

SENATE FINANCE COMMITTEE

March 16, 2017

9:03 a.m.

9:03:51 AM

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 9:03 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

Sarah Hargrave, Alaska Nurses Association, Juneau; Stan Lujan, Self, Juneau; Ken Weber, Association for the Education of Young Children, Juneau; Lesley Kalbrenner, Parents as Teachers, Juneau; Talea Kellar, Parents as Teachers, Juneau; John Bennett, Alaska Center for Resource Families, Juneau; Linda Miller, Self, Juneau; Jordan Nigro, Self, Juneau; Kirk Duncan, Coast Alaska, Juneau; Joy Lyon, Association for the Education of Young Children, Juneau; Averyl Veliz, Self, Juneau; Melinda Messmer, Association for the Education of Young Children, Juneau; Nikki Love, Self, Juneau; Aliza Kazmi, Alaska Network on Domestic Violence and Sexual Assault, Juneau; Elizabeth Siddon, Self, Juneau; Blue Shibler, Self, Juneau; Alyson Currey, Planned Parenthood, Juneau; JoAnn Quigg, Association for the Education of Young Children, Juneau; Niamh Dardis, Self, Juneau; Jonathan Estes, Self, Juneau; Christine Culliton, Self, Juneau; Corey Gilmore, Self, Juneau; Mark Miller, Juneau School District, Juneau; Debrah Clements, Self, Juneau; Richard Cole, Self, Juneau; Gabi Flaten, Self, Juneau; Kayla Wisner, Self, Juneau; Lily Pothier,

Self, Juneau; Paul Beran, Self, Juneau; Brenda Taylor, Self, Juneau; Tyroan Rediske, Alaska Youth for Environmental Action, Homer; Karl Pfeiffenberger, Alaska Youth for Environmental Action, Seward; Josey Shaw, Self, Glenallen; Carly Dennis, Alaska Youth for Environmental Action, Anchorage; Jade Sparks, Self, Kenai; Addison Downing, Self, Kenai; Beth Rivest, Self, Juneau; Senator Pete Kelly.

PRESENT VIA TELECONFERENCE

Connie Caprio, Self, Seward; Charlotte Nicolet, Advocate, Independent Living Center, Seward; Bryan Zak, Mayor, City of Homer; Jim Hornaday, Member, Kenai Peninsula College Council, Homer; Lisa Asselin Martin, Member, Homer Early Childhood Coalition, Homer; Dave Lewis, Employee, Independent Living Center, Homer; Pam VanHoozer, Participant, Independent Living Center, Homer; Anne Wieland, Self, Homer; Ann Dixon, Homer Public Library, Homer; Joyanna Geisler, Independent Living Center, Homer; Kate Finn, Self, Homer; Carol Shuler, Self, Homer; Willard Dunham, Self, Seward; Hannah Bengtson, Representative, Parents as Teachers, Glennallen; June Doepken, Self, Seward; William Deaton, Self, Cordova; Anthony Habra, Superintendent, Haines Borough School District, Haines; Elizabeth Tyson, Self, Skagway; Evelyn Trefon, Self, Newhalen; Tim Bauer, Superintendent, Annette Island School District, Metlakatla; Ginger Fortin, Self, Ketchikan; Jennifer Shockley, Self, Unalaska; Karen Murdoch, Self, Homer; Marilyn Doucette, Adult Disabled Child in Juneau, Maine; Joan McBeen, Self, Tenakee Springs; Geoff Widdows, Self, Yakutat; Kay Andrews, President, Southwest Region School District, Aleknagik; Jessica Sutton, Self, Juneau; Simon Vansintjan, Self, Skagway; George Pierce, Self, Kasilof; Robert Purcell, Self, Homer; Cheri Smith, Self, Kenai; Alex Matsov, Self, Skagway; Nicki Shelton, Self, Hoonah; David Boyle, Executive Director, Alaska Policy Reform, Anchorage; Melanie Lesh, Self, Gustavus; Sabra Anckner, Board Member, Alaska Public Health Association, Anchorage; Jeanne Gerhardt-Cyrus, Self, Kaina; Mary Deihl, Self, Homer; Stacy Cedgwick, Self, Juneau; Mark Larsen, Self, Skagway; Karil Lopez, Self, Anchorage; Austin Roof, Self, Sand Point; Deborah Holland, Self, Anchorage; Ashlyn Antonelli, Self, Anchorage; Trever Storrs, Executive Director, Alaska Children's Trust, Anchorage; Teri Elizabeth King, Self, Juneau; Charles McKee, Self, Anchorage; Deena Bishop, Superintendent, Anchorage School

