

SENATE FINANCE COMMITTEE

March 17, 2016

9:04 a.m.

9:04:06 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:04 a.m.

MEMBERS PRESENT

Senator Anna MacKinnon, Co-Chair  
Senator Pete Kelly, Co-Chair  
Senator Peter Micciche, Vice-Chair  
Senator Click Bishop  
Senator Mike Dunleavy  
Senator Lyman Hoffman  
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT

Jeff Jessee, Chief Executive Officer, Alaska Mental Health Trust Authority; Senator Cathy Giessel, Sponsor; Akis Gialopsos, Staff, Senator Cathy Giessel; Ben Ellis, Director, Alaska Division of Parks and Outdoor Recreation, Department of Natural Resources; Denise Daniello, Executive Director, Alaska Commission on Aging, Juneau; Jacquelli Ziegenfus, Administrative Operations Manager, Division of Senior and Disabilities Services, Department of Health and Social Services; Senator Bill Stoltze; Kris Curtis, Legislative Auditor, Alaska Division of Legislative Audit.

PRESENT VIA TELECONFERENCE

Steve Masterman, Director, Division of Geological and Geophysical Surveys, Department of Natural Resources Fairbanks.

SUMMARY

SB 101 STATE PARKS FEES & SALES OF MERCHANDISE

SB 101 was HEARD and HELD in committee for further consideration.

SB 124 EXTEND SUNSET ON AK COMMISSION ON AGING

SB 124 was HEARD and HELD in committee for further consideration.

SB 170 DNR FEES FOR GEOLOGICAL SERVICES

SB 170 was HEARD and HELD in committee for further consideration.

[9:05:14 AM](#)

Co-Chair MacKinnon discussed housekeeping. She introduced Jeff Jessee, Chief Executive Officer, Alaska Mental Health Trust Authority, who offered a fiscal note update pertaining to SB 74.

[9:05:28 AM](#)

JEFF JESSEE, CHIEF EXECUTIVE OFFICER, ALASKA MENTAL HEALTH TRUST AUTHORITY, explained that the trustees had met the previous day. He stated that the trustees approved nearly \$10 million, over 3 years, to assist in the Medicaid reform effort. He said that over \$5 million of the funds would supplant General Funds currently reflected in the fiscal notes for SB 74.

#sb170

SENATE BILL NO. 170

"An Act authorizing the Department of Natural Resources, division of geological and geophysical surveys, to collect fees for facilities, equipment, products, and services; relating to accounting for certain program receipts; and providing for an effective date."

[9:07:26 AM](#)

SENATOR CATHY GIESSEL, SPONSOR, explained that SB 170 would make the Department of Natural Resources (DNR) a greater revenue generator. She presented a core from an oil field drill. She explained that the Geological Material Center (GMC) had been located for several decades in Eagle River,

where materials had been stored in conexes (unheated metal containers) and had been exposed to cold and moisture, causing deterioration. She relayed that DNR had bought the Sam's Club building in East Anchorage from Walmart Corporation several years ago, and that the structure had been reconfigured as the Geologic Materials Center. She said that the library of rocks contained in the building could generate revenue because it was of interest to exploders. She referred to the document, "FAQs related to Senate Bill 170"(copy on file). The document contained a statement from Repsol, and the role of the center in their recent discovery on the Colville Delta; the GMC had facilitated in the discovery and exploration of the area, possibly the largest oil field discovered since Prudhoe Bay. She related that DNR currently did not have the authority to charge for use of their facility, the bill was intended to establish that authority.

[9:10:39 AM](#)

Co-Chair MacKinnon looked at Page 1, lines 11 and 13, which spoke to the printing and publication of reports. She wondered whether the figure was antiquated, or had digital imaging been explored as an alternative to publishing and printing hard copies.

Senator Giessel replied that all of the materials were available to view online, but that most people liked to work from actual paper copy maps.

[9:11:36 AM](#)

AKIS GIALOPSOS, STAFF, SENATOR CATHY GIESSEL, discussed the Sectional Analysis (copy on file):

\*Section 1. Provides that fees collected by the Department of Natural Resources (department) under AS 41.08.045, added by bill section 3, will be accounted for separately and that appropriations from these fees are not made from the unrestricted general fund.

\*Section 2. Conforms AS 41.08.030 to the changes made to AS 41.08 by section 3 of the bill.

\*Section 3. Adds a new section to AS 41.08 permitting the department's division of geological and geophysical surveys to charge and collect fees for facilities, equipment, products, or services that the

division offers. Institutes a fee waiver for students using the facilities, equipment, products or services for educational purposes.

