOUSE BILL NO. 73

"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."

[1:12:57 PM](#)

Co-Chair Neuman discussed the meeting agenda. He asked testifiers to limit their comments to two minutes. He discussed the meeting agenda for the following day. He recognized Representative Adam Wool in the committee room.

^PUBLIC TESTIMONY: BARROW, DILLINGHAM, AND FAIRBANKS

[1:14:44 PM](#)

TOM SAXTON, KBRW RADIO, BARROW (via teleconference), spoke against the proposed 60 percent cut to public broadcasting. He emphasized the draconian nature of the proposed cuts. He relayed that rural communities relied solely on the single radio stations serving hub communities as the only source of major information for news, public affairs, emergency communication and other. He stressed that the substantial cuts would be very difficult to handle; budgets were already stretched tightly.

Co-Chair Neuman noted testifiers that staff was doing its best to take notes on testimony that came in.

[1:17:08 PM](#)

PEGGY COWAN, SUPERINTENDENT, NORTH SLOPE BOROUGH SCHOOL DISTRICT, BARROW (via teleconference), testified in support of funds for education. She thanked the committee for providing education funding the prior year. She understood the legislature had difficult decisions to make related to finances. She testified in support of broadband; the internet and modern technology were critical for rural schools. She pointed to matching federal funds that would have more than doubled an increment for the community. She asked for the restoration of one-time funds.

[1:19:22 PM](#)

MARY SAGE, NORTH SLOPE BOROUGH SCHOOL DISTRICT, BARROW (via teleconference), spoke in favor of funding for broadband internet services. She stated that the students with the smallest schools and the least number of course offerings also had [slow] internet access that challenged the students' ability to take advantage of distance education. The recent increase in bandwidth speed was not extravagant. She feared that the slow internet service would be the next educational divide. She encouraged the committee to restore the budget to 2015 levels.

[1:20:39 PM](#)

ALYS OSBORN, KBRW RADIO, BARROW (via teleconference), spoke against cuts to public broadcasting. She communicated that the cuts could potentially eliminate the Alaska Public Radio Network (APRN). She stressed that the community had no daily newspaper or other means to receive state, local, or world news; it depended heavily on the radio programming. She detailed that major outages due to weather were reported on the radio; the radio also provided emergency broadcasting for missing individuals and other. She noted that there would be no way to inform villages of meetings and of sporting events. The health department informed communities on many issues on a weekly basis. She stressed the critical nature of the programming.

[1:22:59 PM](#)

GEOFF CARROL, KBRW RADIO, BARROW (via teleconference), testified in favor of restored funding for public broadcasting. He stated that the significant cut would result in workforce and services reductions. He relayed that KBRW was a vital link to the North Slope. He detailed

the importance of the broadcasting to notify communities of weather, local events, meetings, sports, and other. He believed the broadcasting was particularly critical for rural communities. He understood that cuts needed to be made, but he believed a cut of the proposed size was drastic.

[1:25:25 PM](#)

CYD HANNS, KBRW RADIO, BARROW (via teleconference), spoke against cuts to public broadcasting. She agreed with prior testimony in favor of KBRW. She relayed that the radio station acted as a vital element for communication within communities. She stressed that the radio acted as essential backup for emergency communications. She relayed that there were public fundraisers, but there was only so much local support that could be provided. She stated that it would be drastic for the community to lose APRN.

[1:27:06 PM](#)

ETHEL PATKOTAK, KBRW RADIO, BARROW (via teleconference), testified in favor of the restoration of funds to public broadcasting. She stressed that the 59 percent cut was drastic; the cut equated to a loss of \$80,000 for KBRW. She detailed that the station already operated on a bare-bones budget. She shared that the station pooled resources with other non-profit stations related to reporting. The station relied heavily on friendly commercial operators whose employees traveled to villages to lend technical employees to trouble shoot problems that may arise in the villages. People depended on the station as a news source and other. She stressed that the public broadcasting was a critical communications link in rural Alaska.

[1:30:54 PM](#)

LESTER E. PARKS, SOUTHWEST REGION SCHOOLS, DILLINGHAM (via teleconference), spoke in support of the Alaska Broadband Assistance Grant. He had additionally submitted written testimony. He discussed that the grant's intent was to reach a speed of 10 megabits per second per school; the increase was not extravagant (the Federal Communications Commission considered 25 megabits as high speed broadband). He provided further detail about the schools' past internet speeds. He discussed the schools' reliance on increased internet speed especially in light of new state online

testing. He noted that for \$1.00 spent the district received \$9.00 through the e-Rate program. He stressed that the district could not afford to offer increased broadband without assistance.

[1:33:34 PM](#)

SUSIE JENKINS-BRITO, SELF, DILLINGHAM (via teleconference), spoke in favor of public radio and Best Beginnings. She discussed that the community relied heavily on the radio station to provide up to date fisheries reports (especially during commercial fishing season when the Department of Fish and Game commercial fishing openers were announced). She emphasized that services provided by the radio station were imperative to the Bristol Bay region. She did not know what the community would do without the radio. She stated that a 59 percent cut was disproportionate and excessive. She asked the committee to consider a more realistic cut of 10 percent. She spoke against cuts to the Imagination Library and Best Beginnings. She provided information about the program that provided books to children via mail. She stressed that early literacy was imperative.

[1:35:34 PM](#)

STEVE NOONKESSER, ASSOCIATE SUPERINTENDENT, SOUTHWEST REGION SCHOOLS, DILLINGHAM (via teleconference), asked for a reinstatement of funding for the Alaska Learning Network (AKLN). He disputed reports that the program was a failure; it was far from the truth. He shared that AKLN was the result of over 20 years of efforts by Alaskan educators to provide a program that offered varied and high quality offerings to all students regardless of location or individual circumstances. He detailed that over 100 courses were currently offered; the majority of which addressed the Alaska Performance Scholarship requirements. Students in 47 of Alaska's school districts took courses through AKLN. He stressed that the program was worthy of continued funding.

[1:37:47 PM](#)

DAVID PIAZZA, SOUTHWEST REGION SCHOOLS, DILLINGHAM (via teleconference), testified in support of the reinstatement of \$32 million in one-time education funds that had been approved the prior session as part of a three-year funding package. He elaborated that districts understood that the one-time funds would be reduced each year, subsequently,

the district had been working on its long-range plan to keep instructional programs intact. The currently proposed cut meant an immediate \$388,000 funding cliff. He relayed that the district's students had already lost music, fine arts, and many of the career and technical pathways. The significant reduction in funding would mean cuts to core academic instruction.

[1:39:19 PM](#)

DANNY FRAZIER, DILLINGHAM SCHOOL DISTRICT, DILLINGHAM (via teleconference), spoke in support of the restoration of \$32 million in one-time education funds. He was in favor of increased broadband access. He urged the committee to restore the funds, which were vital to rural Alaskan school districts. He stressed that students deserved the same opportunities in rural Alaska as they would receive in urban areas. He expounded that the one-time funds were often provided in place of an increase to the Base Student Allocation (BSA); the money was used to maintain facilities, pay utility bills, and to supplement the cost of food service. He stressed that a loss of the funds could delay major maintenance projects.

[1:41:08 PM](#)

REBEKAH FONKERT, IMAGINATION LIBRARY, DILLINGHAM (via teleconference), testified in favor of the Imagination Library and the Best Beginnings program. She shared information about the program. She relayed that children's brain development was enhanced by early learning and education. She relayed that 60 percent of American prison inmates were illiterate and 85 percent of juvenile offenders had reading problems. She discussed benefits of early learning; there was a direct correlation between reading to children and success in later life. She stated that investing in young children made good economic sense; every \$1.00 invested yielded back many dollars in societal savings.

[1:42:59 PM](#)

JENNY BENNIS, IMAGINATION LIBRARY, DILLINGHAM (via teleconference), strongly encouraged the committee to maintain funding for the Best Beginnings program. She stressed that the program helped rural Alaska. She provided information about the program that supported early

childhood development. She noted that the program may provide the only access to books for children in some villages. She asked the committee to keep making a difference in children's lives.

[1:43:53 PM](#)

ROBYN CHANEY, IMAGINATION LIBRARY, DILLINGHAM (via teleconference), spoke in favor of a restoration of funds to the Best Beginnings program. She communicated that she was an adoptive and foster parent to five school-aged children. The Dillingham Imagination Library currently served over 205 children in Dillingham, Koliganek, and Aleknagik. She elaborated that every child aged zero to five in both Koliganek and Aleknagik were enrolled in the program; the program provided the sole source of reading material. She stressed that the program was affordable. She relayed that kindergarten readiness was in crisis in rural Alaska. She shared that the books provided to foster children in the region was often one of the only possessions the children had with their name on them.

[1:45:25 PM](#)

KAREN CARPENTER, SERVICES COORDINATOR, SAFE, DILLINGHAM (via teleconference), spoke against cuts to Alaska Legal Services that provided legal services to victims of violence. She highlighted that there was only one practicing private attorney in Bristol Bay. There was a single Alaska Legal Services attorney funded cooperatively through a state grant and the Bristol Bay Native Association. The majority of the clientele were low income and had no other legal representation. She spoke to the high caseload of the public defender's office. She stated that the service was the only one available; a reduction in funding for Alaska Legal Services would result in a loss of the attorney's position, which would threaten the health and safety of individuals.