District, Anchorage; Mr. Tam Agosti-Gisler, Anchorage School District, Anchorage; Starr Marsett, Anchorage School District, Anchorage; Jim Anderson, Chief Financial Officer, Anchorage School District, Anchorage; Michael Bailey, President, Alaska Association on Development Disabilities, Anchorage; Dave Donley, Hope Community Services, Anchorage; Steve Hennessey, Self, Anchorage; Emily Cross, Public Broadcasting KNBA, Anchorage; Carol Waters, Self, Anchorage; Drew Hansen, Rural CAP and Parents as Teachers, Anchorage; Amy Simpson, Self, Anchorage; Meghan Johnson, Director, Learn and Grow, Anchorage; Panu Lucier, Director, System for Early Education Development, Anchorage; Hope Finklestein, Self, Anchorage; Deena Mitchell, Self, Anchorage; Abbe Hensley, Executive Director, Best Beginnings, Anchorage; Ronnie Brown, Head Start, Anchorage; Abby Beltz, Self, Anchorage; Mildred Parker, Professional Development Specialist, Thread, Anchorage; Michelle Jero, Guardian, Anchorage; Brenda Moore, Alaska Mental Health Trust Board, Anchorage; Cat Coward, Self, Anchorage; Ryan Buchholdt, Self, Anchorage; Chris Truletes, Self, Anchorage; Carl Berger, Self, Anchorage; Mary Geddes, Self, Anchorage; Mark Carr, Self, Anchorage; Darius Kasprzak, Self, Kodiak; Dan Dunaway, Self, Dillingham; Suzette Mizelle, Self, Kenai; Penny Bearden, Self, Nanwalek; Margaret Gilman, Parent, Kenai Peninsula Borough School District, Kenai; Sean Dusek, Superintendent, Kenai Peninsula Borough School District, Soldotna; Tana Otcheck, Assisted Living Home, Kenai; Daniel Bowen, Parent, Kenai Peninsula Borough School District, Kenai; Dave Brighton, Kenai Peninsula Education Association, Kenai; James Harris, Kenai, Peninsula Borough School District Teacher of the Year, Soldotna; Jenny Neyman, Self, Kenai; LaDawn Druce, Self, Sterling; Fred Sturman, Self, Soldotna; Dave Jones, Kenai Peninsula Borough School District, Soldotna; Mary Toutonghi, Self, Soldotna; Jesse Bjorkman, Self, Nikiski; Heather Foxworthy, Parent Educator, Parents As Teachers, Kodiak; Marilyn Rosene, Self, Dillingham; Jim Ceden, Self, Community of Old Harbor; Jennifer Sychra, Advocate, Kodiak Women's Resource Center, Kodiak.

#### SUMMARY

SB 22            APPROP: OPERATING BUDGET/LOANS/FUNDS

SB 22 was heard and HELD in Committee for further consideration.

SB 24            APPROP: MENTAL HEALTH BUDGET

SB 24 was heard and HELD in Committee for further consideration.

Co-Chair Hoffman discussed housekeeping. He explained that the current version of the budget had no contained funding for public education because the Senate was still contemplating the size of the reduction to public education funding. He relayed that the Senate planned to reduce funding to public health, transportation, the University, and public education by 5 percent. He asserted that public education had received the second lowest budget reduction, of any department, over the past 4 years; less than 10 percent, which other departments saw 30 percent reductions. He lamented that the state was facing difficult fiscal times, which the committee had partially addressed with the passage of SB 26, but that more cuts were necessary in order to address the deficit of the state. He expressed the hope to establish a long-term fiscal plan, but stressed that the legislature was still tasked with passing an FY 18 Operating Budget.

[9:07:52 AM](#)

Co-Chair Hoffman outlined the legislative budgetary process. He bemoaned that tapping into the Constitutional Budget Reserve (CBR) would require a three-fourths vote of the legislature, which he thought unlikely.

Co-Chair Hoffman OPENED public testimony.

#sb22

#sb24

SENATE BILL NO. 22

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; repealing appropriations; making supplemental appropriations and 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."

SENATE BILL NO. 24

"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."

^PUBLIC TESTIMONY: JUNEAU

9:09:03 AM

Co-Chair Hoffman noted that each testifier would be allowed two minutes to share their testimony with the committee.

9:09:54 AM

SARAH HARGRAVE, ALASKA NURSES ASSOCIATION, JUNEAU, testified in strong opposition to cuts to funds for public health nursing. She contended that cuts to public nursing would result in the loss of critical public health services, particularly in rural Alaska. She asserted that public health nursing was not duplicative of community health centers or tribal health. She testified that public health nursing played an important role in families, schools, homes, and workplaces, and was not confined to the walls of clinic buildings. She stressed that public health nursing was the backbone of the Alaskan public health infrastructure. She identified that the public health nursing budget had been reduced by 20 percent over the last two fiscal years. She warned that further cuts would put the health and security of all Alaskans at risk. She stated that access to the critical services provided by public health nurses was an imperative component to the stability and health of the state as a whole. She relayed that cuts to public health in other states had resulted in the outbreak of preventable diseases. She said that public health nursing was not duplicative of primary care; without consistent, local, reliable, and high quality public health services, and presence in the form of public health nurses, Alaska would find itself at the precipice of a health crisis.

9:11:48 AM

STAN LUJAN, SELF, JUNEAU, spoke in support of early childhood education. He discussed his 40-year history as a teacher and superintendent in the state. He urged support

of Pre-K programs, Best Beginnings, Parents as Teachers, and the Imagination Library. He believed that funding early learning programs was critical for the educational success of Alaska's children. He offered several facts pertaining to the negative impact of illiteracy on society as a whole, and asserted that 90 percent of the state's welfare recipients were high school drop-outs. He concluded that it was imperative for the state to continue funding early childhood education.

[9:14:28 AM](#)

KEN WEBER, ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN, JUNEAU, testified in support of funding for early childhood education. He relayed that he was a former teacher, and had observed the positive effects of early childhood education. He considered early childhood education to be an investment in the community. He felt that an income tax would better serve the state, rather than further cuts to early childhood programming.

[9:15:45 AM](#)

LESLEY KALBRENNER, PARENTS AS TEACHERS, JUNEAU, spoke in support of funding for the Parents as Teachers program. She echoed the comments of the previous speaker. She asserted that the program had positively affected her relationship with her son on a holistic level. He described how the program had maintained value in her life as her child had grown. She appealed to the committee to provide funding for the Parents and Teachers program.

