

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

February 8, 2018

3:04 p.m.

MEMBERS PRESENT

Representative Ivy Spohnholz, Chair
Representative Bryce Edgmon, Vice Chair
Representative Sam Kito
Representative Geran Tarr
Representative David Eastman
Representative Jennifer Johnston
Representative Colleen Sullivan-Leonard

MEMBERS ABSENT

Representative Matt Claman (alternate)
Representative Dan Saddler (alternate)

COMMITTEE CALENDAR

HOUSE BILL NO. 296

"An Act creating the Alaska marijuana use prevention youth services grant program; creating the Alaska marijuana use prevention, education, and treatment fund; relating to the duties of the Alaska Children's Trust Board; creating the marijuana use education and treatment program; and relating to the duties of the Department of Health and Social Services."

- HEARD & HELD

HOUSE BILL NO. 313

"An Act relating to payments to providers and covered persons and recovery of payments by health care insurers."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 296

SHORT TITLE: YOUTH MARIJUANA PREVENTION PROGRAMS/FUND

SPONSOR(S): REPRESENTATIVE(S) CLAMAN

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|----------|-----|---------------------------------|
| 01/19/18 | (H) | READ THE FIRST TIME - REFERRALS |
| 01/19/18 | (H) | HSS, FIN |
| 02/08/18 | (H) | HSS AT 3:00 PM CAPITOL 106 |

WITNESS REGISTER

REPRESENTATIVE MATT CLAMAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 296 as the sponsor of the bill.

SARA PERMAN, Staff
Representative Matt Claman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 296 on behalf of the bill sponsor, Representative Claman.

THOMAS AZZARELLA, Director
Alaska Afterschool Network
Alaska Children's Trust
Anchorage, Alaska

POSITION STATEMENT: Presented a PowerPoint, "Afterschool Programs," during discussion of HB 296.

JAY BUTLER, MD, Chief Medical Officer/ DPH Director
Central Office
Division of Public Health
Department of Health and Social Services
Anchorage, Alaska

POSITION STATEMENT: Presented a PowerPoint and answered questions during discussion of HB 296.

JILL LEWIS, Deputy Director - Juneau
Central Office
Division of Public Health
Department of Health and Social Services
Juneau, Alaska

POSITION STATEMENT: Answered questions during the discussion of HB 296.

TREVOR STORRS, Executive Director
Alaska Children's Trust
Anchorage, Alaska

POSITION STATEMENT: Presented a PowerPoint, "Afterschool Programs," during discussion of HB 296.

ACTION NARRATIVE

[3:04:18 PM](#)

CHAIR IVY SPOHNHOLZ called the House Health and Social Services Standing Committee meeting to order at 3:04 p.m. Representatives Spohnholz, Kito, Sullivan-Leonard, and Johnston were present at the call to order. Representatives Eastman, Tarr, and Edgmon arrived as the meeting was in progress.

HB 296-YOUTH MARIJUANA PREVENTION PROGRAMS/FUND

[3:04:50 PM](#)

CHAIR SPOHNHOLZ announced that the only order of business would be HOUSE BILL NO. 296, "An Act creating the Alaska marijuana use prevention youth services grant program; creating the Alaska marijuana use prevention, education, and treatment fund; relating to the duties of the Alaska Children's Trust Board; creating the marijuana use education and treatment program; and relating to the duties of the Department of Health and Social Services."

[3:05:55 PM](#)

REPRESENTATIVE MATT CLAMAN, Alaska State Legislature, presented proposed HB 296, as the sponsor of the bill. He paraphrased from the Sponsor Statement [Included in members' packets], which read:

In 2014, Alaskans legalized the use and possession of marijuana in the state. Ballot measure 2 gave the state the ability to tax and regulate the production, sale, and use of marijuana. In 2015 the Alaska Legislature decided to implement a \$50/ounce tax on marijuana sales. Since the measure went into effect in early 2015 the state has collected more than \$6 million dollars in tax revenue.

HB 296 creates the Alaska marijuana use prevention, education, and treatment fund. Under current statute, fifty percent of the tax revenue generated from marijuana sales is designated to go to the recidivism reduction fund established within the general fund. The remaining fifty percent goes directly into the general fund.

Under HB 296, the remaining fifty percent would be allocated into the new fund. Under HB 296, fifty percent of the new fund may be allocated to the Department of Health and Social Services (DHSS) for a comprehensive marijuana use education and treatment program, and the remainder of the funds will go to the newly established Alaska marijuana use prevention youth services grant program which is administered by the Alaska Children's Trust Board.

