

SENATE FINANCE COMMITTEE  
March 15, 2017  
9:31 a.m.

9:31:07 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:31 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair  
Senator Anna MacKinnon, Co-Chair  
Senator Click Bishop, Vice-Chair  
Senator Mike Dunleavy  
Senator Peter Micciche  
Senator Donny Olson  
Senator Natasha von Imhof

MEMBERS ABSENT

None

ALSO PRESENT

Christopher Cooke, Appointee; Karen Perdue, Appointee;

SUMMARY

CONFIRMATION HEARINGS:

ALASKA MENTAL HEALTH TRUST AUTHORITY BOARD OF TRUSTEES

UNIVERSITY OF ALASKA BOARD OF REGENTS

^CONFIRMATION HEARINGS: ALASKA MENTAL HEALTH TRUST  
AUTHORITY BOARD OF TRUSTEES and UNIVERSITY OF ALASKA BOARD  
OF REGENTS

9:31:42 AM

Co-Chair MacKinnon noted that Wendy Lawrence had resigned from the State Assessment Review Board, and was removed from the agenda.

CHRISTOPHER COOKE, APPOINTEE, discussed his qualifications for the Alaska Mental Health Trust Authority (AMHTA) Board of Trustees. He referred to a letter he had sent to individual legislators, briefly outlining his interest and qualifications in the AMHTA board (copy on file). He felt that his almost 50 years of experience in Alaska was an important part of his qualifications. He referred to working and living in rural Alaska as an attorney for Alaska Legal Services, and as a private practitioner. He was a Superior Court judge for ten years.

Mr. Cooke continued to discuss his qualifications, relaying that after his retirement he became interested in the board. He thought membership on the board would be a way to contribute to the state that he and his family called home. He knew that the state had serious and long-standing problems in the mental health area, and acknowledged that there was a wide variety of issues and concerns. He hoped he could help address some of the issues through the work of the trust.

[9:34:54 AM](#)

Mr. Cooke continued, explaining that he had been in Bethel the previous week to celebrate the 50th anniversary of Alaska Legal Services. He recalled that he had encountered a program that was funded by the trust authority, and spoke with a colleague about the concept of "holistic defense." He explained the concept whereby a civil attorney was placed with the Public Defender Agency to work with clients on civil issues. He discussed the myriad of issues that could be experienced by public defender clients. He discussed the fact that civil attorneys could make a difference in people's lives through assisting individuals to improve their lives. He mused that the work of the trust authority was very worthwhile, and he thought he could contribute. He thought his judicial and legal experience would be an asset to the board.

[9:37:01 AM](#)

Co-Chair Hoffman expressed appreciation that Mr. Cooke's grandchildren had the surname of Hoffman. He asked Mr. Cook what he could offer the people of Western Alaska while serving on the board of trustees. He mentioned that the area of the state had many social problems and that Mr.

Cooke would potentially be the board member with the most experience in the area.

Mr. Cooke discussed the constituency in Co-Chair Hoffman's district and envisioned a need for information and access. He noted that many agencies were located in urban centers, which presented a challenge for outreach in rural Alaska. He thought there were communication barriers and a lack of understanding of language, terminology, and state structure. He hoped to encourage programs that would provide more access to rural Alaskans who qualified as beneficiaries of the trust.

Mr. Cook continued to speak to Co-Chair Hoffman's question. He mentioned individuals with disabilities, people dealing with Alzheimer's and dementia, people with chronic substance abuse problems, those suffering from traumatic brain injury, and other categories of beneficiaries. He thought it was more difficult for rural Alaskans to learn about services that could alleviate some of the issues he described.

[9:39:52 AM](#)

Senator von Imhof thought Mr. Cooke clearly had familiarity with mental health issues and programs that were available. She wondered if he had a perspective on the recent direction of the board to invest more in real estate.

Mr. Cook stated that he was somewhat aware of the issue, and recognized that the subject was complex. He pondered that the trust land base had a purpose to provide revenue and support for programs to advance the comprehensive mental health plan of Alaska to serve the beneficiaries. He acknowledged that there were issues and controversies pertaining to how the mental health trust land was being used and managed. He thought that the issues were being addressed in a number of ways; by review, through the legislative budget and audit process, and with some clarifying legislation that might be proposed. He did not have enough information to suggest a remedy or advocate for a specific change. He thought that the matter would involve significant legal issues, and hoped that his background and experience would contribute to the dialog.

[9:42:14 AM](#)

Vice-Chair Bishop FORWARDED the appointment of Christopher Cooke to a Joint Session for consideration in accordance with Alaska Statute. He relayed that it did not reflect an intent by any member Senate Finance Committee to vote for or against the confirmation of the individual during any further sessions.