[9:17:55 AM](#)

TALEA KELLAR, PARENTS AS TEACHERS, JUNEAU, testified in support of funding for the Parents as Teachers program. She shared that she was a home visitor for the program, and highlighted that there were families that did not have the ability to make it to testify before the committee; it was for these families she was testifying. She believed that as a home visitor she was in the unique position to build strong relationships with the families she worked with, which was especially important to families that were isolated or experiencing stress in their lives. She added that for some families the program was a way gain information and empower positive change.

[9:19:31 AM](#)

JOHN BENNETT, ALASKA CENTER FOR RESOURCE FAMILIES, JUNEAU, testified in support of funding for early childhood education. He relayed that children were most malleable during their first 4 years of life, and were most affected by both adverse and positive experiences. He asserted that early childhood programs would produce better citizens and save the state money in the future. He understood that the state currently faced a budget crisis, but expressed that every dime spent on early childhood programs would save dollars in the future, while also saving hearts and minds.

[9:20:59 AM](#)

LINDA MILLER, SELF, JUNEAU, spoke in support for funding for early childhood education. She relayed that she was a retired teacher, and had many teachers in her family. She discussed differing levels of preparation for kindergarten age children. She pointed out that 9:00 a.m. on a Thursday morning was not a time that teachers could take advantage of to testify. She expressed appreciation for the work of the committee. She expressed that Alaska's children were the state's most important resource. She spoke in support of an income tax.

Co-Chair Hoffman relayed that anyone who could not make it to testify before the committee during the times scheduled could submit written testimony to the committee.

[9:23:41 AM](#)

JORDEN NIGRO, SELF, JUNEAU, testified in support of funding for public broadcasting. She discussed her upbringing in rural Alaska and the positive effects of public radio in her pursuit of critical thinking on complex issues. She spoke in support of an income tax. She mentioned the Permanent Fund Protection Act (PFPA) which had been passed in the Senate the previous day. She stressed the need for revenue-based solutions to combat the fiscal crisis. She urged the committee to do what was right, and not what was popular; and to address the budget problem in a meaningful and sustainable manner.

[9:25:39 AM](#)

KIRK DUNCAN, COAST ALASKA, JUNEAU, spoke in support of public radio. He recognized the financial distress of the state and that cuts to the state budget were necessary, but asked the committee to leave public broadcasting funding at the same level as the previous year. He discussed the positive effects of public broadcasting. He spoke in support of an income tax. He urged the committee to avoid draconian cuts to the budget.

[9:27:30 AM](#)

JOY LYON, ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN, JUNEAU, testified in support of funding for early childhood education. She shared that she was the president of the Association for the Education of Young Children (AEYC) Southeast. She read from article VII of the Alaska State Constitution:

Section 1. Public Education

The legislature shall by general law establish and maintain a system of public schools open to all children of the State, and may provide for other public educational institutions.

Ms. Lyon argued that "all children" mentioned in the constitution would include children ages birth to five years old. She noted that other state constitutions had an age set in writing, and thought that the writers of the Alaska constitution had been forward-thinking. She discussed evidence that showed the importance of early childhood education. She discussed her personal history working in early childhood education and working with underprepared children. She discussed adverse outcomes after not having proper support in early childhood. She asserted that cutting early childhood programs would cost more money in the future. She relayed that the AEYC board had passed a resolution in support of an income tax.

[9:30:04 AM](#)

EVERYL VELIZ, SELF, JUNEAU, spoke in support of the Parents as Teachers and Best Beginnings programs. She stated that her family was part of a pilot program with Parents as Teachers; which had included periodical evaluations to evaluate verbal, gross motor, fine motor, and social-emotional skills. She acknowledged the Imagination Library and thought it had enhanced her family's literacy skills.

She discussed her son's performance in school and thought it had demonstrated the effectiveness of the Parents as Teacher's program. She thought all children should have the same opportunity for kindergarten readiness. She spoke in support of an income tax or a state sales tax.

[9:32:37 AM](#)

MELINDA MESSMER, ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN, JUNEAU, testified in support of the Parents as Teachers program. She discussed services provided by the program. She relayed that she had anecdotally found that parents found helpful emotional support through the program. She urged the committee to support the program.

[9:34:02 AM](#)

NIKKI LOVE, SELF, JUNEAU, spoke in support of funding for early childhood education. She stated that she was a community engagement coordinator with AEYC, and a child nutrition advocate. She discussed the challenge of isolation as a parent. She echoed comments of the previous speakers in support of early childhood education. She spoke in support of an income tax.

[9:35:19 AM](#)

ALIZA KAZMI, ALASKA NETWORK ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT, JUNEAU, testified in opposition to Amendment 13 in the budget for the Department of Public Safety. The amendment proposed to transfer funds from the Council on Domestic Violence and Sexual Assault (Undesignated General Funds [UGF]) to fund a new Alaska State Trooper position. She asked members to reference her written testimony. She commended legislators for prioritizing public safety. She discussed victim's services; which included sexual assault response, shelter and immediate safety, advocacy services, and crisis lines. She mentioned the Sexual Assault Response Team (SART), which included law enforcement, a medical provider, and an advocate.

[9:37:13 AM](#)

ELIZABETH SIDDON, SELF, JUNEAU, testified in opposition to cuts to Medicaid waiver services for individuals with developmental disabilities (IDD). The cuts would limit the number of day-habilitative services that a person could

receive to 8 hours per week. She relayed that she had a young son who experienced cerebral palsy who was on an IDD waiver, through which he was able to go into the community with a caregiver and interact. She informed that she served on the Governor's Council on Early Intervention, the Alaska Early Childhood Coordinating Council, and the Early Childhood Coordinating Systems Council. She had learned about behavioral supports and the importance of the social and emotional development of children. Through the governor's council she had attended a conference at which there was a cross-state learning collaborative that focused on the social and emotional development of children. If the subject was a priority for the state, she considering limiting the hours of day-habilitative services to be counter-intuitive. She understood that if the change was made to the Medicaid waiver, the state would have to justify that it would not cause harm to individuals.