The program implemented by DHSS will focus on statewide misuse prevention and education on the effects of marijuana and the Alaska marijuana laws. It also funds substance abuse screening and treatment as well as monitoring public perception. Separately, the Alaska Children's Trust Board will administer the Alaska marijuana use prevention youth services grant program, giving grants to non-profit out-of-school programs that provide youth marijuana use prevention and reduction curriculums.

It is the intent that the Legislature treat marijuana much like alcohol and tobacco and invest in prevention, education, and treatment services in youths and adults to reduce long-term associated costs. House Bill 296 creates statewide programs as well as the funding structure to do so.

[3:07:12 PM](#)

SARA PERMAN, Staff, Representative Matt Claman, Alaska State Legislature, paraphrased from the Sectional Analysis [Included in members' packets], which read:

Section 1

Adds new sections to AS 17.38:

Creates the Alaska marijuana use prevention youth services grant program and designates that it is administered by the Alaska Children's Trust (ACT) Board. The program provides funds and training to statewide and community-based programs that focus on reducing the number of youth trying marijuana for the first time, and the number of youth consistently using marijuana as well as reducing youth access to marijuana and exposure to impaired driving. The programs selected by the Board must be either 501c(3) or federally recognized tribes, a municipal or state

government, or a school. The ACT Board is charged with adopting regulations to carry out the grant program including application requirements and reporting criteria.

17.38.410

Creates the Alaska marijuana use prevention, education, and treatment fund. The fund is part of the general account and may be added to by appropriation or donation. The legislature appropriates the 50% of the marijuana sales tax revenue that is not used for recidivism reduction fund toward the fund. Up to fifty percent (50%) of the fund may go to the Alaska marijuana use prevention, education, and treatment program administered by the ACT Board while an equal amount may go toward the marijuana use education and treatment program administered by the Department of Health and Social Services.

Section 2

Amends AS 37.14.230(a)

Updates the responsibilities of the Alaska Children's Trust Board to include the administration of the Alaska marijuana use prevention youth services grant program.

Section 3

Amends AS 43.61.010(c):

Designates that the 50 percent of the marijuana sales tax revenue that is not being used for the recidivism reduction fund may be appropriated to the Alaska marijuana use prevention, education, and treatment fund.

Section 4

Amends 43.61.010(d):

Updates language to distinguish recidivism reduction fund in place of 'fund'.

Section 5

Amends AS 44.29.020(a):

Updates the responsibilities of the Department of Health and Social Services (DHSS) to include the administration of a comprehensive marijuana use education and treatment program which must include a misuse prevention component, a public education campaign, surveys of Alaskan populations about

attitudes and perceptions towards marijuana use, monitoring of public health status related to marijuana usages, and a substance abuse screening, intervention and treatment component. To the extent possible, the Department should administer the program by grant or contract.

3:10:00 PM

REPRESENTATIVE SULLIVAN-LEONARD pointed to the opioid crisis as the highest priority regarding drug use in Alaska and asked why the collected sales tax was not being directed toward this.

REPRESENTATIVE CLAMAN, in response, shared that alcohol and alcohol abuse was also an issue in the communities, and that this proposed bill was an effort to educate people about marijuana so there would not be the same abuse issues.

REPRESENTATIVE SULLIVAN-LEONARD asked if any of the marijuana tax dollars were being directed toward the opioid crisis.

REPRESENTATIVE CLAMAN suggested that this be directed toward the recidivism reduction fund, as it received 50 percent of the tax per earlier legislation. He offered his hope that some of these funds were being directed to address the opioid issues.

3:12:04 PM

CHAIR SPOHNHOLZ shared that there was a proposed bill for a tax on opioids, which could be used for treatment.

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REPRESENTATIVE KITO offered his understanding that the marijuana initiative and subsequent legislation had identified that 50 percent of the funds be directed toward treatment programs and anti-recidivism programs. He pointed out that directing another 50 percent of this tax elsewhere would eliminate any revenue for the general fund and would not offer any help to the fiscal situation.

REPRESENTATIVE CLAMAN stated that, as the proposed bill did not create a dedicated fund, any distribution of funds would be determined by the legislature.

REPRESENTATIVE KITO suggested that passage of this proposed legislation would create an expectation that all the funding

would be directed toward treatment or recidivism reduction. He allowed that this could cause complaints that the money was not being directed as determined by the legislature. He asked if there was any discussion for identifying a lower amount of funding, and then ramping up programs.