[1:47:44 PM](#)

JOHN MARX, LIBRARY, DILLINGHAM (via teleconference), spoke in support of funding for broadband access. He relayed that video conferencing enabled the library to connect to a multitude of other libraries and training opportunities. The service provided internet access to local individuals who would not have access otherwise. He elaborated that the

service gave residents the ability to fill out job applications, do research, and communicate with loved ones. He relayed that the service provided a tremendous resource to rural Alaska. He spoke in support of the Online with Libraries program.

[1:49:29 PM](#)

KIM WILLIAMS, PARENT, DILLINGHAM (via teleconference), spoke in support of funding for education. She communicated that one of the state's constitutional requirements was to provide education for its children. She spoke to the high cost of education for children in rural Alaska. She asked the committee to reinstate one-time funding that had passed the prior year. She asked the committee to fund education to the maximum extent possible.

[1:50:51 PM](#)

JODI SYKES, SELF, DILLINGHAM (via teleconference), requested that proposed cuts to public broadcasting be reduced. She discussed three stations that served all of Western and Southwest Alaska; the stations provide news to the regions. She stressed that the proposed 59 percent cut would be drastic and damaging; it would mean staff cuts. She thanked the legislature for funding in prior years for water and sewer projects. She spoke in support of \$7 million in funds for the community jail.

[1:52:45 PM](#)

VICTOR MARTIN, SELF, FAIRBANKS (via teleconference), spoke in support of funds for interpreter services. He provided information on his life as a deaf person in Fairbanks. He stressed that as a deaf person it was important to have an interpreter help communicate at doctor appointments and other. He added that it was difficult to make it around without an interpreter.

[1:54:23 PM](#)

MARY SEGRETI, SELF, FAIRBANKS (via teleconference), spoke through an interpreter. She stressed the importance of interpreters for deaf people. She elaborated that deaf people needed interpreters in hospitals, police stations, and many other locations. She encouraged the committee to not stop listening to deaf people. She implored the

committee to keep funding interpreters. She stated that many deaf people were present to convey their frustration at the possibility of not having interpreters. She thanked the committee for its time.

1:56:01 PM

MAX HONFT, SELF, FAIRBANKS (via teleconference), spoke in support of public broadcasting and Best Beginnings. He relayed that public broadcasting played a very significant role in Fairbanks. The stations in Fairbanks provided access to a wide demographic of individuals including children and adults. He stated that news was crucial to the Interior; maintaining a strong ability to produce local news was vitally important for the community. He remarked on the fundraising success for the station; despite the efforts the station was still facing staffing cuts. He reiterated his support of Best Beginnings.

1:58:21 PM

WARREN CHRISTIAN, DOYON ASSOCIATED, FAIRBANKS (via teleconference), asked for the restoration of funds to the Construction Education Foundation in the Department of Labor and Workforce Development. He relayed that it was important to provide training to Alaskans for jobs in state. He spoke to a specialized 4.5 month accelerated pipe welding program. He shared that the company employed over 500 people on the North Slope and prided itself on hiring Alaskans. He stressed that the program was great and asked the committee to keep it alive.

1:59:43 PM

SCOTT EICKHOLT, LOCAL 942 LABORERS, FAIRBANKS (via teleconference), spoke in support education programs in the Department of Labor and Workforce Development. He stated that the administrative branch was charged with determining how to best use funds to run an effective and efficient government service; therefore, targeting specific positions was inappropriate. He elaborated that the Department of Education and Early Development was responsible for core learning curriculum to prepare children to become knowledgeable; however, the education did not teach people how to enter into the workforce with the expectations and demands of safe and responsible workers. He spoke against pitting programs against each other and observed that the

programs were designed to help people enter the workforce safely. He remarked on the legislature only cutting 0.001 percent of its own budget. He supported a restoration of funds to the governor's proposed level.

[2:01:52 PM](#)

LANCE ROBERTS, SELF, FAIRBANKS (via teleconference), spoke in favor of cuts to spending to provide a sustainable budget. He was against use of the Permanent Fund or a statewide income tax. He believed the budget should be brought below \$4.5 billion in three years to be sustainable. He urged the committee to keep looking for cuts. He had heard the Senate was aiming for cuts of \$700 million, which he believed was a good place to start. He remarked on deleted funding for the Administrative Regulation Review Committee. He strongly believed it was critical to cut regulation to increase economic diversity. He stated that regulation clogged up business and economies.

[2:04:07 PM](#)

BRYAN IMUS, LOCAL 942, FAIRBANKS (via teleconference), testified against cuts to the Department of Labor and Workforce Development. He worked on a daily basis to ensure that employers followed the law including wage, local-hire and per diem, safety and workers' compensation, and other laws. He stressed that the laws were enforced by the Department of Labor and Workforce Development. He stated that eliminating the positions was an attack on all Alaskan workers. He spoke in support of public broadcasting. He supported the governor's proposed budget.

[2:05:21 PM](#)

JOHN PLUTT, LOCAL 375, FAIRBANKS (via teleconference), spoke in opposition to cuts to the Department of Labor and Workforce Development. He stated that the elimination of training programs would position employers to import employees from out-of-state, which was an ongoing problem. He encouraged the committee to restore funding to current training program levels. The training would enable Alaskans to seek good paying jobs and careers in order to better provide for themselves and their families.

[2:06:16 PM](#)

JEREMY HOLAN, LOCAL 959, FAIRBANKS (via teleconference), asked for the restoration of cuts to the Department of Labor and Workforce Development. He stressed that the elimination of training funding would increase the number of out of state workers in the construction field in Alaska. He elaborated that when the problem worsened it would mean more Alaskans would leave the state in search of work and more affordable living conditions. He emphasized the importance of increasing or maintaining the funding for training for local Alaskans, which would prepare Alaskans to build the state's infrastructure. He was against cuts to OSHA, which would increase the numbers of injuries to workers. He reiterated his opposition to the cuts.

[2:07:42 PM](#)

ALONZO YOUNG, LOCAL 375, NORTH POLE (via teleconference), asked for full funding of the Construction Education Foundation in the Department of Labor and Workforce Development budget. He spoke to his experience in a welding program funded by the state; without the program he would not be employed on the North Slope.

[2:08:29 PM](#)

ALBERT PAGH, SELF, FAIRBANKS (via teleconference), discussed his former ownership of a logging and sawmill business in Fairbanks. He spoke in support of Fairbanks and Delta foresters, who had done an excellent job administrating the Tanana Valley State Forest. He communicated that the Delta and Tok areas had a significant amount of downed timber that would be lost if it was not salvaged. He stressed that it took many hours and hard work to put up sales to salvage wood that had no value. He relayed that if the wood was not salvaged there would be lost value to the state, lost jobs in the private sector, and a loss of cheaper heating fuel. He discussed firewood operations in the Fairbanks area that were creating many jobs in the private sector.

[2:11:00 PM](#)

DIANE PRESTON, SELF, FAIRBANKS (via teleconference), recalled a recent statement the state's budget was experiencing "terrible times." She contended that terrible times meant people were losing their jobs and that there

was no money in savings. She remarked that the state had \$66 billion in the bank including \$13 billion in reserves. She spoke against cuts to education, senior services, public broadcasting, arts, and music. She suggested looking at using the budget reserves to provide time to determine what to do about the budget. She testified in support of Medicaid funds. She spoke in favor of capping the PFD and for statewide income tax.

[2:13:43 PM](#)

PAUL REICHART, FORMER EDUCATOR, FAIRBANKS (via teleconference), testified in support of higher education for the University of Alaska system. He believed there were no state supported programs that were more important than public education. He discussed that instructional research and public service programs provided by the University of Alaska were incredibly valuable to the state. He spoke to the contributions of university graduates. He provided a personal example about the success of his children who had graduated from the University of Alaska Fairbanks. He highlighted different ways University of Alaska students positively impacted the state. He commented on the Alaskan Grown brand. He was concerned about the magnitude of the proposed cuts and about legislative mandates designating where cuts would be taken. He asked the committee to consider spreading the cuts over several years.

[2:16:20 PM](#)

DAVID WITHOFF, SELF, FAIRBANKS (via teleconference), testified in support of the university. He urged the legislature to exercise oversight to encourage the university to make cuts that minimized impacts on students. He communicated that the university was planning to eliminate term staff, adjunct faculty, and programs that had no politically savvy advocates; the university had selected the areas to cut not because they were the best place to cut, but because they were easy places to cut. He stated that the chosen positions tended to be at the low end of the pay scale; therefore more positions needed to be cut to obtain much savings. He stated that the cuts tended to have a disproportionate impact on students. He noted that there may be higher paid employees that were more difficult to get rid of; however, he believed it was not impossible. He reasoned that if the university could make

the cuts at a higher level they could achieve the requested budget reductions with less impact on students.

2:17:56 PM

SUE SHERIF, SELF, FAIRBANKS (via teleconference), urged the restoration of the Online with Libraries program. She stated that the broadband subsidies for 67 rural public libraries combined with local funding to leverage over \$2 million in federal e-rate funding. She relayed that the small and remote libraries operated on modest budgets that were often less than \$50,000 per year. She emphasized that the high bandwidth costs were unaffordable without state and federal assistance. She highlighted that OWL funds had supported a videoconference network for all 97 public libraries in the state. She provided examples related to the importance of the services.

2:20:10 PM

TOM LAMAL, SELF, FAIRBANKS (via teleconference), recommended changes to the way the Department of Fish and Game generated revenue. He stated that the guide requirement for non-resident hunters needed to be eliminated, which mean the hunter would pay the state more for non-resident tags. He reasoned that if the guide requirement for sheep, goat, and bear hunting was removed, an increased number of non-residents would apply for permits and the state would generate revenue by selling more tags. Additionally, the state could sell preference points, which increased a hunter's chances of being drawn in subsequent years. He relayed that in other states the preference points were generally \$30 to \$50 per species per year. He provided information about the costs of tags in other states. He stressed that license fees for non-residents needed to be aligned with what out-of-state hunters were charged in other states. He opined that resident Alaskans needed to contribute financially by paying for the tags they used. He further discussed the cost of tag fees.