\*Section 4. Amend uncodified law to permit the department to adopt regulations necessary to implement changes made by the Act.

\*Section 5. Makes section 4 effective immediately.

\*Section 6. Gives sections 1-3 an effective date of July 1, 2016.

[9:14:07 AM](#)

Senator Bishop wondered how the department would arrive at a fee schedule.

[9:14:31 AM](#)

STEVE MASTERMAN, DIRECTOR, DIVISION OF GEOLOGICAL AND GEOPHYSICAL SURVEYS, DEPARTMENT OF NATURAL RESOURCES FAIRBANKS (via teleconference), stated that the fee schedule was currently under evaluation and would be an amalgam of fees charges in other states. He stated that they did not want to discourage use by setting fees too high.

[9:15:56 AM](#)

Senator Giessel looked at Page 4 of the aforementioned fact sheet, which reflected a bar graph illustrating core repository service fees in other states.

[9:16:22 AM](#)

Co-Chair MacKinnon wondered why the word "shall" had been used instead of "may" on Page 2, line 25 of the bill.

Mr. Gialopsos responded that the division had intended to promulgate regulations to do the waiver for students. He furthered that the statutory regulation was intended to ensure that students using the facilities would still be able to do so, without the danger of regulations rescinding themselves.

[9:17:26 AM](#)

Vice-Chair Micciche commented that industry would offset the cost of running the facility, and that the language was in no way meant to discourage students from using the facility.

[9:17:52 AM](#)

Co-Chair MacKinnon wondered what would keep industry from using students or interns in order to bypass paying fees for facility use.

Senator Giessel looked at page 2 of the facts document, and pointed out that public school groups constituted only 5 to 10 percent of the annual visitors to the facility. She said that the intention had that elementary, junior high, and high school classes that might be interested in geological careers would be able to visit the facility at no charge. She spoke to Co-Chair MacKinnon's concern that "students" was a broad term, but she believed that the division was clear on the intent of the sponsor. She trusted that the level of student that would be allowed to enter for free would be clearly defined in regulation.

Co-Chair MacKinnon understood that Senator Giessel viewed university students and academics differently than the student intended under the waiver.

Senator Giessel replied that that had been the intention of the Senate Resources Committee.

[9:19:43 AM](#)

Co-Chair MacKinnon though that the language could be more specific.

[9:20:08 AM](#)

Vice-Chair Micciche felt that an intern working under contract with an industry party would have their fees covered by the industry employer. He specified that his intent had been that the facility would be available for free to individual students who were interested in doing research in the facility.

[9:20:51 AM](#)

Senator Olson queried that amount of anticipated revenue from the facility.

Senator Giessel deferred to Mr. Masterman.

[9:21:15 AM](#)

Co-Chair MacKinnon directed committee attention to the fiscal note, which reflected that revenue was expected to increase as usage grew; up to \$485 thousand by FY 22.

[9:21:54 AM](#)

Mr. Masterman interjected that the fiscal note contained estimates that were based on the past history of usage and new services that the facility planned to offer. He said that the picture would become clearer after the facility began charging revenue.

[9:22:44 AM](#)

Senator Bishop offered support for the legislation.

[9:23:28 AM](#)

Vice-Chair Micciche wondered whether the members of industry could obtain electronic seismic data from the facility.

Mr. Masterman replied in the affirmative. He said that the intent was to work with the division to make the seismic surveys available through the GMC.

[9:24:12 AM](#)

Vice-Chair Micciche asked whether it would be the most valuable data at the center.

Mr. Masterman replied that it was a possibility, and there was a hope that such valuable information would provide a significant revenue stream for the facility.

[9:24:59 AM](#)

Co-Chair MacKinnon wondered why there the anticipated revenue did not result in a corresponding drop in the General Funds reflected in the fiscal note.

Mr. Masterman responded that at this point the revenue was intended to bring the building into the public building fund, which had an entry level threshold. He said that until the GMC revenue reached the threshold to enter the fund, the revenue generate would enter the General Fund. He believed that the fiscal note offered further explanation.

Co-Chair MacKinnon OPENED public testimony.

Co-Chair MacKinnon CLOSED public testimony.

[9:27:32 AM](#)

AT EASE

[9:29:48 AM](#)

RECONVENED

SB 170 was HEARD and HELD in committee for further consideration.