REPRESENTATIVE CLAMAN replied that they had spoken with Department of Health and Social Services and a variety of non-profit organizations interested in addressing marijuana education and prevention of its abuse. He acknowledged that it would create the expectation of a legislative priority.

[3:15:22 PM](#)

REPRESENTATIVE JOHNSTON asked if there was any current state funding for after school programs.

[3:16:14 PM](#)

THOMAS AZZARELLA, Director, Alaska Afterschool Network, Alaska Children's Trust, explained that, currently, the funds going to after school programs were federal pass-through dollars from the 21st Century Community Learning Center programs. He explained that those federal dollars were administered by each state for targeted intervention at low-income, under-achieving schools. He said that there was no specific line item or fund for funding after school programs in Alaska. He reported that there had been appropriations made to support physical infrastructure for facilities.

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REPRESENTATIVE KITO asked about the origination of the language for the proposed program, whether it was created in Alaska, or used by another state. He asked how it would be verified that this would result in a reduction for the use of marijuana by youth.

MS. PERMAN asked whether he was referencing the Alaska Children's Trust or the Department of Health and Social Services section.

REPRESENTATIVE KITO directed attention to page 4, line 29 of the proposed bill, which listed the components of the Department of Health and Social Services program. He asked about the components of the Alaska Children's Trust program. He declared that, as he desired to know that the funding would be effective,

he wanted to know whether the language of the bill had been adopted from another state and whether that program had been effective.

MS. PERMAN reported that a work group had come together in 2014 and established a set of initiatives on which to focus, and then had reviewed similar programs in California, Oregon, Colorado, Washington, Maine, Massachusetts, and Nevada.

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REPRESENTATIVE CLAMAN clarified that the proposed bill did not use specific language from other states.

3:20:00 PM

JAY BUTLER, MD, Chief Medical Officer/ DPH Director, Central Office, Division of Public Health, Department of Health and Social Services, presented a PowerPoint titled "Marijuana Use Prevention, Education, and Treatment Fund." He suggested a high-level overview with five components. He offered his belief that the vision aligned with the 3 Cs: community engagement, communication, and collaboration. He added a 4th C, a comprehensive approach. He stated that although the focus was for marijuana, it was with an awareness for the broader issues related to substance misuse and addiction in Alaska. He referenced slide 3, which depicted the allocation of the funding, and slide 4, which listed the overarching goals of Community-based marijuana misuse and prevention; youth prevention; behavioral health treatment; and public health and safety. He declared that the role of the Department of Health and Social Services would be as the statewide coordinator for these measures. He moved on to slide 5, and discussed the five aspects of the program, which included: community-based marijuana misuse prevention, with a focus on youth prevention; assessment of knowledge and awareness of the laws, as well as use of marijuana products, noting that it was necessary to understand the concentration as well as edibles, beverages, topicals, and vaping solutions; monitoring of population health impact related to marijuana use and legalization; marijuana education; and substance abuse screening, brief intervention, referral, and treatment. He stated that this was the comprehensive aspect. He added that cannabis use disorder was thought to develop in about 10 percent of those who use cannabis products and was similar to the rate of alcoholism with a higher rate among those who initiate use during adolescence and teens.

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DR. BUTLER moved on to slide 6, "Community-based marijuana misuse prevention," which focused on mitigating risk factors and promoting protective factors. He shared that children engaged with caring adults and those who participated in after-school programs. He added that those who were engaged with their families were less likely to initiate marijuana use in the teen years. He added that they wanted to enhance existing programs for public health and education to address substance misuse and prevention. He noted that the Department of Education and Early Development, community-based programs, and the Division of Juvenile Justice would also be involved.

[3:25:02 PM](#)

DR. BUTLER presented slide 7, "Assessment and Monitoring." He directed attention to the questions: Do youth perceive marijuana as a less harmful substance due to legalization? Do youth and adults see driving under the influence of marijuana as dangerous? How has marijuana legalization affected Alaskan's health and safety? He shared that there had been some one-time funding from the Alaska Mental Health Trust Authority to begin some of these assessments. He expressed his concern for data which revealed that 16 percent of teens who used marijuana reported that they had operated a vehicle "while high."

[3:26:05 PM](#)

DR. BUTLER shared slide 8, "Marijuana education." He stated that this included assessment in the community to find "where are the knowledge gaps." He stressed that this included engagement with the health care community.

[3:27:00 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked about the use of cannabis for health reasons, including lupus, arthritis, or neuropathy, and whether this use was also being gauged.