2:22:24 PM

WENDY DOMINIQUE, FAIRBANKS NORTH STAR SCHOOL DISTRICT, FAIRBANKS (via teleconference), spoke against cuts to education. She supported a reinstatement of the \$32.2 million one-time education funds passed the previous

legislative session. She shared that the FY 16 proposed budget anticipated a shortfall of \$7.5 million, which included the supplemental revenue promised the previous session. The district would be facing a shortfall of over \$11 million if the one-time funds were eliminated. She communicated that 88 percent of the district's budget went to salary and benefits. She stressed that cuts would result in increased class sizes and cuts to counselors, administrative support, arts, and other important areas.

[2:24:42 PM](#)

THERESA WILLIAMS, SELF, FAIRBANKS (via teleconference), requested the reinstatement of funding for the McGrath Department of Natural Resources (DNR) camp. She detailed that the Southwest region encompassed 88 million acres of land. She elaborated that statute and DNR's master agreement made the state responsible for covering fire suppression in the region. She relayed that the cut had been proposed, but there was no plan on how to provide coverage. She stressed that the cuts would increase costs and danger for the region. She communicated that smoke jumpers only covered the first one to two days of a fire. She stated that the reduction would negatively impact rural areas and would make fire suppression difficult.

2:27:17

JENNIFER JOLIS, BREADLINE INC., FAIRBANKS (via teleconference), testified in support of the human service community match grant program. She stated that governments at all levels took care of services that individuals could not. For example, the volunteer fire department could put out a residential fire when a resident could not; the fire department in turn depended on funding from another area. She stressed the importance of supporting the most vulnerable neighbors (e.g. seniors, youths, and other). She relayed that in the current year there were 15 applicants for funds provided through community service match grants. She stressed the importance of providing individuals with three essential things including food, shelter, and education. She implored the committee to refrain from cutting the grant program.

[2:29:28 PM](#)

SANDRA KAWALSKI, ASSISTANT SUPERINTENDENT, FAIRBANKS SCHOOL DISTRICT, FAIRBANKS (via teleconference), testified in support of public education funding. She explained that the funding would decrease the already very large class sizes. Smaller class sizes are proven to be more beneficial for education, and students in smaller classes were more successful than those in large classes.

[2:31:30 PM](#)

LAURA VOLMERT, SELF, FAIRBANKS (via teleconference), urged support of public school funding. Teacher sustainability was at risk, if the funding was reduced. She shared that she was a parent of elementary age children. She stressed that the students would not be given a second chance. She felt that an income tax, the permanent fund, and other taxes should be considered as other forms of revenue. She felt that recognizing that children were the most important investment.

[2:33:21 PM](#)

ALYSHA CHILDS, EXECUTIVE DIRECTOR, NORTH STAR YOUTH COURT, FAIRBANKS (via teleconference), spoke in favor of funding for therapeutic courts. She shared that 409 cases were heard in 2014. She felt that the funding would save money that would be used in public safety. Those that graduate from youth court often complete high school and college. She shared that she was one of the first teachers for a drug and alcohol class. One of her former students was able to use the knowledge that he learned in her class, and shared a story with her.

[2:35:35 PM](#)

ALLISON BALDOCK, BOARD PRESIDENT NORTH STAR YOUTH COURT, FAIRBANKS (via teleconference), spoke in favor of funding for therapeutic courts. She felt that the members should examine the programs more closely. She remarked that students who participate in the youth court program were more successful citizens. Removing the youth court would result in a higher recidivism rate and put more of a financial burden on public safety. She stressed that the youth court would reduce the cost of other aspects of government. She stated that the youth court provided a greater savings to the state across other agencies and organizations.

[2:37:51 PM](#)

JOHN FERREE, ASSISTANT BUSINESS MANAGER, IBEW, FAIRBANKS (via teleconference), testified in support of Department of Labor and Workforce Development programs including the Alaska Construction Academy. He felt that the programs acted as transitioning assistance for those leaving the military. The programs provided the opportunity for building and developing a strong infrastructure. The academy provided free, entry-level construction training for adults who want to work in construction in Alaska. The program depended entirely on grant funding from the Department of Labor and Workforce Development to train Alaskans, and teach necessary skills for construction careers. It was the only program in the state that gave adults access to high quality construction training at a reasonable cost. Training was offered in a variety of fields to meet the current and future demands of Alaska's construction industry.

[2:39:50 PM](#)

KIRSTEN MCGRAW, SELF/DEAF INDIVIDUAL, FAIRBANKS (via teleconference), testified in support of funding for interpreters for deaf individuals in order to communicate accurately. She stressed that the deaf individuals would be faced with greater challenges, and it was important for her to participate in her community.

[2:41:43 PM](#)

TABER REHBAUM, ARCTIC ALLIANCE, FAIRBANKS (via teleconference), urged support of funding for the Human Services Community Matching Grants. She stressed that the funding provided essential human services across the state. The program saved \$900,000 per year in youth incarceration costs. She felt that the program should be funded at the governor's proposed level.

[2:43:03 PM](#)

WENDELL WHISTLER, TRAINING COORDINATOR, KORNFIELD TRAINING, FAIRBANKS (via teleconference), testified in support of funding for labor standards training. He also testified in support of the business partnerships, to enhance vocational training in schools. He felt that skilled tradespeople must

be trained by providing a funding source. He also spoke in support of the Alaska Construction Academy.

2:45:39 PM

MAGGIE MATOS, SELF/DEAF INDIVIDUAL, FAIRBANKS (via teleconference), testified in support of funding for interpreter programs. She shared that she had worked with many interpreters and remarked that interpreters were essential to communication in society. Interpreters were needed for technology expansion, and enhancing a quality of life. She remarked that deaf people were capable.

2:47:50 PM

VARNELL ALLEN, INTERPRETER, HANDS HELPING HEARTS, FAIRBANKS (via teleconference), spoke in support of funding for deaf interpreters. He shared that he often donated his interpreter services for individuals who could not afford the services. He almost did not interpret the deaf individuals, in order to put the members in an empathetic position. Interpreters were necessary for communication among the deaf individuals. He stressed that deaf individuals were members of society, and should be allowed to communicate effectively.

2:50:18 PM

JOE HARDENBROOK, OFFICE OF THE MAYOR, FAIRBANKS NORTH STAR BOROUGH, FAIRBANKS (via teleconference), testified in support of funding for Best Beginnings; Parents as Teachers; education broadband access; Medicaid expansion; the Alaska Construction Academy; youth courts; Wildfire Academy; public broadcasting; Adult Day Services and respite care; family preservation grants; literacy projects; and Pre-K programs. He felt that budget reductions increased competition among strong programs. He felt that the reductions in these services and programs prevented advancement within the state.

2:52:00 PM

DON GRAY, SELF, FAIRBANKS (via teleconference), spoke in support of funding education including early childhood education and public K-12 schools. He specifically voiced support of the per capita student funding allocation, or base student allocation (BSA). He also voiced support of

the addition of the one-time funding from the previous session HB 278. He urged support of the University of Alaska system budget and the post-secondary workforce development programs. He also testified in support of public broadcasting.

[2:54:36 PM](#)

DOUG TANSY, PRESIDENT, FAIRBANKS CENTRAL LABOR COUNCIL, FAIRBANKS (via teleconference), spoke in support of the Alaska Construction Academy. The academy served all types of Alaskans. He shared that the academy provided an opportunity for military veterans to enter the Alaska workforce. The reductions in the program would undercut the veterans and their efforts.

[2:56:40 PM](#)

WALTER ROBINSON, IBEW 1547, FAIRBANKS (via teleconference), testified in support of funding for the Alaska Construction Academy. He stressed that the program was essential for individuals who hoped to work in the construction industry. The academy provided job training for thousands of individuals. He remarked that the large construction projects in the state increased the demand for the academy. He stressed that the academy filled the void of vocational training throughout the state. He shared some recent statistics related to the program.

[2:58:59 PM](#)

SUE HULL, SELF, FAIRBANKS (via teleconference), spoke in support of funding for early childhood education, specifically Best Beginnings. She shared that the fourth grade test scores in Alaska were the lowest in the nation. She urged the committee to maintain its promise of funding from the previous session.

[3:00:33 PM](#)

KELVIN LEE, PRESIDENT, NO LIMITS, INC., FAIRBANKS (via teleconference), testified in support of the Human Services Community Matching Grants at the governor's proposed funding level. He believed that it was vital component to provide services for residents returning to society after incarceration.

[3:01:44 PM](#)

JUDI MORACK, REGISTERED NURSE, NATIONAL ALLIANCE ON MENTAL ILLNESS, FAIRBANKS (via teleconference), spoke in support of funding for Medicaid expansion; a double tiered system in rural Alaska; and the Human Services Matching Grant Program. Single males in Alaska were greatly underserved in Medicaid. She stressed that mental illnesses can lead to substance abuse, medical emergencies, and homelessness.

[3:03:39 PM](#)

MIKE PRAX, SELF, NORTH POLE (via teleconference), testified in support of the budget reductions. He felt that the committee was making the essential reductions, because the oil revenue was very low. He did not believe that public broadcasting was an essential service. He felt that the funds could be found in other areas like private entities.