#sb101

SENATE BILL NO. 101

"An Act relating to fees for use of state park system facilities; and relating to the sale of merchandise by the Department of Natural Resources."

[9:30:23 AM](#)

BEN ELLIS, DIRECTOR, ALASKA DIVISION OF PARKS AND OUTDOOR RECREATION, DEPARTMENT OF NATURAL RESOURCES, explained that the bill would remove language that required all authorized fees to be collected in a park unit, making clear that the Department of Natural Resources (DNR) would have the authority to collect fees online or in locations outside of a park unit.

[9:31:29 AM](#)

Senator Dunleavy understood that there were drop box fees at state parks.

Mr. Ellis replied that there were drop boxes for user fees at developed facilities, and that passes were available.

[9:32:23 AM](#)

Senator Olson queried the reasoning behind the clarifying language related to fees being collected outside of a park unit.

Mr. Ellis stated that the original intent of the governor's bill had been to allow state parks to sell merchandise for a profit, in order to decrease the dependence on the General Fund. He said that the bill had been modeled on a survey that was conducted over 20 states, with the original concept to provide an opportunity for state to sell merchandise for profit. He said that current statute only allowed for the sale of items for cost.

[9:35:07 AM](#)

Co-Chair MacKinnon directed committee attention to the original draft of the legislation. She queried the removal of Section 2 from the original bill.

Mr. Ellis responded that the language had been removed by the Senate Resources Committee. He said that concern had been expressed during the bill hearing that the bill could be in competition with the private sector.

[9:35:57 AM](#)

Senator Bishop wondered whether the bill would benefit the division.

Mr. Ellis responded that the current version of the bill would alleviate a technical issue that some had not believed was a serious issue.

[9:37:04 AM](#)

Co-Chair MacKinnon stressed that the bill was an issue of public policy. She said that the government generally avoided competition with the private sector. She said that her office would take amendments until Wednesday, March 23, 2016.

[9:37:42 AM](#)

Senator Olson wondered whether there were private entities that sold comparable items to those sold by the division.

Mr. Ellis responded that the division was not currently selling any products. He added that he did not believe that any company was selling Alaska State Park merchandise. He stated that there was an internet based company in Seattle that was could create merchandise using any names in the public domain.

[9:38:56 AM](#)

Vice-Chair Micciche remarked that the bill was similar to SB 101, as it was an attempt for a department to offset costs. He appreciated the proposed bill.

[9:39:42 AM](#)

Co-Chair MacKinnon shared that she had served as a department manager at JC Penney, which sold millions in Alaskan merchandise. She felt that it would be nice for the state to get credit for distributing state products. She suggested that the state could be a wholesaler of original Alaska brand merchandise.

Mr. Ellis concurred. He stressed that the state would create the merchandise, and would sell it to a wholesaler or retailer at a marked up cost.

Co-Chair MacKinnon reiterated that amendments were due the following Wednesday.

[9:42:12 AM](#)

Senator Dunleavy spoke in support of the legislation.

Mr. Ellis quoted a parks director in New Hampshire:

"We're fairly passionate about our retail operation in the Hampshire State Parks. When you change the dialogue from cost control, to revenue growth opportunities, all of the sudden new doors open, employees attitudes shift, and we build a broader customer base of support, loyalty, and advocacy for the states park system."

[9:43:43 AM](#)

Senator Bishop agreed that the bill was a good concept. He stressed that Alaska was a tourism destination.

[9:44:37 AM](#)

Co-Chair MacKinnon hoped that the merchandise would be made in America, possibly in partnership with the prison system.

[9:45:07 AM](#)

Senator Olson spoke to Section 2 of the original version of the legislation. He understood that this portion of the bill had been removed from the current version. He wondered whether the change had altered the original intent of the legislation.

Mr. Ellis responded that the current bill version from the Senate Resources Committee did not achieve the original intent of the bill.

[9:45:58 AM](#)

Senator Olson wondered why the committee was hearing the legislation.

Mr. Ellis responded that in April 2015, the bill had been amended to eliminate the part that related to the sale of merchandise, and move forward the section that offered the technical amendment pertaining to online payments.

[9:46:56 AM](#)

Co-Chair MacKinnon clarified that Section 2 had been removed from the original bill, but could be offered as an amendment.

[9:48:07 AM](#)

Senator Olson wondered whether the department was in favor of the current version of the legislation.

Mr. Ellis responded that the department was supportive of clarifying the revenue stream. He repeated that the current version of the bill did not speak to the governor's original intent.