DR. BUTLER explained that about 10 percent of the respondents to survey data stated that it was used for medicinal purposes.

[3:27:54 PM](#)

REPRESENTATIVE JOHNSTON asked if those people driving under the influence of marijuana were driving very slowly.

DR. BUTLER reflected that driving very slowly was a compromise in judgement and offered that there was great concern for the compensation mechanisms when alcohol and marijuana were co-used. He pointed out that driving under the influence of marijuana while also driving under the influence of alcohol was "more than an additive effect in terms of the possible compromise of the ability to drive a vehicle." He shared three messages of concern for public safety: driving under the influence; underage use and inadvertent intoxication; and use during pregnancy, although it was unclear of the immediate health effects.

[3:29:44 PM](#)

CHAIR SPOHNHOLZ asked about damage to a developing brain from marijuana use.

DR. BUTLER replied that the developing brain had cannabinoid receptors as the brain made its own internal, or endo, cannabinoids, which appeared to be necessary for normal brain development. He declared that it was unclear how exogenous cannabinoid might influence how the receptors were stimulated and influenced brain development, especially early in life.

CHAIR SPOHNHOLZ asked about the development of the brains in teens who could be experimenting recreationally with marijuana.

DR. BUTLER pointed out that the teen years was a time of plasticity for the brain, and that the brain was "reeling itself back in." He explained that exposure to substances during the teen years, including marijuana, alcohol, tobacco, opioids, and other drugs, appeared to be a particularly vulnerable period for increasing the risk for problems in later years with substance use disorders and addictions.

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REPRESENTATIVE KITO asked how determination to the amount of support for the programs was made.

DR. BUTLER replied that this determination did not come out of the blue, as marijuana had been legal in Alaska for four years, and in retail establishments for two years. He pointed out that, as it had been recognized "early on" that there were potentials for health impacts, there had been review of the infrastructure in states with legal marijuana. He explained

that this review had lead to the five areas of focus as well as the details to the fiscal note for "how do we get to what we think we need to be able to do this in a way that is going to maximize the health benefit for Alaskans."

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REPRESENTATIVE KITO, referencing the fiscal note, asked what the remainder of the \$2 million not going into grants was going to support.

DR. BUTLER explained that this included one staff person to run the program, as well as the development of the educational materials in conjunction with existing staff in the Office of Substance Misuse and Addiction Prevention. He pointed out that this involved visits to the communities and meetings with people, noting that the users believed the retailers above most others.

REPRESENTATIVE KITO asked for further clarification of the fiscal note.

[3:35:44 PM](#)

JILL LEWIS, Deputy Director - Juneau, Central Office, Division of Public Health, Department of Health and Social Services, explained that there were two fiscal notes [Included in members' packets], one from the Division of Public Health and the other from the Division of Behavioral Health. She explained that the Division of Behavioral Health would be responsible for the fifth element, the screening, then the brief intervention and referral to treatment aspect. She added that the PCNs were included in that fiscal note, as well as two persons already employed who would use 5 percent of their time for development of the materials in the first year and then 10 percent of their time in subsequent years.

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DR. BUTLER paraphrased from the data on slide 12, "Adults can help reduce youth marijuana use," which he labeled as the take home message, which read: "Supportive Teachers: Youth who agree that teachers care and encourage them are 52 percent less likely to have used marijuana in the past month."

DR. BUTLER moved on to slide 14, and compared Alaska with the other states, Oregon, Colorado, Washington, and California,

which had legalized marijuana, even though Alaska had no designated funding to address marijuana health related issues. He stated that it was "very unlikely that we'll see federal funding for this kind of work," unlike the federal grants, tax revenues, and settlements for tobacco and opioid education.

[3:39:15 PM](#)

DR. BUTLER summarized and declared that everyone had an interest in the health of Alaska youth.

CHAIR SPOHNHOLZ shared that the citizen initiative and the cultural norming of marijuana had led to an increased use among young people. She reflected that, as the health repercussions over the long term were pretty serious, this was an opportunity to address it.

[3:40:18 PM](#)

REPRESENTATIVE KITO asked if there was any consideration given to contracting with existing organizations for educational outreach and training.

DR. BUTLER acknowledged that it was open for all ways to accomplish this. He pointed out that most of the public outreach through the media was contracted.