[3:05:49 PM](#)

JANET COBB, EXECUTIVE DIRECTOR, TECHNOLOGY DEPARTMENT, FAIRBANKS SCHOOL DISTRICT, FAIRBANKS (via teleconference), testified in support of reinstating the previous \$3 billion from the bill in a previous session. The reductions would result in limited vocational training.

[3:07:08 PM](#)

ANDY HARRINGTON, SELF, FAIRBANKS (via teleconference), spoke in support of enacting an income tax in order to maintain programs. He urged support of funding for the Human Services Community Matching Grants. He also testified in support of Alaska Legal Services Centers. He remarked that the centers provided legal aid for Alaskans who were not accused of a crime. He also testified in support of the University of Alaska.

[3:09:40 PM](#)

BRENDA STANHIL, SELF, FAIRBANKS (via teleconference), spoke in support of funding for recidivism reduction, like Parents as Teachers and the Alaska Construction Academy. She felt that the programs were aligned with the state's proposed recidivism-reduction plan. She remarked that the reductions in the programs did not match the efforts that she felt that the legislature should consider priorities.

She felt that all programs could work together to reduce recidivism in the entire state.

3:11:48 PM

ROGER BURGGRAF, SELF, FAIRBANKS (via teleconference), spoke in support of funding for positions in the Department of Natural Resources Division of Geological and Geophysical Survey: the Divisions Operations Manager and the Publications Specialist. He explained that the division's responsibility was to identify the areas of high mineral and oil potential; and to conduct geological and geophysical studies in hazardous areas that pose a threat to Alaskans from earthquakes and volcanic activities. The employees were highly skilled people in their respective fields, and have assisted the state in final land selections under the Statehood Act.

3:14:36 PM

JAZZANNE GORDON-FRETWELL, NORTH STAR YOUTH COURT, FAIRBANKS (via teleconference), testified in support of youth courts. She shared that the program had a positive impact on the state. The program resulted in lower recidivism rates, therefore saving money that would be spent on incarceration and corrections. She offered that every one of the cases saved money for the state in a number of ways. Youth court has impacted recidivism rates and saved thousands of future dollars otherwise spent on the traditional criminal justice system. She asked the committee to fully restore the youth court funding that was cut in the budget.

3:16:29 PM

AFUAT DEMOLA, ALASKA LEGAL SERVICES, FAIRBANKS (via teleconference), testified in support of funding Alaska Legal Services Center. She explained that she had used the Alaska Legal Services Center, and felt that they provided a great service.

3:17:30 PM

CHERYL KILGORE, EXECUTIVE DIRECTOR, INTERIOR COMMUNITY HEALTH CENTERS, FAIRBANKS (via teleconference), testified in support of funding for the Human Services Community Matching Grants. She explained that the community centers often served as safety net providers for primary care

services in communities. The centers provided medical, preventive, integrated behavioral health, and dental services to Alaska's most vulnerable residents. She stated that, in 2014, her health center saw 6,205 people, and 4,356 had incomes at or below 200 percent of the federal poverty level. She shared that some individuals had insurance, but stressed that they even needed help using the sliding fee with deductibles, copays, and other uncovered services.

[3:19:33 PM](#)

WILL PUTMAN, FORESTRY DIRECTOR, TANANA CHIEFS CONFERENCE, FAIRBANKS (via teleconference), testified in support of funding for Department of Natural Resources Division of Forestry Firefighting Training Academy. He stated that the program provided a very productive opportunity to elevate firefighters to a career wild land fire. He felt that the reductions impeded the Division of Forestry's ability to provide adequate fire protection. He felt that the reductions to the resource management staff throughout the division would have significant negative impacts to the local economies and private sector jobs, through the reduced ability to provide raw materials for forest products from state lands.

[3:21:52 PM](#)

CHARLES MASON, TEACHER, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of funding for youth courts. He stated that the youth courts saved the state \$1.312 million per year, if those cases were conducted in the regular state juvenile justice system. The savings was due to the youth court's mostly volunteer staff. The proposed budget elimination of \$530,900, which paid for 409 cases in the year prior at an average cost of \$1300 per case. The youth court elimination would result in an additional cost to the state of \$771,000.

[3:23:35 PM](#)

GAIL GALLOU, SELF, FAIRBANKS (via teleconference), spoke in support of funding for Alaska Legal Services Corporation. She shared that the reductions would reduce the Alaska Pro Bono program, which cut the ability for low income people

to get the legal services. She felt that there was no convenient way to provide necessary services.

[3:25:25 PM](#)

STEVE MASTERMAN, SELF, FAIRBANKS (via teleconference), testified in support of funding for necessary services. He urged the members to consider the budget in terms of the ability to affect the state's future revenue. He remarked that there should be a greater focus on diversifying the economy and revenue stream to state government.

[3:27:41 PM](#)

DARLENE SUPPLEE, EXECUTIVE DIRECTOR, FAIRBANKS SENIOR CENTER, FAIRBANKS (via teleconference), testified in support of funding for senior programs and the Human Services Community Matching grant. She felt that the proposed cuts would create a negative effect on other public programs. She shared that the Fairbanks community continued to struggle with aging issues. The Fairbanks Senior Center was targeted to provide 48,000 meals through the Meals-on-Wheels program to homebound seniors in FY 15, and was projected to deliver over 50,000 meals in FY 16.

[3:30:08 PM](#)

BARRY DONNELLAN, SELF, FAIRBANKS (via teleconference), testified in support of the funding for the Fairbanks Office of the Bureau of Vital Statistics. He shared that many people that attended the office were military personnel. The office was necessary for many people who did not have proper, essential paperwork for various requirements.

[3:32:08 PM](#)

JOHN O'BRIEN, SELF, FAIRBANKS (via teleconference), testified against the budget reductions for the Department of Natural Resources Division of Geological and Geophysical Survey; and the Division of Forestry. He stated that he and his associates were biologists and foresters that worked in the industry and state agencies that regulate those industries. He shared that there were eight positions that had been eliminated, and had adverse effect on the timber industry.

[3:34:57 PM](#)

AT EASE

[4:01:43 PM](#)

RECONVENED

^PUBLIC TESTIMONY: BETHEL, CORDOVA, KOTZEBUE, NOME, VALDEZ, WRANGELL and "OFFNET" SITES

Co-Chair Thompson invited the one person from the audience to come forward to testify.

[4:02:01 PM](#)

DOREEN SCHENKENBERGER, EXECUTIVE DIRECTOR, PARTNERS FOR PROGRESS, ANCHORAGE (via teleconference), testified in favor of funding for therapeutic courts. She discussed the benefits of the program. She named the locations of the courts and explained that the Partners Reentry Center was opened in FY 14 with a legislative grant of \$600 thousand, the first of three years of funding. The second year's funding went to the Department of Health and Social Services. She reported increased attendance. She indicated that to keep the doors open an additional \$600 was necessary. She summarized that investing in cost saving recidivism programs was what she emphasized. She reiterated her request for support of the program.

[4:05:05 PM](#)

DOUG WALRATH, DIRECTOR, NORTHWESTERN ALASKA CAREER AND TECHNICAL CENTER (NACTEC), NOME (via teleconference), spoke in favor of funding for the training center. He provided information about the regional training center. He relayed that at the core of NACTEC training was the mission of workforce development. He included statistics marking the training center's ongoing growth and success. The center had support from industry, school districts, and state support. The center had two primary funding sources; general funds and TVEP funding. He requested gradual funding reductions over multiple years in order to secure replacement funds and to be able to continue operating.

[4:07:21 PM](#)

MARGUERITE LARIVIERE, LIBRARY DIRECTOR, KEOGOYAH KOGZA LIBRARY, NOME (via teleconference), testified in favor of

the Online with Libraries program. She explained the benefits of the program to the community. She also noted the role that the program played in video conferencing. She asked that funding for the OWL program be restored.

[4:09:03 PM](#)

ALANA TOUSIGNANT, CHINIAK PUBLIC LIBRARY, CHINIAK (via teleconference), testified in favor of the Online with Libraries program. She relayed the benefits the OWL project in her community. Since high speed internet service was put in place the library has seen a 600 percent increase in patron usage. She also used the program to catalog books. She urged the committee to restore funding for the project.

[4:11:15 PM](#)

SUE BAKER, CHINIAK PUBLIC LIBRARY, CHINIAK (via teleconference), testified in favor of the Online with Libraries program and broadband in schools. She elaborated that the services are used widely by the community. She used the program for cataloging purposes. She urged continued funding of the OWL program.

Co-Chair Thompson reminded callers on the off-net lines to make sure to hang-up after giving testimony to allow for lines to be available for other callers.

[4:13:03 PM](#)

GEORGE PIERCE, SELF, KASILOF (via teleconference), testified in favor of reduced spending and opposed funding non-profit organizations and special interest groups. He expounded on the deficit the state was facing. He expressed concerns with the possibility of the state going bankrupt. He opined that non-profits needed to be self-supporting. He mentioned other potential means of support for non-profit entities. He referenced the City of Kenai giving away monies to a non-profit. He reiterated his opposition to funding non-profits.

[4:14:20 PM](#)

KATHY HANSON, KYUK, BETHEL (via teleconference), spoke in support of funding public broadcasting and KYUK, the public radio station for the Y-K Delta. She discussed the role KYUK played in spreading safety information and warning

notifications to the region. She also offered that KYUK listeners informed. She stated that a 59 percent budget cut would be devastating to KYUK. She emphasized that KYUK was a critical part of infrastructure in the region.