[9:48:52 AM](#)

AT EASE

[9:49:02 AM](#)

RECONVENED

[9:49:05 AM](#)

Vice-Chair Micciche revealed that there had been concern in the Senate Resources Committee about state competition with the private sector, as well as the cost of employing additional state employees. He hoped that the bill could be amended to require that Alaskan businesses be used in the production of merchandise.

[9:50:25 AM](#)

Mr. Ellis remarked that the division was sensitive to the competition with the private sector, and shared that there was a constant search for balance.

Co-Chair MacKinnon OPENED public testimony.

Co-Chair MacKinnon CLOSED public testimony.

SB 101 was HEARD and HELD in committee for further consideration.

#sb124

SENATE BILL NO. 124

"An Act extending the termination date of the Alaska Commission on Aging; and providing for an effective date."

[9:52:43 AM](#)

DENISE DANIELLO, EXECUTIVE DIRECTOR, ALASKA COMMISSION ON AGING, JUNEAU, explained that the sources of funding for the commission included General Funds, General Fund mental health funds and an interagency receipt from the Division of Senior and Disability Services, as well as Mental Health Trust authority authorized receipts for one position.

[9:53:51 AM](#)

JACQUELLI ZIEGENFUS, ADMINISTRATIVE OPERATIONS MANAGER, DIVISION OF SENIOR AND DISABILITIES SERVICES, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, (DHSS) explained the fiscal note in detail. She noted that the total operating expenditures each year was \$539.7 thousand; \$42.9 from the

General Fund, \$348.1 from interagency receipts (this was funding that was passed on from the Division of Senior and Disability Services to the commission), \$29.6 General Fund/Mental Health, and \$119.1 from Mental Health Trust Authority dollars.

[9:55:12 AM](#)

Co-Chair MacKinnon wondered why there were four personnel staff to support 11 board members.

Ms. Daniello replied that the 11 person board had been supported by four staffers for many years. She said that in 2004, the commission had been under the Department of Administration, and at that time the decision had been made to transfer the commission over to the Department of Health and Social Services with a focus on advocacy, planning, and education for senior programs. She shared that the commission provided a significant amount of service in the state by developing a state plan for senior services, which required substantial staff support in developing needs assessment activities, and by conducting community forums and advising the governor and the legislature on senior programs. She detailed the important work for seniors performed by the board and their staff.

[9:56:57 AM](#)

Co-Chair MacKinnon specifically wondered how often the plans needed to be rewritten. She questioned the need for four staff positions to serve the board. She reminded Ms. Daniello that all other state agencies had taken a 22 percent, year-to-year, Operating Budget reduction. She said that at least one staff member should be immediately removed from the fiscal note, if not two, because the interagency receipts were actually General Fund dollars that came from other departments.

Ms. Daniello explained that the four staff were involved in the development and implementation of the state planning. She shared that there were six goals in the state plan, with 24 strategies and 28 performance measures. She shared that the efforts were based on the development of services to promote the health and safety of Alaska's seniors. She announced that she was shocked by the potential loss of personnel. She said that the commission worked to educate Alaskans about senior issues through many campaigns and

coalitions. She added that employees talked with seniors about Medicaid reform efforts and hosted community forums. She shared that the commission hosted a regular senior legislative advocacy teleconference, which helped to guide policy and budget recommendations.

[9:59:53 AM](#)

Co-Chair MacKinnon wondered what was specifically required of the commission under state statute in order to comply with the federal Older Americans Act.

Ms. Daniello responded that the commission was responsible for the development of the aforementioned state plan, for the education of Alaskans about senior issues, and to be a visible advocate for seniors.

[10:00:24 AM](#)

AT EASE

[10:01:42 AM](#)

RECONVENED

[10:01:45 AM](#)

Co-Chair MacKinnon summarized AS 47.45.240, which spoke to the power, duties, and limitations of the commission:

- (1) approve a comprehensive statewide plan that identifies the concerns and needs of older Alaskans and, with reference to the approved plan, prepare and submit to the governor and legislature an annual analysis and evaluation of the services that are provided to older Alaskans;
- (2) make recommendations directly to the governor and the legislature with respect to legislation, regulations, and appropriations for programs or services that benefit older Alaskans;

Co-Chair MacKinnon asked how often the comprehensive statewide plan was reviewed.

Ms. Daniello responded that the plan was reviewed annually.

[10:02:38 AM](#)

Co-Chair MacKinnon asked whether at the time of review the plan was readopted, or was there was five-year plan.