[9:39:36 AM](#)

AT EASE

[9:39:39 AM](#)

RECONVENED

Ms. Siddon continued discussing how limiting the IDD waiver hours would be detrimental to those on the waiver as well as caregivers and parents.

Co-Chair Hoffman understood that the money had been restored in the Senate's budget.

[9:40:15 AM](#)

Senator Micciche relayed that he had checked with the Department of Health and Social Services, and the average number of waiver hours was 11, and the subcommittee had increased the day-habilitative hours from 8 to 12. He continued that there was still a cut, but understood that the limit was the average hours that the typical waiver recipient received.

Ms. Siddon stated that the IDD waivers served a range of ages and ranges of disabilities. She struggled to know how to represent the breadth of people who were served by the waivers. She argued that putting a hard cap on the hours was not appropriate and would be better left to individual plans of care. She noted that DHSS Senior and Disability

Services was already scrutinizing plans, and the hours limit could be done on an individual basis.

Senator Micciche stated that the committee had received hundreds of calls and emails pertaining to day-habilitation services. He asserted that there was not a hard cap on hours before, and there was not currently. The level of funding had been brought up to 12 hours, but was still managed on an individual case load.

[9:42:15 AM](#)

BLUE SHIBLER, SELF, JUNEAU, spoke in support of funding for day-habilitative services. She discussed the importance of social and emotional learning for young children. She relayed that she was the chair of AEYC board, and supported funding for early childhood programs such as Best Beginnings and Parents as Teachers. She supported an income tax.

[9:44:18 AM](#)

ALYSON CURREY, PLANNED PARENTHOOD, JUNEAU, testified in opposition to cuts in the Department of Health and Social Services funding for medically necessary abortion services. She reminded that in 2001 the Alaska Supreme Court ordered the department and the state to pay for the services, citing that blocking funding violated the equal protection clause of the Alaska Constitution. She continued that removing the funding for the budget would put the department in the position of either violating the law, or cutting other important healthcare programs to pay for the services. She urged the committee to support birth control and preventive care. She spoke in support of funding for public health nursing. She remarked that Alaska led the nation in rates of sexually transmitted diseases (STD). She mentioned an HIV outbreak in the Bristol Bay area the previous year. She opposed proposed cuts to domestic violence and sexual assault victim's services; such as sexual assault response teams, immediate shelter, and other support services.

[9:46:39 AM](#)

JOANN QUIGG, ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN, JUNEAU, spoke in support of funding for early childhood education. She discussed her personal challenges

with being the mother of twins and a four-year-old. She discussed her personal experience with the Parents as Teachers program and the Best Beginnings program. She encouraged the committee to consider an income tax rather than cutting funding for programs.

[9:48:04 AM](#)

NIAMH DARDIS, SELF, JUNEAU, testified in support of funding for disability services. She discussed the challenges of families with children that experienced disabilities. She asserted that children with disabilities had the right to equal access to the community, and could do so through access to skilled providers. She maintained that many opportunities for young people in the community were already under-resourced. She thought that increased cuts to disability support services would force parents to have increased dependency on other state benefit programs. She had observed an increase in the number of families with children with disabilities that had open cases with the Office of Children's Service's. She had worked with three families in the previous year that had a child removed from the home after the family was unable to care for the child. Two of the three children she mentioned had to leave the community of Juneau. She urged the committee to restore funding for 1915 Medicaid waivers, and asked that no hard caps be put on services. She emphasized the each family had individual needs.

[9:51:26 AM](#)

JONATHAN ESTES, SELF, JUNEAU, spoke in support of funding for disability services. He relayed that he was a foster parent, and had a daughter that experienced an intellectual disability. He discussed his experience with utilizing the services of REACH, Inc., which had helped immensely with communication and social skills, and had provided access to the community. He urged the committee to support funding for children with disabilities.

[9:53:15 AM](#)

CHRISTINE CULLITON, SELF, JUNEAU, testified in support of funding for disability support services. She relayed that she was the parent of a child with significant disabilities. She discussed the drastic steps her family had to take to secure services for their daughter. She

discussed her experience with agencies. She discussed the 15 hour cap on day-habilitation as applied to those individuals residing in group homes. She was concerned that there might not be in transparency in the language provided by the department. She expressed concern about the "average hours" discussed in the context of a group home plan of care. She was concerned that a cap would result in individuals being moved to facilities outside of the community. She urged the committee to follow up with the department and ask hard questions about the caps. She supported an income tax.

9:56:00 AM

COREY GILMORE, SELF, JUNEAU, testified in support of funding for disability support services and opposed putting a cap on the allowed hours for day-habilitation. He relayed that he had been in Juneau for five years, after living in Maine, where there had been no day-habilitation or supported living services available. He stated that he used 22.5 hours per week of day-habilitation services that enabled him to get out in the community. He discussed his personal experience with needing assistance to navigate due to low vision. He thought it was hypocritical to cut services while offering a PFD.

9:59:41 AM

MARK MILLER, JUNEAU SCHOOL DISTRICT, JUNEAU, testified in opposition to cuts to education. He reminded the committee of its constitutional obligation to establish and maintain a system of public schools. He informed that the district budget was due in two weeks. He reminded that the district had already committed funds to re-hire all of the district's tenured teachers. He asserted that significant cuts to education after funds were already dedicated was hugely problematic. He thought cuts to education would hurt kids and would not make a significant difference to the fiscal gap. He supported the PFFA and an income tax.