[4:16:21 PM](#)

RICK ROBB, MAYOR, BETHEL (via teleconference), testified in support of funding for Medicaid expansion. He understood that budget cuts were necessary. He opined that the expansion would save Alaskans money, bring in federal revenue, create job, and reduce the dependence on state grants. He provided some statistics about Medicaid expansion. He felt that the program was a good deal for Alaska. He referenced Obamacare and stated that it was unpopular in many circles. He encouraged the legislature to do what was best for Alaskans and to support Medicaid expansion.

[4:18:30 PM](#)

MICHELLE DEWITT, KYUK, BETHEL (via teleconference), urged the committee to restore funding for public broadcasting. She outlined KYUK's role in providing news and information as well as emergency alerts. She indicated that and stressed that the radio station in Bethel operated on a shoestring budget. She encouraged the committee to identify a way to mitigate the proposed cuts to public broadcasting.

[4:19:33 PM](#)

NICHOLAS HOOVER, SOCIAL SERVICES DIRECTOR FOR ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS (AVCP), BETHEL (via teleconference), spoke in support of the Alaska Affordable Heating Program which supplemented the Low Income Home Energy Assistance Program. He explained that the association administered the energy assistance program for 37 villages. He continued to provide information about AVCP's role and discussed the high cost of living in rural Alaska. He relayed some examples of prices for items in the villages. He stated the importance of assisting low income families and objected to budget cuts to the Alaska Affordable Heating Program.

[4:21:31 PM](#)

JOHN MCINTYRE, TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) DIRECTOR, AVCP, BETHEL (via teleconference), spoke in opposition of any budget cuts related to TANF. He provided information on the program and reported the expansive service area it served. He explained that some TANF recipients have no other income available to them. Each year AVCP has received state funding to operate the TANF program. He mentioned the buying power of the dollar in the region versus in higher populated areas on the road system. He asserted that AVCP TANF did not have room to decrease its services as it was gearing up to serve more clients in FY 15.

[4:23:53 PM](#)

SUSAN MURPHY, KYUK, BETHEL (via teleconference), urged the committee to restore funding for public broadcasting. She discussed the importance of KYUK radio station and how it served the region by disseminating information including information on domestic violence and suicide prevention. She stressed that the radio station provided a link between villages and Bethel. She appreciated having time to testify.

[4:26:17 PM](#)

AMY MARSHALL, DIRECTOR CRAIG PUBLIC LIBRARY, CRAIG (via teleconference), spoke in favor of the OWL program. She outlined the advantages of the program. She relayed that OWL was the sole source of broadband internet to the community of Craig. She conveyed all of the activities that came from having access to OWL. She continued to read a list of the programs accessed due to the Owl program. She relayed the library's moto, "You can see the world from here." The owl connection made it possible.

[4:28:27 PM](#)

JOHN HOLST, SUPERINTENDENT, DENALI SCHOOL DISTRICT, HEALY (via teleconference), spoke in favor of full funding for Pre-K programs including Best Beginnings, Parents As Teachers, and Pre-K grants. The three programs made up 25 percent of the total cuts to education. He recommended limiting the cuts to areas of the state where other programs were available such as Anchorage, Mat-Su, and Juneau. He also spoke in favor of protecting the AKLN program and the Teacher Mentoring program. He also wanted

the one-time funding restored for school districts. He thanked the committee for hearing his testimony.

[4:30:44 PM](#)

ROB GOLDBERG, CHAIR, HAINES BOROUGH PLANNING COMMISSION, HAINES (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He discussed the impact on the small communities in Southeast Alaska would be tremendous. He equated it to closing the Glenn Highway between Palmer and Anchorage three days a week. He provided a number of negative effects of the proposed budget reduction that were possible. He thanked the committee for taking his testimony.

[4:32:01 PM](#)

JENNIFER GIBBINS, CORDOVA CHAMBER OF COMMERCE, CORDOVA (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. She acknowledged that budget reductions were a reality. However she was concerned about the implications of funding decreases to the AMHS. On behalf of the Chamber of Commerce, she urged committee members to avoid or minimize making cuts in areas that generate income and jobs. She listed a number of businesses dependent on the ferry system. She asked the committee to consider the effects of the cuts to the AMHS.

[4:33:56 PM](#)

STEVE GRAVES, NICHOLAS BACKDOOR COMPANY, CORDOVA (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He explained the nature of his business and how the AMHS was essential to his business. He stated that his business used the ferry at least two times per week year-round buying from Alaskan farmers and the box stores in Anchorage. He suggested with the ferry cuts he would likely have to do business with vendors outside of the state and would potentially have to raise prices. He urged the committee to consider restoring the AMHS funding.

[4:35:36 PM](#)

KENDRA APODACA, CORDOVA IMAGINATION LIBRARY, CORDOVA (via teleconference), spoke in favor of full funding for Pre-K programs especially Best Beginnings. She discussed the

benefits of the program and informed members that there were over 100 children enrolled in Cordova. She pointed out that Best Beginnings as made early learning possible. She shared some of her personal experience teaching music and the contribution of the Best Beginnings program to her class. She urged the support for the program and early education.

[4:37:31 PM](#)

DAVID GLASEN, COACH, CORDOVA ICEWORM SWIM TEAM, CORDOVA (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He shared that the ferry was the only method of travel for Cordova's swim team. He shared that the team raised all of its own money for travel. He opined that if teams had to depend only on the airlines, the swim team's travel would be drastically reduced. He reiterated that the AMHS was crucial to the community.

[4:38:45 PM](#)

CURT HERSCHLEB, SELF, CORDOVA (via teleconference), spoke in general about appropriate cuts to the budget and proper investments to return to sustainability. He encouraged members to trim fairly and across the board without slashing to the point of crippling rural economies. He also mentioned the importance of the legislative information offices and expressed his appreciation for Cordova's branch.

[4:40:50 PM](#)

BARCLAY KOPCHAK, SELF, CORDOVA (via teleconference), spoke in favor of restoring funding Best Beginnings and the AMHS. She encouraged maintaining programs that fuel Alaska's economy. She expressed her concern with limiting the ferry system schedule. She urged the legislature to restore funding for the AMHS, a lifeline for Cordova.

[4:42:49 PM](#)

DAVID OTNESS, SELF, CORDOVA (via teleconference), conveyed his appreciation for the legislative information office in Cordova. He complimented its staff. He thanked the committee for its time.

[4:44:18 PM](#)

RANDY ROBERTSON, CITY MANAGER, CITY OF CORDOVA, CORDOVA (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He told a story about a visit with Representative Austerman in which he asked his department heads to pull their Costco cards out of their wallets. There were 13 people with cards. He relayed the narrative to emphasize that the economies of Anchorage and the Mat-Su Valley were supported by constituents of Cordova. He requested that lawmakers keep his story in mind when considering budget cuts.

[4:46:52 PM](#)

DEBORAH ECKLEY, SELF, CORDOVA (via teleconference), spoke in favor of the AMHS. She believed that the ferry system was a lifeline to Cordova. She shared some her personal experience in using the ferry system. She thanked the committee for listening to her testimony.

[4:48:24 PM](#)

STEVEN ANGASAN, EXECUTIVE DIRECTOR OF SOUTHWEST ALASKA VOCATIONAL EDUCATION CENTER (SAVEC), KING SALMON (via teleconference), spoke in favor of restoring its Technical and Vocational Education Program (TVEP) funding. He explained the value of the vocational training center in the region and detailed some of the programs the center offered. He emphasized training for fishermen and that in Bristol Bay fishing was the region's economic engine. He reported that SAVEC worked in partnership with the University of Alaska and with Bristol Bay Native Association and other regional corporations. He continued to provide additional information about classes offered. He thanked the committee for hearing his testimony.

[4:50:46 PM](#)

ANNETTE SKARHUS, TECHNICAL DIRECTOR OF THE BERING STRAIT SCHOOL DISTRICT, UNALAKLEET (via teleconference), spoke in favor of full funding for broadband in schools. She talked about education's reliance on the internet. She stressed the difficulty for a small school district to keep pace with expensive technology. Her school district turn to vendors to post items on the internet which saved on IT costs. She provided other services her school district uses

to save on technology costs. She expressed her appreciation for the broadband assistance grant reporting increased student engagement. She emphasized that the impact on the classrooms has been significant. She thanked the committee members for their time and consideration.

[4:52:41 PM](#)

PHYLLIS SWETZOF, ACTING CITY MANAGER, ST. PAUL ISLAND (via teleconference), urged the committee to restore funding for public broadcasting and the ARCS program. She reported that the radio was one of the most reliable source of communication. She relayed the types of communications transmitted. She urged the legislature to keep rural radio broadcasting in place and to avoid the substantial proposed cuts. She also spoke on behalf of funding for the Alaska Rural Communications System (ARCS). She asked that the legislature please reconsider the proposed cuts affecting Rural Alaska.

[4:55:57 PM](#)

JOHN STRASENBURGH, SELF, TALKEETNA (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project. He did not any addition money wasted on the project. He suggested that the remaining funds in the amount of \$33 million should be used elsewhere. He also spoke in favor of public broadcasting. He felt that a cut of 59 percent would be devastating to his local radio station, KTNA. He reviewed the value of public radio and urged proper funding.

[4:58:03 PM](#)

RUTH WOOD, SELF, TALKEETNA (via teleconference), testified in support of funding for Medicaid expansion and public broadcasting. She also mentioned the funds that AEA had for the Susitna-Wantana Hydroelectric Project and how they could be better spent in the current fiscal crisis.