There being NO OBJECTION, it was so ordered.

9:42:58 AM

AT EASE

9:44:54 AM

RECONVENED

Co-Chair MacKinnon noted that Appointee Mary Kay Hughes was unable to be in committee.

9:45:39 AM

KAREN PERDUE, APPOINTEE, discussed her qualifications for the University of Alaska (UA) Board of Regents. She resided in Fairbanks and was a lifelong Alaskan. She acknowledged that the late United States Senator Ted Stevens had been her mentor. She worked for the senator early in her career, after which she worked for Terry Miller. She began her role in state government in the 1980s and served four governors, culminating in working for 8 years as commissioner of Department of Health and Social Services. She emphasized that when she was commissioner, the price of oil was \$9 per barrel, and she had learned the importance of motivating and working with individuals who were committed to a mission while working through financial difficulty. She thought it was important to appreciate those who committed their lives to a mission of an agency.

Ms. Perdue continued discussing her qualifications, noting that she returned to Fairbanks in 2001, when she served for ten years as Associate Vice President of UA under former President Mark Hamilton. She worked primarily responding to industry needs in the healthcare field. She worked with faculty to develop the current nursing model, which was a highly accredited and successful program. She worked with every campus on academic planning and learned of the importance of a university in economic development. She appreciated the role of students that stayed in state for higher education, and were skilled consumers.

[9:48:49 AM](#)

Ms. Perdue highlighted that she was a member of the Denali Commission as well as the board of Alaska Housing Finance Corporation (AHFC). She thought it was relevant that she was CEO of a board of hospital administrators. She asserted that she had learned the difference between management and governance from both sides.

Ms. Perdue reminded that the UA Board of Regents was one of the few boards named in the state constitution, and thought that the framers of the state intended the board to be a powerful oversight of a one-state university. She followed that the constitution allowed for the board to provide guidance, and to hire a president. She considered that the board had an obligation to work in tandem with the president to administer the system.

Ms. Perdue remarked that UA was facing huge financial pressure and declining enrollment. She knew the regents and the president would be making many tough decisions. She emphasized the importance of managing the situation so that students believed there would be a quality institution in the future, that provided quality education and world-class research. She thought if UA lost the confidence of students, it would lose enrollment and it would contribute to a deficit situation. She concluded that she wanted to meaningfully participate in making sure UA made the transition to survive for another 100 years.

[9:51:00 AM](#)

Co-Chair Hoffman asked how Ms. Perdue saw the role of rural campuses in the University system currently and in the future.

Ms. Perdue discussed the concept that students who were place-committed were an asset. She explained that it was possible to think of ways of delivering education to students who would take on roles in the community (teacher, nurse, etc.). She thought that UA had proven that it could deliver complex information in a variety of innovative ways; such as distance delivery, intensive cohorts, and evening classes. She thought the examples allowed students to pursue education while maintaining their lifestyle.

9:52:30 AM

Co-Chair MacKinnon asked Ms. Perdue to comment on strategic pathways. She referred to testimony in meetings concerning the budget.

Ms. Perdue explained that strategic pathways began a year and a half previously, as a framework for the president and Board of Regents to take on many areas of study. Some of were administrative and some were academic. She received feedback in the regents meeting was that the academic areas had varied success, but the administrative areas of strategic pathways had been quite successful. She explained that the administrative area included enrollment and IT services. She recalled that the strategic pathways process had evolved to include more stakeholders, including faculty and students. She thought the strategic pathways process had tried to address some of the process issues that had been raised.

9:53:56 AM

Vice-Chair Bishop FORWARDED the appointment of Karen Perdue and Mary Kay Hughes to a Joint Session for consideration in accordance with Alaska Statute. He relayed that this did not reflect an intent by any member Senate Finance Committee to vote for or against the confirmation of the individuals during any further sessions.

There being NO OBJECTION, it was so ordered.

9:54:33 AM

AT EASE

9:56:12 AM

RECONVENED

Co-Chair MacKinnon acknowledged that Larry Norene, Trustee, Alaska Mental Health Trust Authority had been in the room. She wanted to recognize his service to the people of Alaska.

Co-Chair MacKinnon pointed out the Senator Micciche had raised a significant amount of funds for the Food Bank of Alaska.

Senator Micciche stated that he served as auctioneer at a fundraising event for the food bank. He noted that Co-Chair Hoffman's spouse baked an item for auction.

Co-Chair MacKinnon discussed the afternoon schedule. She relayed that the 1:00pm meeting would be postponed until 1:30pm.

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ADJOURNMENT

9:58:25 AM

The meeting was adjourned at 9:58 a.m.