10:01:42 AM

DEBRAH CLEMENTS, SELF, JUNEAU, spoke in support of the Parents as Teachers program. She shared that she was a business owner and a new parent. She discussed the challenge of being a parent and shared that the Parents as

Teachers program had been extremely helpful. She supported a cut to the dividend to pay for state services.

[10:03:09 AM](#)

RICHARD COLE, SELF, JUNEAU, spoke in support of public media. He considered public media to be particularly important in Alaska. He discussed the importance of access to impartial and accurate news. He used examples of important public media functions such as daily local news, emergency safety information, and local community engagement. He discussed the importance of public media in the lives of state residents, particularly in rural areas. He urged the committee to fund public media.

[10:06:06 AM](#)

GABI FLATEN, SELF, JUNEAU, spoke in support of funding for disability services. She discussed the experience of her son, who had a traumatic brain injury and experienced a myriad of disabilities, and who was a recipient of the home and community-based Medicaid waiver. She worked as a service coordinator for individuals with medically complex disabilities. She was in favor of restoring all funding for day-habilitation services, and opposed any caps. Her son had received 14 to 20 hours per week of day-habilitation services, depending upon his school schedule. She discussed the advantage of her son's community experience enabled through day-habilitation. She discussed the long-term importance of her son being in the community. She emphasized that if day-habilitation services were capped, it would limit the ability of individuals to work, and gain and achieve skills needed to be an adult in the community. She thought it would be counterintuitive to change the waivers, and thought hours of day-habilitation would be better assessed through individual plans of care.

[10:11:11 AM](#)

KAYLA WISNER, SELF, JUNEAU, testified in support of funding for early childhood education. Her family had received support from the Imagination Library. She referred to previous testifiers who spoke in support of day-habilitation services. She discussed the benefits of having children with disabilities integrated in the community.

[10:13:05 AM](#)

LILY POTHIER, SELF, JUNEAU, spoke in support of funding for the Parents as Teachers program. She spoke of the benefits her family had received from the program. She discussed her son's difficulty with language and identified services she had received from Parents as Teachers and REACH. She discussed the benefit of early intervention. She shared that she and her husband had been well-equipped by the program. She urged the committee to leave funding in early childhood education program.

[10:15:33 AM](#)

PAUL BERAN, SELF, JUNEAU, testified in favor of an income tax. He asserted that the people of the state favored a state income tax. He thought an income tax would give individuals a greater sense of ownership and responsibility for the government. He referred to an email he had sent to the committee. He referenced the bible. He supported an income tax.

[10:17:01 AM](#)

BRENDA TAYLOR, SELF, JUNEAU, spoke in support of an income tax. She relayed that she was heavily involved in volunteering in education. She echoed the comments of the previous testifier. She supported an income tax. She was a member of the Juneau Science Technology Engineering and Math (STEM) Coalition, and participated with Great Alaska Schools. She was a co-chair of the Juneau-Douglas High School Site Council. She referred to cuts to the Juneau School District over the previous 6 years. She referred to the inability of middle school classes to do hands-on labs due to the size of the class, and the lack of materials. She discussed a new science curriculum that needed materials and a coordinator. She suggested that even a 5 percent cut would be problematic for future educational opportunities. She discussed engineering courses that had been planned for the summer but were cancelled due to lack of resources.

Co-Chair Hoffman thanked the testifiers and thanked the community of Juneau for welcoming the legislature. He stated that the committee would be "at ease" until additional people wanted to provide public testimony.

[10:20:42 AM](#)

AT EASE

[10:33:07 AM](#)

RECONVENED

Co-Chair Hoffman relayed that the committee would stand at recess until 1:00 p.m.

[10:33:20 AM](#)

RECESSED

[1:02:54 PM](#)

RECONVENED

Co-Chair Hoffman restated that there was no money yet for the DEED budget, but anticipated a 5 percent reduction in the DEED budget.

^PUBLIC TESTIMONY: GLENNALLEN, SEWARD, HOMER

[1:04:48 PM](#)

CONNIE CAPRIO, SELF, SEWARD (via teleconference), testified in support funding for the Independent Living Center. She felt that the Independent Living Center had helped her live a full life.

[1:06:02 PM](#)

CHARLOTTE NICOLET, ADVOCATE, INDEPENDENT LIVING CENTER, SEWARD (via teleconference), testified in support funding for the Independent Living Center. She shared that there were many items available for those in need such as wheelchairs and crutches. She stated that the Mental Health Trust grants helped to provide funding for the Independent Living Center. She stressed that there was a positive outcome, because of the funding that was historically provided. She remarked that there was also a tax deduction program in line with the Independent Living Center.

[1:08:08 PM](#)

BRYAN ZAK, MAYOR, CITY OF HOMER (via teleconference), spoke in support of public radio, Best Beginnings, the Alaska State Library, and behavioral health funding. He stressed that the budget reduction affected jobs. He hoped that there would be other solutions such as a state income tax.

He remarked that there were many workers from outside of the state, who did not contribute to the state economy through income taxes.

[1:10:21 PM](#)

JIM HORNADAY, MEMBER, KENAI PENINSULA COLLEGE COUNCIL, HOMER (via teleconference), spoke in support of the budget submitted by the University of Alaska (UA) Board of Regents. He remarked that UA had experienced a \$3 million reduction, and cut 329 positions. He felt that there were many local residents in the Kenai Peninsula Borough who contributed greatly to the college. He remarked that there were important courses offered by the college, and continually evolved to serve the community.