[4:59:53 PM](#)

PEARL BROWER, PRESIDENT, ILLISAGVIK COLLEGE, BARROW (via teleconference), spoke in favor of its TVEP funding. She cited some of the success statistics related to the college. She indicated the college had been receiving more and more request for courses supporting workforce

development. She urged the committee to restore the proposed budget cut for its funding.

[5:01:38 PM](#)

KATHY LEARY, WORKFORCE DEVELOPMENT TRAINING MANAGER, ILLISAGVIK COLLEGE, BARROW (via teleconference), spoke in opposition to the TVEP funding budget cut. She shared that the TVEP allocation of \$300 thousand for workforce development training was only a part of the college's needed funding. She informed the committee about the workforce trainings. She asserted that the college's request was less than 2 percent of the college's overall budget. She asked the legislature to restore its funding.

[5:04:17 PM](#)

BEN GLOVER, DEAN OF COMMUNITY AND WORKFORCE DEVELOPMENT, ILLISAGVIK COLLEGE, BARROW (via teleconference), spoke in support of reinstating the \$300 thousand TVEP funding that was removed from the budget. He talked about the importance of building local talent in vocational and technical careers. He reported some statistics on the classes offered at the college. He believed that the TVEP funds had been used wisely in the past. He asked that the state funding be restored. He thanked members for their time.

[5:06:53 PM](#)

SALLY DYBDAHL, SCHOOL BOARD MEMBER, HOONAH CITY SCHOOL DISTRICT, HOONAH (via teleconference), spoke in favor of supporting the AKLN program. She appreciated the wide range of courses available to students through AKLN. She also voiced opposition to funding cuts to the Alaska Marine Highway System. She encouraged lawmakers to "think rural." She thanked the committee for listening to her testimony.

[5:07:44 PM](#)

BILL HILL, SUPERINTENDENT, BRISTOL BAY BOROUGH SCHOOL DISTRICT (via teleconference), spoke in favor of education funding. He outlined the changes to the district's education program in order to maintain a balanced budget. He mentioned doing cutting as well as implementing creative programming. He mentioned the district's strong partnership with Lake and Peninsula School District which resulted in the development of a career and technical education program

and joint staff training. He relayed that in the school district's approach it has managed to leverage bandwidth and technology and he cited some specific examples. He appreciated the forward funding approach implemented in the previous year. He appreciated every effort made by the legislature to maintain what was included in HB 278, the omnibus education bill passed in 2014.

[5:10:09 PM](#)

JAMES SQUYERS, SELF, DELTA JUNCTION (via teleconference), supported the proposed cuts and encouraged additional cuts. He encouraged the use of the Institute of Social and Economic Research (ISER) model. He criticized the legislature for leverage spending and claimed that it had raised the baseline dependency of Alaskans. He discouraged betting on future oil pricing, as it was extremely risky and not conservative. He advised members to embrace the ISER model. He stated that the legislature was still \$1 billion short without a plan.

[5:12:39 PM](#)

PAMELA GOODE, SELF, DELTA JUNCTION (via teleconference), recommended additional cuts to the budget. She opined that the fiscal crisis had been avoidable. She encouraged leaders to make additional cuts and to make a strong stand. She mentioned a target level of \$4.5 billion and to make the cuts now rather than later. She expounded that deficit spending was wrong as was Medicaid expansion. She advised members to let the tough leaders lead and to make appropriate cuts.

[5:15:00 PM](#)

MISTY FITZPATRICK, CITY ADMINISTRATOR, COFFMAN COVE (via teleconference), testified in favor of the Online with Libraries program. She conveyed that the community did not otherwise have internet service or cellular service. She relayed the services offered by the library and described it as the hub of the community. She added that the library was operated by volunteers. She urged continued support of the OWL program and broadband support. She relayed her own experience using the public library and made it clear the importance of restoring funding to the OWL program.

[5:19:16 PM](#)

BRIAN OKONEK, SELF, TALKEETNA (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project. He encouraged the use of the \$33 million to be used for other funding items. He did not support the project or the effects it would potentially have on the environment. He also was concerned with the real cost of the project. He felt that there were less invasive energy alternatives. He wanted the legislature to put money towards projects that were sure to be a benefit to the economy of Alaska and environmentally sound. He thanked the committee for its hard work.

[5:21:15 PM](#)

ROBIN GRAY, SUPERINTENDENT, YAKUTAT SCHOOL DISTRICT (via teleconference), spoke in favor of restoring the one-time broadband funding and the funding for AKLN. She detailed some of the effects of recent funding reductions for the school district. She asked that the one-time funding for broadband assistance and for AKLN be restored. She continued to outline recent program losses and spoke about the district's technology needs and challenges. She talked about the requirements for the new state assessments were an issue because of the quality of the district's equipment. She appreciated being able to testify.

[5:23:54 PM](#)

SCOTT HAHN, CITY MANAGER, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He referenced the benefits that the ferry system provided. He talked about the potential consequences of the proposed reductions to the ferry system. He felt that it did not show good ethics to dishonor already-made reservations. He asked about the cost to health and social services for Alaskans. He mentioned many other repercussions from the planned reductions. He advocated good investments that create capital. He urged the committee to save the remaining economy.

[5:26:02 PM](#)

JOHN TRONRUD, OWNER, WHITEHOUSE BED AND BREAKFAST, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He detailed the value of the ferry system and conveyed his experience as a lodging

owner. He opined that the ferry system was a vital link to the entire state. He anticipated that the reduced capacity would create a bottleneck. He discussed his bookings for the following summer season and maintained that the state should consider at least maintaining funding through the upcoming Labor Day to honor the commitments the state has made. He also brought up a concern about the priority of freight shipments in the winter time.

[5:28:56 PM](#)

TYLER ROSE, EXECUTIVE DIRECTIVE, WHITE PASS AND YUKON ROUTE RAILROAD, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He outlined the potential catastrophic results of the proposed cuts to the budget. The railroad system would be impacted due to the transportation of railroad patrons traveling on the ferry system. Many of the railroad's tour partners and suppliers utilized the services of the AMHS. Interruptions to the movement of people and goods could have a detrimental effect to businesses and families. He asked for a reconsideration on the funding for Alaska's ferry system.

[5:30:17 PM](#)

WENDY ANDERSON, SKAGWAY CONVENTION AND VISITOR'S BUREAU (via teleconference), spoke in favor of restored funding for AMHS. She discussed the significance of the cuts to the system and the economic impacts to the community of Skagway. She talked about the current schedule being honored through restored finding. She cited some of the significant impacts of the decreases. She opined that the cuts to the budget needed to be applied to a different program. She asked again that the appropriation for the AMHS be restored.

[5:31:49 PM](#)

JACQUI TAYLOR, PRESIDENT, GOLDEN CIRCLE CHAPTER, AK TOURISM INDUSTRY ASSOCIATION, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. She discussed the economic impact of the proposed cuts to Skagway and other communities. She also described the uniqueness of traveling via Alaska's ferry system. She expressed concerns on behalf of the chapter and urged members to restore funding for the published schedule. She

also asked that the extreme cuts that were proposed would be reconsidered.

[5:33:44 PM](#)

CHRIS VALENTINE, OWNER, SERGEANT PRESTON'S LODGE, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. As a lodge owner he reported that he had already taken hundreds of reservations for the current year and continued to do so. He spoke about the difficulties imposed on small business due to the budget cut. He thanked the committee members for their time.

[5:34:25 PM](#)

PAUL REICHERT, TEMPSCO HELICOPTER, INC., SKAGWAY (via teleconference), requested restored funding to the AMHS for this year. He explained the benefit of the ferry system to many places in Alaska. He believed there would be a reverberating effect and anticipated severe damage to commerce in Alaska. He referred to Skagway and Haines as corridors into and out of the state. He was concerned with previous bookings not being honored. He urged continued funding for at least through the next fiscal cycle.

[5:36:47 PM](#)

MARK SCHAFFER, MAYOR, SKAGWAY (via teleconference), voiced opposition to funding cuts to the Alaska Marine Highway System. He referred to the ferry system as an economic engine to the region. He feared that the proposed cuts had the potential to devastate economies and small businesses throughout the state and the Yukon. He urged the legislature to avoid dismantling the infrastructure already in place. He also read a letter from Dan Curtis, the mayor of White Horse. The letter outline the city's concerns regarding the proposed budget cuts to the AMHS. Tourism made up much of the economy of the city. The letter furthered that White Horse and Skagway shared a very economic link. It cited statistics from 2014. The letter also urged the House Finance Committee to carefully consider all of the effects, intended or unintended, of the proposed budget reductions.

[5:38:39 PM](#)

KATIE FRY, SELF, ANAKTUVUK PASS (via teleconference), spoke in support of the Healthy Futures Program, part of the Obesity Prevention and Wellness grant. She reviewed the value of the program and its function. It was a successful program in the village that encouraged school-aged kids to look for healthy activities to participate in. It also helped to support physical activity after school. The Obesity Prevention and Wellness grant helped in purchasing various equipment that promoted a healthier community. She reiterated her support for the Healthy Futures program.

[5:41:53 PM](#)

PJ FORD SLACK, INTERIM SUPERINTENDENT, HOONAH SCHOOL DISTRICT, HOONAH (via teleconference), spoke in favor of early childhood education and in particular the Parents as Teachers program. She opined that any cuts to early childhood programs was a step backwards. She asked that committee members support broadband services as well as the OWL program. She emphasized prioritizing early childhood education.

[5:44:52 PM](#)

Co-Chair Neuman recognized Representative Sam Kito III and Representative Dan Ortiz in the audience.