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TREVOR STORRS, Executive Director, Alaska Children's Trust, stated that everyone valued children and agreed that they should be safe and healthy. He stated that it was necessary to think about prevention. He explained that, as Colorado was in the forefront for marijuana legalization, much of the lesson had come from them for establishment of an entity outside government. Colorado had identified the importance of being nimble when dealing with youth and prevention work. He said that having "an entity outside the standard, bureaucratic system" allowed for this nimble process. He stated that the Alaska Children's Trust used this model and he referred to a report on after school programming by the McDowell Group [Included in members' packets]. He declared that this issue did not stop at marijuana, and that protective factors addressed all substance uses, suicide, graduation, and other decisions. He reported that, even though there were 26,000 kids in after school programming getting these protective factors, there were almost twice as many who wanted but could not access these

programs. He pointed out that with the use of \$2.5 - \$3 million, about 25 percent of the projected revenues, the numbers would be lessened, especially in the rural communities. He emphasized that it was not just the activity, but the connection with the adult mentors that made the impact and built the protective factors.

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MR. AZZARELLA explained that the "Alaska Afterschool Network" was a program of the Alaska Children's Trust. He reported that the afterschool network was the only statewide coalition and organization dedicated to supporting and strengthening out of school time for kids from kindergarten through twelfth grade. He reported that there were more than 200 after school and summer programs throughout Alaska. These programs included Boys and Girls Club, Campfire, Twenty-first Century, culture camps, parks and recreation, and Native Dance groups. He stated that Alaska struggled with the effects of the opioid epidemic, confronted alcohol abuse, and now, as it addressed the legalization of marijuana, it was critical to understand the role of protective factors for prevention of youth substance use. He referenced the McDowell Group report for the protective factors that helped youth avoid substance use and abuse and the role which out of school time played in support. He declared that the afterschool programs helped keep kids out of harm's way and safe during those highest risk hours each day when both parents were at work. He added that the afterschool programs helped protect kids from risky behavior, both online and offline, as the programs kept kids actively engaged in recreation opportunities, as they learn and build life skills which readied them for the work force. He pointed out that the afterschool programs provided critical support time for working families. He emphasized that kids and teens needed safe places, and that it was critical for teenagers to have opportunities for positive engagement outside school. He reported that, currently, more than 45,000 kids in Alaska did not have afterschool spots, as they were either not available, waitlisted, or cost prohibitive. He referenced the 2017 statistic that 42 percent of youth had used marijuana at least one time, and 22 percent had used in the last 30 days. He reiterated that those risk hours of 3 p.m. to 6 p.m. were the peak time for juvenile crimes, as well as the winter, spring break, and summer vacation being key times for engagement of risk behaviors.

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REPRESENTATIVE SULLIVAN-LEONARD asked about the breakdown between medical use and recreational use of marijuana.

MR. AZZARELLA opined that this was referring to recreational use. He returned attention to the PowerPoint titled, Afterschool Programs, slide 3 "Afterschool Impact," and reported that afterschool programs helped protect kids from risky behaviors, both on and offline, helped avoid alcohol and drug use, reduced juvenile crime, and helped lower depression and anxiety. He reported that afterschool programs were connected to youth academic gains, improved attendance, and increased graduation rates. He declared that these programs were a protective factor, as young people engaged in positive opportunities out of school. He stated that these programs helped develop a youth's individual protective factor with improved school performance, as well as an increase in impulse control skills, decision making, and social and emotional learning skills. He pointed out that the afterschool programs helped contribute to the protective factor growth for the individual student level, the family level, the community level, and the school level. He reported that not all afterschool programs were built the same, as it was necessary to have programming that specifically focused on reduction of youth substance use. He noted that programs with clear specific goals and objectives were more likely to achieve those outcomes. He concluded that afterschool programs kept kids safe, inspired learning, and helped support working families.

[3:53:16 PM](#)

REPRESENTATIVE JOHNSTON asked if there were any recent projections for the number of children to be served by afterschool programs.

MR. STORRS replied that they had not come up with specific numbers, as the granting process determined the ability to provide service, especially in the more expensive areas, and that the needs would vary. He expressed his concern that struggling programs would lose attendance.

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REPRESENTATIVE JOHNSTON asked if there was any intent to partner with afterschool programs which had shown benefits and could be expanded to other regions.

MR. STORRS replied that this was an advantage to the afterschool network for partnerships with local and national programs. This also helped with creation of the right program for a community.

REPRESENTATIVE TARR asked for additional information regarding program participation to improved school outcomes. She spoke about the economic realities for participation in some of the programs.

[3:57:23 PM](#)

CHAIR SPOHNHOLZ announced that HB 296 would be held over.

[3:57:56 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 3:57 p.m.