[1:12:31 PM](#)

LISA ASSELIN MARTIN, MEMBER, HOMER EARLY CHILDHOOD COALITION, HOMER (via teleconference), spoke in support of early childhood education program funding. She spoke in support of Best Beginnings, Parents as Teachers, Statewide Pre-K, and the Imagination Library. She shared that many books were delivered to children under the age of 5 across the state.

[1:14:29 PM](#)

DAVE LEWIS, EMPLOYEE, INDEPENDENT LIVING CENTER, HOMER (via teleconference), spoke against reducing the mental health budget. He felt that the budget would affect the most vulnerable in the state. He spoke in support of a statewide income tax.

[1:15:27 PM](#)

PAM VANHOOZER, PARTICIPANT, INDEPENDENT LIVING CENTER, HOMER (via teleconference), spoke in support of funding for the Independent Living Center. She shared that she was newly blind and was able to learn to use a cane at the Independent Living Center. She asserted that the knowledge she learned from the Independent Living Center had helped her become a functioning member of society.

[1:16:16 PM](#)

ANNE WIELAND, SELF, HOMER (via teleconference), spoke in support of funding for public radio. She stressed that the radio provided information. She remarked that Homer had some serious wildfires, and the local radio station provided information regarding the wildfires and other weather warnings. She felt that the public radio news provided balanced points of view. She urged the committee to restore 100 percent of the essential services of public radio. She remarked that Representative Don Young had announced that public radio was one of the most essential services for Alaskans.

[1:18:21 PM](#)

ANN DIXON, HOMER PUBLIC LIBRARY, HOMER (via teleconference), testified in favor of the Online with Libraries (OWL) program. She stated that many relied on the library to access the internet. She also spoke in support of early childhood education programs. She also urged the committee to restore funding for public broadcasting.

[1:20:33 PM](#)

JOYANNA GEISLER, INDEPENDENT LIVING CENTER, HOMER (via teleconference), requested that full funding be restored to the Independent Living Center. She remarked that no one lived at the center, but rather provided support for those who wanted to live in the homes of their choosing. She remarked that many of the employees working at the center were also experiencing disabilities. She remarked that the center helped transition individuals from nursing homes back into the community. She stressed that any further reductions would sorely impact the services across the state.

[1:22:54 PM](#)

KATE FINN, SELF, HOMER (via teleconference), urged the committee to restore funding for public broadcasting. She shared that she relied on public radio for information related to marine weather warnings and other local announcements. She stressed that the radio was a personal safety information center. She stressed that continued federal funding was required to continue public radio. She understood the financial situation, and spoke in support of partial use of the permanent fund dividend and a state income tax.

[1:25:13 PM](#)

CAROL SHULER, SELF, HOMER (via teleconference), spoke against funding for full-price airplane tickets for health consultants, and full price payments of medical equipment. She spoke in support of Medicaid waiver services. She felt that the waiver services provided individuals with travel services to function within the community.

[1:27:35 PM](#)

WILLARD DUNHAM, SELF, SEWARD (via teleconference), spoke in support of public safety, public health, and roads. He testified in support of an increased alcohol tax and a statewide income tax. He felt that the legislature should create a fiscal strategy.

[1:29:48 PM](#)

HANNAH BENGTON, REPRESENTATIVE, PARENTS AS TEACHERS, GLENNALLEN (via teleconference), spoke in support of funding for Parents as Teachers. She explained the Parents as Teachers program. She shared that the program enhanced family, and provided information to prevent abuse and neglect. The program used screening tools should a child need special services. She remarked that the funding would provide more opportunity for independence for families in Glennallen.

Senator Micciche introduced Monica Henson Wilson, who was shadowing Senator Micciche.

Co-Chair Hoffman wondered whether Ms. Wilson wanted to testify. Ms. Wilson declined.

Vice-Chair Bishop introduced Amber Chamberlain, who was shadowing Vice-Chair Bishop.

[1:33:16 PM](#)

RECESS

[1:41:46 PM](#)

RECONVENED

[1:42:18 PM](#)

TYROAN REDISKE, ALASKA YOUTH FOR ENVIRONMENTAL ACTION, HOMER, spoke against DEED budget reductions. He stated that he hoped to obtain the Alaska Performance Scholarship.

Vice-Chair Bishop queried Mr. Rediske's college major. Mr. Rediske replied that he hoped to major in marine biology.

[1:43:45 PM](#)

KARL PFEIFFENBERGER, ALASKA YOUTH FOR ENVIRONMENTAL ACTION, SEWARD, spoke against the budget reduction for the Alaska Performance Scholarship. He shared that he knew of many college students who relied on the Alaska Performance Scholarship. He felt that it was important for many to continue their education.

[1:45:01 PM](#)

JOSEY SHAW, SELF, GLENALLEN, spoke against DEED budget reductions. He spoke in support of the Alaska Performance Scholarship. He remarked that further cuts to DEED would increase class size and limit the time to access the teachers in a personal manner.

[1:46:36 PM](#)

RECESS

[2:00:54 PM](#)

RECONVENED

[2:01:25 PM](#)

JUNE DOEPKEN, SELF, SEWARD (via teleconference), spoke in support of funding for DEED. She remarked that the larger classrooms made it difficult for students to have access to their teachers. She stressed that teachers would only spend more of their own money to pay for education. She spoke in support of the gasoline tax and statewide income tax.

^PUBLIC TESTIMONY: STATEWIDE OFFNET

[2:03:30 PM](#)

WILLIAM DEATON, SELF, CORDOVA (via teleconference), opposed the current budget. He felt that there should be continued budget reductions. He spoke against funding for a new ferry. He spoke against the legislators' per diem. He spoke

against an income tax. He felt that all nonessential items in the budget should be reduced. He spoke against the OWL program, because it did not impact classrooms. He spoke against funding for the marine highway. He did not want the state to become a "nanny state."