Ms. Daniello replied that the plan was a four-year plan. She furthered that the commission gathered data related to performance measures associated with recognized goals. She added that the commission brought together stakeholders to discuss any work that had been completed on the plan.

[10:03:02 AM](#)

Co-Chair MacKinnon read from the statute:

- (3) encourage the development of municipal commissions serving older Alaskans and community-oriented programs and services for the benefit of older Alaskans;
- (4) employ an executive director who serves at the pleasure of the commission;
- (5) help older Alaskans lead dignified, independent, and useful lives;
- (6) request and receive reports and audits from state agencies and local institutions concerned with the conditions and needs of older Alaskans;

Co-Chair MacKinnon asked what type of reports and audits the commission received from state agencies.

Ms. Daniello responded that the commission published the annual Senior Snapshot, which was contained in an annual report that the commission provided to the legislature. She said that for the document, data was gathered from variety of demographic and economic health indicators. She said that other reports dealing with health and safety were also prepared by the commission.

[10:03:40 AM](#)

Co-Chair MacKinnon read from statute:

- (7) with the approval of the commissioner of health and social services, set policy for the administration of federal programs subject to state control as provided under 42 U.S.C. 3001 - 3058ee (Older Americans Act), as amended;
- (8) with the approval of the commissioner of health and social services, set policy for the administration of state programs as provided under AS 47.65 ;

(9) give assistance, on request, to the senior housing office in the Alaska Housing Finance Corporation in administration of the senior housing loan program under AS 18.56.710 - 18.56.799 and in the performance of the office's other duties under AS 18.56.700 ; and (10) provide to the Alaska Mental Health Trust Authority, for its review and consideration, recommendations concerning the integrated comprehensive mental health program for persons who are described in (d) of this section and the use of the money in the mental health trust settlement income account in a manner consistent with regulations adopted under AS 47.30.031 .

[10:04:35 AM](#)

Co-Chair MacKinnon queried the personnel position titles.

Ms. Daniello responded that there was a planner 2, a planner 1, and an administrative assistant.

[10:04:54 AM](#)

Co-Chair MacKinnon queried the responsibilities of the 2 planner positions.

Ms. Daniello explained that the planner 1 focused on planning advocacy for serving senior mental health trust beneficiaries. She stated that the planner 2 position was in charge of the other responsibilities under the state statute. She said that the planner 2 position worked directly with her to develop the state plan and provided additional planning and advocacy support.

[10:06:21 AM](#)

Senator Bishop wondered whether a reduction in staff would jeopardize the federal reporting requirement and jeopardize grant funding.

Ms. Daniello replied that it would compromise the commission's ability to compile necessary information and the overall quality of the state plan. She stressed that the state plan was a comprehensive document and was used by other state and local agencies that applied for foundational and corporate grants.

[10:07:53 AM](#)

Co-Chair MacKinnon wondered whether there were any reductions that could be found in the commission's budget.

Ms. Daniello replied that there had been reductions in travel expenses. She added that the commission had worked to contain travel expenses.

[10:08:39 AM](#)

Co-Chair MacKinnon requested the travel savings dollar amount.

Ms. Daniello replied \$3,000 in FY 17.

[10:08:58 AM](#)

Co-Chair MacKinnon asked whether cuts had been made prior to FY 17.

Ms. Daniello replied in the negative.

[10:09:05 AM](#)

Senator Olson asked whether the legislative audit had recommended a decrease in staff.

Ms. Daniello responded that the audit had made no such recommendation.

[10:09:30 AM](#)

Senator Olson queried whether auditors had question whether the work could be done with less staff.

Ms. Daniello replied in the negative.

[10:09:43 AM](#)

Senator Bishop requested any corrective actions the commission had taken to solve audit findings 1 and 2.

Ms. Daniello responded that the commission had amended its policies and procedures to include corrective action strategies to post all meeting notices for both the board and the committee. She said that the commission now

required the chair of the commission, as well as for the legislative advocacy committee, to sign off on the watch list prior to its distribution.

[10:10:31 AM](#)

Co-Chair MacKinnon interjected that for the past three years the commission had been asked to take a \$3,000 budget cut.

Ms. Ziegenfus explained that, in FY 17, the commission put forward a \$3,000 travel reduction.

[10:11:16 AM](#)

Co-Chair MacKinnon asked whether there had been any reductions in the past three years.

Ms. Ziegenfus replied in the negative.