[5:45:13 PM](#)

JOE PLESHA, TRIDENT SEAFOODS, SEATTLE (via teleconference), testified in support of the Alaska Seafood Marketing Institute (ASMI). He explained that Trident Seafoods had processing facilities throughout the State of Alaska. He reported the seafood industry currently suffered from very bad exchange rates and difficult markets. He commended ASMI for the job it has done in promoting Alaska seafood, helping to increase the value of the harvest, and helping to raise the raw fish tax revenues that coastal communities receive. He asked that ASMI's cuts were more in line with the general cuts to the general fund.

[5:46:17 PM](#)

CAROLYN SAYER, SELF, TALKEETNA (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project. She did not want any additional funds spent on the project and wanted the monies that were held by Alaska

Energy Authority to be used for other pressing needs. She expressed her support of education and health care. She also spoke in favor of supporting public broadcasting. She reiterated her wish for the legislature to stop funding the Susitna-Wantana Hydroelectric Project. She appreciated the committee's time.

[5:48:07 PM](#)

ELLEN WOOLF, SELF, TALKEETNA (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project. She suggested using the \$33 million the Alaska Energy Authority was holding to help fund school, public radio, home weatherization and other deserving programs and projects. She urged the legislature to stop the dam project and to use its funds for other projects.

[5:49:43 PM](#)

MOLLY WOOD, SELF, CHASE (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project. She urged halting the Susitna Dam project and using the monies for other programs and to help resolve the state's fiscal crisis. She also spoke in favor of continued funding for public broadcasting and the AMHS. She thanked the committee for considering her testimony.

[5:51:39 PM](#)

SARAH HANUSKE-HAMILTON, INTERIM SUPERINTENDENT, IDITAROD SCHOOL DISTRICT, GRAYLING (via teleconference), spoke in favor of full funding for broadband in schools. She indicated that the district had purchased an online curriculum covering four subject areas for grades K-12. A six-year lease was signed by the school district because of increased bandwidth for its schools. She continued to outline the importance of broadband support. She cited the significance of leveraging the eRate from the federal government increasing the state grant from \$209 thousand to almost \$1 million. She thanked the committee for listening to her testimony.

[5:53:55 PM](#)

DOUG SMITH, SELF, TALKEETNA (via teleconference), spoke in opposition to funding the Susitna-Wantana Hydroelectric Project and in favor of cutting unessential items from the

state budget. He supported funding education, public radio, and the ferry system. He stated financial statistics concerning the spending of the Susitna Dam project. He expressed concern with interfering with the salmon resource. He opined that the project was no longer needed and urged that the project be shut down.

[5:56:16 PM](#)

MARK VINK, BUSINESS MANAGER, BERING STRAIT SCHOOL DISTRICT, UNALAKLEET (via teleconference), spoke in support of the broadband assistance grant. He expressed that the program has been of great help to the school district. He mentioned being able to leverage state dollars to gain additional federal dollars. Many of the required testing were accessible online. He reported that his school district needed the extra bandwidth to carry out the assessments. Her thanked committee members for their time.

[5:57:24 PM](#)

STEVE ATWATER, VICE PRESIDENT, K-12 OUTREACH, UNIVERSITY OF ALASKA, FAIRBANKS (via teleconference), spoke in favor of the restoration of \$750 thousand of general funds that were reduced for the statewide mentoring program. He expressed his concern about recruitment challenges. He provided statistics concerning the supply of teachers in the United States. The Alaska Statewide Mentoring Program was essential in retaining teachers. He understood the need for the state to reduce expenditures but the reduction to the particular program would have long-term implications that would lead to increased expenses by school districts. He prompted the legislature to reinstate the \$750 thousand for the statewide mentoring program. He thanked members for their consideration of his testimony and for their work for the citizens of Alaska.

[5:59:16 PM](#)

NORMA HOLMGAARD, SUPERINTENDENT, YUPIIT SCHOOL DISTRICT, AKIACHAK (via teleconference), spoke in favor of restoring funding for the broadband assistance program and the \$32 million in one-time funding for education. The one-time funding would allow the school district to expand and upgrade the career and technical education program as well as to make needed to improvements to teacher housing. She referred to the issues in Tuluksak which cost the school

district tens of thousands of dollars in repairs of frozen pipes and outdated infrastructure. She asked that the committee reconsider funding for the programs she mentioned.

6:00:33 PM

MATHEW ALLEN, SELF, MCGRATH (via teleconference), voiced his concerns with the cuts to the McGrath Department of Natural Resources fire camp. He told the committee about his twenty five years of experience in fire-fighting. He stated that the plan called for smoke jumper use to suppress fires in the area. He was concerned with getting smoke jumper response to the Southwest area and provided some examples of the challenges faced with the proposed cut. He thanked the committee members for their time.

6:02:58 PM

ANTHONY CRAVALHO, MANIILAQ GOVERNMENT COUNCIL, KOTZEBUE (via teleconference), relayed that Mayor Maija Lukin had to leave but supported fully funding the jail in Kotzebue. He spoke in support of behavioral health funding and complex behavior funding. He asserted that cutting these programs and services would not save the state money in the long term, surmising that a lack of these services would cause an influx of consumers of emergency services and jail. He spoke to a high rate of suicide. He added that the highest demand on the services was from young Alaska Native men who are not eligible for Medicaid, and make up a disproportionately high percentage of those incarcerated. He urged the committee to not make it more difficult for rural communities to access behavioral health services.

6:05:32 PM

CLARA HENRY, KOTZEBUE PUBLIC RADIO, KOTZEBUE (via teleconference), spoke in support of public broadcasting. She relayed that KPR provided important search and rescue information; as well as news, weather, and important information for 11 villages. She asked for continued funding.

6:06:36 PM

WILLI PRITTIE, SELF, SUNSHINE (via teleconference), spoke in support of funding for public broadcasting. He urged the

committee to go about making cuts in a careful and thoughtful way. He spoke against a proposed 59 percent cut to public broadcasting. He did not want rural Alaska to go by the wayside. He suggested taking money from the Alaska Energy Authority (AEA); and specifically referred to a \$33.5 million increment for a mega-dam on the Susitna River. He opined that this proposal was unwanted, ill-advised, economically unfeasible, and was dangerous to salmon habitat.

ELENOR HENKE, SELF, SUNSHINE (via teleconference), supported funding for public broadcasting. She echoed comments about funding for public radio. She stressed that the 59 percent cut could be fatal for the local radio station. She spoke to the community's reliance on radio for emergency announcements, news, and other. She stated that AEA was sitting on \$33 million to pursue a license for the ill-advised Susitna Dam, and suggested it be redirected to more important programs.

[6:10:29 PM](#)

DIANE BROWN, SELF, DENALI NATIONAL PARK (via teleconference), testified in support of ANSWER 2.0, a STEM education program. She provided information about the program, which focused on middle school students in rural areas across Alaska. She urged the committee to invest in the program and students who were Alaska's future.

[6:11:33 PM](#)

BENJAMIN BROWN, SELF, DENALI NATIONAL PARK (via teleconference), spoke in support of a STEM education program. He related that he had been looking forward to participating in the program for quite some time. He highlighted the importance of investing in future generations.

[6:12:02 PM](#)

BILL THOMAS, SELF, HAINES (via teleconference), was concerned about cuts to the Alaska Seafood Marketing Institute (ASMI), Tourism and Marketing, and the Department of Natural Resources Division of Forestry. He expressed concern about the lack in timber sales. He stated that without a forester there would be cutting without permits and a subsequent increase in violations. He spoke about

past legislative bodies working to improve the salmon industry through supporting agency budgets, including ASMI. He was concerned that the impacts would hurt Southeast Alaska, as well as impact other agency budgets with an increase in drug and alcohol abuse. He spoke to the Department of Fish and Game and a recent king salmon release in Haines, which he considered to be unsuccessful. He supported intent language in the DFG that would stop the department from cutting the budgets for state-owned fish streams on state land. He stressed the Constitution's protection of state fisheries. He noted that the Chilkat and Chilkoot systems were the only river systems in Alaska that are not under the purview of Canada or the federal government.

[6:15:58 PM](#)

NAOMI NORVACK, SELF, MCGRATH (via teleconference), testified against the cut to the Division of Forestry. She elaborated that the southwest are covered millions of acres with villages and remote cabins scattered throughout. She noted that smoke jumpers get deployed to area fires, and without a base in McGrath support could be greatly delayed. She elaborated that the McGrath Bell 212 helicopter is a shared resource and cannot cuts would diminish the use of the helicopter due to acceptable flight time and distance. She mentioned annual training of emergency personnel. She discussed that eliminating six positions from McGrath was not the only option. She noted that the absence of personnel in the area would mean other people would have to cover the service. She discussed her job duties. She specified that most fires were near villages and response time was critical. She hoped there would not be increased disasters due to a slow response time.

[6:18:23 PM](#)

NORM CARSON, PELICAN CHAMBER OF COMMERCE, PELICAN (via teleconference), requested full funding of the Alaska Marine Highway System (AMHS). He declared that the AMHS was a necessity for Pelican rather than a convenience. He asked the committee to give AMHS a chance to provide service. He shared that the community was not on the road system. He stated that tourism, fisheries, and other business were all dependent on the marine highway schedule. He proposed consideration of a dedicated stream of revenue for AMHS

through an additional tax on fuel, including marine fuel. He thanked the committee for its time.

[6:19:57 PM](#)

JACKIE RAY, SELF, SOLDOTNA (via teleconference), spoke in support of education funding and public broadcasting. He stated that the Alaska Highway was strategically important; money had been invested over many years and it was not okay to just drop the ball. He stated that more investment was needed. He believed there would be increased tourism in the state caused by reality television shows. He discussed that the highway could support Cordova, Whittier, Kodiak, Homer, and Dutch Harbor. He mentioned independent travelers and their use of the highways. He supported public broadcasting and education. He characterized the Susitna Dam as a tremendous waste of money, which was not good for the ecosystem.