[2:06:09 PM](#)

ANTHONY HABRA, SUPERINTENDENT, HAINES BOROUGH SCHOOL DISTRICT, HAINES (via teleconference), spoke against the 5 percent reduction to the Base Student Allocation (BSA). He shared that his district had reduced its personnel significantly in the previous year. He felt that education funding cuts would negatively affect classrooms.

[2:07:19 PM](#)

ELIZABETH TYSON, SELF, SKAGWAY (via teleconference), urged the committee to restore funding for public broadcasting. She remarked that public radio provided essential and emergency information services. She spoke against increased military spending.

[2:08:32 PM](#)

EVELYNN TREFON, SELF, NEWHALEN (via teleconference), spoke against a state sales tax. She spoke in support of a state income tax. She shared that an income tax would put money back into the state economy. She also spoke in support of limiting the PFD to \$1000. She felt that the oil and gas tax credits should be rewritten. She spoke in support of the community sharing funding, and felt that it should be a reliable funding source. She urged the committee to find new revenue sources.

[2:12:29 PM](#)

TIM BAUER, SUPERINTENDENT, ANNETTE ISLAND SCHOOL DISTRICT, METLAKATLA (via teleconference), spoke against the 5 percent reduction to the BSA. He remarked that there were positions that must be filled, but the reduction did not allow for appropriate funding for qualified teachers. He stressed that unqualified teachers would be required to teach outside of their expertise, and the education would suffer.

[2:15:16 PM](#)

GINGER FORTIN, SELF, KETCHIKAN (via teleconference), spoke in support of funding for ferry service from Homer to Ketchikan in the winter. She felt that cross gulf ferry service was needed at least once or twice during the winter. She also urged the committee to restore funding for public broadcasting. She felt that public radio was essential for islands and small communities.

[2:16:23 PM](#)

JENNIFER SHOCKLEY, SELF, UNALASKA (via teleconference), urged the committee to restore funding for public broadcasting. She pointed out that over one-half of the population lived in rural communities, and did not have access to high speed internet. Those communities relied on public radio for community information and emergency services information. She stressed that public media provided quality education programs for children. She remarked that the public broadcasting network provided an opportunity to learn more about the legislature, therefore providing an educational opportunity.

[2:19:24 PM](#)

KAREN MURDOCH, SELF, HOMER (via teleconference), urged the committee to restore funding for public broadcasting. She stated that the local public radio station provided wildfire, earthquake, and tsunami emergency warnings. She felt that the public radio provided critical information for statewide issues. She did not feel that the public radio budget reduction would not balance the budget. She spoke in support of an income tax, and hoped that her tax would support public radio.

[2:20:49 PM](#)

MARILYN DOUCETTE, ADULT DISABLED CHILD IN JUNEAU, MAINE (via teleconference), spoke against the budget reductions for funding for her disabled child. She testified against the cap of 12 hours for disability assistance. She shared that her son and his partner each had cerebral palsy. She remarked that her son may become depressed, if he was forced to stay indoors.

[2:23:16 PM](#)

JOAN MCBEEN, SELF, TENAKEE SPRINGS (via teleconference), urged the committee to restore funding for public broadcasting. She remarked that the public radio was essential to her small community. She shared that she was on the Tenakee Springs City Council, and spoke in support of revenue sharing. She stated that the program provided funding for projects in her community. She spoke in support of a statewide income tax. She testified against oil tax credits.

[2:24:58 PM](#)

GEOFF WIDDOWS, SELF, YAKUTAT (via teleconference), urged the committee to restore funding for public broadcasting. He understood the dire fiscal situation. He shared that Yakutat experienced poor internet and cell phone service, so the public radio was often the only form of communication in his community.

[2:26:08 PM](#)

KAY ANDREWS, PRESIDENT, SOUTHWEST REGION SCHOOL DISTRICT, ALEKNAGIK (via teleconference), spoke against the 5 percent reduction to the BSA. She felt that the reduction would result in a personnel reduction. She stated that the teachers and other staff would experience a greater burden than their current situation. She stressed that there would be a major cut to the school district, but noted that she lived in the largest geographic area in the state.

[2:29:05 PM](#)

JESSICA SUTTON, SELF, JUNEAU (via teleconference), spoke against the cap to the day services. She remarked that her son was autistic, and it was difficult for her to be a mom, to work, and go to school. She hoped that the cap would be removed.

[2:30:06 PM](#)

SIMON VANSINTJAN, SELF, SKAGWAY (via teleconference), urged the committee to restore funding for public broadcasting. He stated that the local radio station already experienced significant cuts in the year prior. He stressed that the public radio station in Skagway was significantly important to the community. He announced that the public radio station was the only source of news in the town.

[2:31:36 PM](#)

GEORGE PIERCE, SELF, KASILOF (via teleconference), felt that the budget was unacceptable. He urged the committee to restore funding for public broadcasting. He understood that there should be at least 25 percent budget cuts to state agencies. He felt that allocating money to the state agencies would waste money. He spoke against cuts to essential services. He felt that the legislature was only concerned with special interest groups. He spoke against limiting the PFD. He felt that the legislature should listen to the residents of Alaska.

[2:33:54 PM](#)

ROBERT PURCELL, SELF, HOMER (via teleconference), urged the committee to restore funding for public broadcasting. He stated that he had been involved in disaster relief across the country. He had seen the critical role that public radio played in preparing and informing communities of disaster events. He stressed that public radio was essential in communicating with the public. He felt that the state should be a partner with local communities in providing public radio.