[10:11:34 AM](#)

AT EASE

[10:12:05 AM](#)

RECONVENED

[10:12:19 AM](#)

Co-Chair MacKinnon reiterated the concerns for the four staff for 11 board members.

[10:12:54 AM](#)

SENATOR BILL STOLTZE, understood the fiscal reasoning behind the committee's examination of the personnel.

[10:14:37 AM](#)

Co-Chair MacKinnon invited Kris Curtis, Legislative Auditor, Alaska Division of Legislative Audit to speak to the issue.

KRIS CURTIS, LEGISLATIVE AUDITOR, ALASKA DIVISION OF LEGISLATIVE AUDIT, introduced herself.

[10:15:14 AM](#)

Co-Chair MacKinnon stressed that all of the councils and commissions in the state were experiencing repercussions from the fiscal crisis.

Ms. Curtis replied that Page 10 of the audit contained historical expenditure information, including how much General Funds and federal funds the commission received. She said that the division did not approach audits with the idea of recommending cuts to positions; however, there were hundreds of boards and commissions in the state that were not currently up for a sunset review, and that perhaps it was time for a full review of boards and commissions. She felt that an evenhanded review of the staffing levels and needs of commissions was a wise idea given the current fiscal climate. She testified that the elimination of one position from the commission would not result in a loss of federal funds. She stressed that a cut to the commission would be a cut to the services provided to the population that they served.

[10:18:03 AM](#)

Co-Chair MacKinnon surmised that the co-chairs should send a letter requesting a review for how staff was utilized to support boards and commissions across the state. She wondered when such an assessment could be ready for the legislature.

Ms. Curtis responded that the Division of Legislative Audit had also faced budget cuts, and she did not think that the work could be completed by next legislative session. She added that the new IRIS system would present additional challenges to the division. She added that the last full review of boards and commission had been conducted in 1992.

[10:19:33 AM](#)

Co-Chair MacKinnon said that the discussion would continue into the interim.

[10:20:24 AM](#)

Co-Chair MacKinnon wondered whether the committee was in support of reducing the personnel by one or two individuals. She asserted that she was not targeting the commission, but had to find cuts somewhere.

[10:21:00 AM](#)

Co-Chair Kelly wondered whether the fiscal note could be adjusted in conference committee once it was altered in finance committee.

[10:21:26 AM](#)

Co-Chair MacKinnon replied that she would contact Legislative Legal about the inquiry.

[10:21:56 AM](#)

Vice-Chair Micciche wondered why the budget had increased \$100 thousand since FY 12.

Ms. Daniello replied that most of the increase was through the personnel service line. She shared that 3 of the 4 staff had served on the commission for 10 years. She stated that the planner 2 was a recent hire. She noted the steady reduction in travel expenses and services. She attempted to offer ideas for cost savings.

Co-Chair MacKinnon said no.

[10:23:42 AM](#)

Vice-Chair Micciche probed the increase from FY 12 that was reflected in the audit.

[10:24:09 AM](#)

Ms. Curtis responded that the chart reflected the actual numbers, not the budget, which meant that the increase could be the reflection of the commission expending their full authorization. She added that vacancies were often reflected by a dip in personal services totals.

[10:24:43 AM](#)

Ms. Daniello added that the planner 2 position had been vacant for an extended period of time, and was vacant during the time when the commission was preparing to develop the state plan. She stressed that the position was critical to the development of the plan, and it had been decided that the position would be contracted out in order to complete the plan.

[10:25:19 AM](#)

Co-Chair MacKinnon wondered how long the position was vacant.

Ms. Daniello replied that the position was vacant for approximately eight months in 2015.

[10:25:37 AM](#)

Co-Chair MacKinnon queried any recommendation Ms. Daniello could offer on how to reduce the commission's budget by at least 20 percent.

Ms. Daniello replied that there could be a sharing of an administrative position with another agency. She suggested furlough days or a cut to her own salary.

[10:26:40 AM](#)

Co-Chair MacKinnon wanted a discussion to be held off the record. She stressed that it was a goal to analyze the boards and the costs thereof. She hoped that there would be a consolidation.

[10:28:14 AM](#)

Senator Olson hoped to discuss the subject further, specifically, how cuts in personnel would affect services.

Ms. Curtis replied that it depended on how the commission implemented the cuts. She shared that there would be a consideration of priorities.

[10:30:07 AM](#)

Co-Chair MacKinnon discusses housekeeping.

SB 124 was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

[10:32:03 AM](#)

The meeting was adjourned at 10:32 a.m.