[6:22:48 PM](#)

RANDALL JOHN ROSENCRANS, SELF, GALENA (via teleconference), spoke in strong support for public broadcasting. He emphasized that the radio provided news and information to the community, and was a critical service to the region. He understood that it was difficult to make cuts and that they had to be made, but he asked the committee to consider the impact it would have.

[6:24:23 PM](#)

ROB BROWN, SELF, RUBY (via teleconference), testified in support of public broadcasting. He spoke to the services the radio provided and described it as a lifeline. He noted that it has saved lives and it was a worthy investment.

[6:25:22 PM](#)

MARLA HOWARD, SELF, KAKE (via teleconference), testified against cuts to the Alaska Marine Highway System (AMHS). She discussed that schools used the AMHS for sports trips. She noted that there would be an increase in small plane crashes as well as smaller boat traffic if the AMHS was cut. She discussed the high costs for perishable goods in the community. She asked the committee to cut out extravagances and take care of rural Alaska.

[6:27:58 PM](#)

BARBARA MANNIX, SELF, TALKEETNA (via teleconference), asked the committee to withdraw funds for the proposed Susitna dam project, which totaled over \$30 million. She stated that the project made no fiscal sense and characterized it as an "environmental travesty." She believed the funds should be freed up for use on needed public services such as early childhood education, broadband access, AMHS, and public broadcasting.

[6:29:20 PM](#)

GRETE PERKINS, SELF, TALKEETNA (via teleconference), testified against cuts to AMHS, broadband internet, education, and public broadcasting. She stressed that public broadcasting provided a lifeline for her community; they depended on radio for information on emergencies. She asked the committee to release the funds intended for the Susitna River dam. She stressed that the dam was bad news.

[6:31:01 PM](#)

JACK WALSH, SUPERINTENDENT, CRAIG SCHOOL DISTRICT, CRAIG (via teleconference), spoke against cuts to education. He testified in support for broadband internet access and early childhood programs. He stated that he hoped the legislature would find solutions that would not devastate education and the future of the state.

[6:31:57 PM](#)

WHITNEY WOLFF, CHAIR, TALKEETNA COMMUNITY COUNCIL, TALKEETNA (via teleconference), spoke against the Susitna-Watana Hydroelectric Project. She noted that she had been a licensing participant in the process since 2011. She stated that it was troubling to hear the information on the projected licensing plans from the AEA. She stated that AEA's timeline was overoptimistic and simplistic. She did not believe \$100 million in 2008. She alluded to the escalating construction costs, and opined that the project and its associated costs were out of Alaska's financial reach during the current difficult budget climate. She discussed the importance of cleaning up the river, and suggested that the appropriated funds should be reallocated for that as well as other essential services

mentioned by previous testifiers. Additionally, she supported investment in the gas pipeline.

[6:34:39 PM](#)

HEATHER LEBA, SELF, TALKEETNA (via teleconference), spoke in opposition of any continued funding for the Susitna Dam project. She noted that she was a fisheries biologist, and urged the committee to discontinue funding any further studies on this poorly designed project. She pointed out the recreational activities that took place on the river, which was also robust salmon habitat. She opined that education, AMHS, public radio, and health care, were all better investments.

[6:36:14 PM](#)

JANET BALICE, NOME PUBLIC SCHOOLS, NOME (via teleconference), spoke in favor of funding Pre-K programs. She relayed the successes of students in her school district due to Head Start and other Pre-K programs. She talked about the cost per student in Pre-K versus elementary school and the money saved by combining Pre-K and K-12. She pointed out that there was less money spent on remedial education and other services when Pre-K is utilized. She mentioned that the state had not applied for federal grants for Pre-K in the amount of \$10 million, and mentioned the program Race to the Top as an example. She encouraged looking into the future and to support funding.

[6:38:55 PM](#)

LUISA MACHUCA, NORTHWESTERN ALASKA CAREER AND TECHNICAL CENTER (NACTEC), NOME (via teleconference), spoke in favor of funding for vocational education. She spoke of the opportunities that NACTEC has offered for youth in the region, and referred to a correlation with increased high school graduation rates. She expressed concern regarding increased drug and alcohol use, dropouts, increased at-risk behaviors, and suicide without important vocational programs for youth. She thanked the committee for its time.

[6:41:04 PM](#)

ANGIE GORN, PRESIDENT AND CEO, NORTON SOUND HEALTH CORPORATION (NSHC), NOME (via teleconference), spoke in support of NACTEC and funding for vocational education. She

related that NSHC is the largest employer in the Bering Strait region, and has a partnership with NACTEC through which high school students received training for healthcare careers. She relayed the training center provided training for over 90 certified nursing assistants in the past 12 years, which are the backbone of the tribal nursing home in the region. She pointed out that the nursing home is among the top 40 best nursing homes in the nation, which would not have been possible without locally trained staff produced by the NACTEC program. She mentioned that the partnership had developed a local nursing program and had celebrated 5 graduates from the program, which is affiliated with the University of Alaska Anchorage and the University of Alaska Fairbanks.

[6:43:42 PM](#)

MATHEW MICHELS, NOME ESKIMO COMMUNITY, NOME (via teleconference), spoke in favor of education and youth services. He stated he was a new tribal council member. He related that education is a fundamental right and should be the last thing that is ever cut. He noted youth services programs such as Lego Robotics, Guys Read, and afterschool programs for students. He emphasized the importance of Pre-K funding as well. He felt that Pre-K provided a fundamental foundation for education. He stressed the importance of fully funding education to invest in future generations of productive citizens that can earn a living wage and were not dependent upon social programs.

[6:45:39 PM](#)

DEBI BALDWIN, CHILD DEVELOPMENT DIRECTOR, RURAL CAP, NOME (via teleconference), spoke against cuts to Pre-K funding, Parents as Teachers, and Best Beginnings. She opined that it was short-sighted to defund needed early childhood programs in rural areas, and would not result in short or long term savings to the state. She spoke of anticipated higher short-term costs in remedial education, and higher long-term costs in health care and adult supportive services.

[6:46:42 PM](#)

BRIAN MERRITT, WRANGELL FISH AND GAME ADVISORY COMMITTEE, WRANGELL (via teleconference), spoke in favor of funding the Alaska State Trooper position. He noted that he is a

current elementary teacher with 25 years of experience, and spoke in favor of restoring funding for the OWL program (Online with Libraries). He added that the program helps with the summer reading program and greatly enhances his student's ability to retain what they learned during the school year. He proposed that the committee imagine the state closed down the Alaska-Canada for four days a week each summer, as analogy to cuts to AMHS. He supported fully funding the AMHS. He suggested cutting positions by half rather than fully cutting state positions as proposed.

[6:48:34 PM](#)

JEFF JABUSCH, BOROUGH MANAGER, CITY AND BOROUGH OF WRANGELL, WRANGELL (via teleconference), urged support for community jails and revenue sharing. He noted that the combination of these two reductions might necessitate closing the Wrangell jail and transferring prisoners, thereby costing the state. He also advocated funding for the AMHS. He expressed the benefits of the highway and highlighted its importance to economic development. He favored support of the public broadcasting and highlighted the importance of the local radio station. He was in favor of funding for the six LIO offices proposed to be cut.

[6:51:02 PM](#)

RUTH STOUGH, SELF, WRANGELL (via teleconference), spoke in favor of funding the AMHS. She also expressed her support of the Wrangell LIO.

[6:52:15 PM](#)

PATRICK MAYER, SUPERINTENDENT, WRANGELL PUBLIC SCHOOLS, WRANGELL (via teleconference), spoke in favor of reinstating the \$32 million in one-time funding for education. He relayed some of the effects of the proposed cuts, including the potential loss of one certified teacher and several aids.

[6:53:37 PM](#)

MICHELLE GALLA, SELF, WRANGELL (via teleconference), spoke in favor of funding for AKLN. She related that the program served several hundred students from 47 school districts across the state. She discussed the courses offered, including credit recovery, dual credit, honors classes,

college prep, career training, and a variety of electives. She indicated that distance learning allowed them to successfully serve students in large and small schools across the entire state.

[6:55:39 PM](#)

ZACH FANSLER, COUNCILMAN, CITY OF BETHEL, BETHEL (via teleconference), supported continued revenue sharing and opposed the \$57 million proposed cut. He noted that the funds were vital to the local communities, and cited several examples from Bethel. He spoke against the 59 percent cut to public broadcasting, which would be devastating. He characterized the local station, KYUK, as a lifeline. He supported a state income tax to alleviate the dire budget situation.

[6:58:13 PM](#)

KARA JOHNSON, SELF, CORDOVA (via teleconference), advocated for funding of the AMHS. She indicated that she was affiliated with the Cordova Arts and Pageants Board and the Parks and Recreation Commission; both of which would be affected drastically. She referred to negative impacts on tourism and fisheries, as well as the increased burden of higher prices of goods and services. She referred to the ferry system as a life line, and noted that the AMHS provides basic needs to the residents of Prince William Sound. She appreciated being heard.

HB 72 was HEARD and HELD in committee for further consideration.

HB 73 was HEARD and HELD in committee for further consideration.

Co-Chair Neuman reviewed the schedule for the following day.

#

ADJOURNMENT

[7:01:40 PM](#)

The meeting was adjourned at 7:01 p.m.