[2:36:23 PM](#)

CHERI SMITH, SELF, KENAI (via teleconference), spoke against the transfer of funding from the Council on Domestic Violence and Sexual Assault fund to a new state trooper position. She appreciated the public safety in the state, but remarked that victims of crime came to the shelters. She felt that the funding should remain in place for the shelters. She understood the budget situation in the state, but stressed that taking money from the council took money from the agencies. She stated that she had to recently reduce her staff by two advocates, and encouraged the committee to look elsewhere to fund the new trooper position.

[2:39:15 PM](#)

ALEX MATSOV, SELF, SKAGWAY (via teleconference), urged the committee to restore funding for public broadcasting. He remarked that the local radio station was essential to stay

informed and active in the community. He felt that public radio was essential to Skagway.

2:40:08 PM

NICKI SHELTON, SELF, HOONAH (via teleconference), spoke in support of funding for Parents as Teachers, Pre-K programs, Best Beginnings, and the Imagination Library. She stressed that early childhood education had a strong link to brain development. She felt that the programs focused on literacy. She remarked that Hoonah did not have a public library, so the programs provided the only source for books in young children's homes. She remarked that there was a profound impact by the programs on children before the age of five. She stressed that the programs provided early intervention, which made it possible for children to enter kindergarten without additional services. She also spoke in support of a state income tax.

2:43:20 PM

AT EASE

2:43:33 PM

RECONVENED

2:43:44 PM

DAVID BOYLE, EXECUTIVE DIRECTOR, ALASKA POLICY REFORM, ANCHORAGE (via teleconference), highlighted additional cuts he felt should be made to the budget: page 3, line 33, The Alaska Land-Mobile Radio, \$4.4 million; page 6, line 16, Alaska Gasline Development Corporation, \$10.3 million; page 10, line 19, Department of Education IT, \$1 million; page 10, line 31, Pre-K \$2 million; page 11, line 5, 1 percent for Art Council, \$2.8 million; page 11, line 25, WAMI, \$3 million; page 11, line 27, Alaska Performance Scholarship, \$11.8 million; page 19, line 19, performance bonuses for Department of Health and Social Services (DHSS), \$6 million; page 20, line 17, adult preventative dental in DHSS Medicaid; page 22, line 19, Alaska Vocational Technical Center, \$15 million; page 25, line 8, Alaska Aerospace Corporation, \$11 million; page 27, line 24, Alaska State Troopers special projects, \$2.6 million; page 29, line 29, prisoner transport, \$2.3 million; page 36, line 13, Fairbanks organized research UAF, \$155 million; page 10, line 11, foundation formula, delete the harmless provision and reduce other factors; and page 10, early

learning coordination, \$8.6 million. He stressed that he wanted "hard cuts." He stressed that the Medicaid reform and criminal justice reform did not reduce any costs.

[2:46:14 PM](#)

AT EASE

[2:46:43 PM](#)

RECONVENED

Co-Chair Hoffman handed the gavel to Vice-Chair Bishop.

[2:46:53 PM](#)

MELANIE LESH, SELF, GUSTAVUS (via teleconference), spoke in support of the public services budget. She urged the committee to restore funding for public broadcasting. She echoed the remarks of Senator Egan in regards to the importance of funding for public broadcasting. She stressed that public radio was essential to small communities. She remarked that public radio connected the entire state, and felt that the reduction would damage existing infrastructure.

[2:49:45 PM](#)

SABRA ANCKNER, BOARD MEMBER, ALASKA PUBLIC HEALTH ASSOCIATION, ANCHORAGE (via teleconference), spoke in support of public health nurses. She explained some of the services provided by public health nurses. She remarked that many public nurses provided continued education to nurse practitioners and nurses. She stressed that there were cuts in the federal budget to vaccinations and essential air services, so the public health nursing services were even more essential to the state.

[2:51:38 PM](#)

JEANNE GERHARDT-CYRUS, SELF, KAINA (via teleconference), spoke against cuts to community services and Medicaid. She stressed that the cuts may help in the short term, but stressed that the cuts would see an increase in emergency services and crisis intervention. She announced that emergency services and crisis intervention were more expensive were cumbersome to administer.

[2:53:47 PM](#)

MARY DEIHL, SELF, HOMER (via teleconference), urged funding for a cross gulf ferry service in the winter. She shared that she could not drive to visit her friend, because the roads did not allow it in the winter.

[2:54:27 PM](#)

STACY CEDGWICK, SELF, JUNEAU (via teleconference), spoke against funding for day home services. She stated that she knew of someone who would not be able to participate in the community without the day home services.

[2:55:46 PM](#)

MARK LARSEN, SELF, SKAGWAY (via teleconference), urged the committee to restore funding for public broadcasting. He remarked that most of the small communities in the state only had one option for radio. He stressed that public radio was critical in providing unbiased news and emergency information. He stressed that the radio provided access to the outside world.

[2:57:54 PM](#)

KARIL LOPEZ, SELF, ANCHORAGE (via teleconference), spoke against the reduction to funding for Medicaid waivers. She shared that she had a child with a disabilities, and was active in various disability advocacy groups. She stated that parents of children with disabilities were resourceful. She remarked that there was a long waiting list for Medicaid waivers. She hoped that the committee would identify additional revenue to close the budget gap.

Vice-Chair Bishop handed the gavel to Co-Chair Hoffman.

[2:59:32 PM](#)

AT EASE

[3:15:25 PM](#)

RECONVENED

[3:15:53 PM](#)

AUSTIN ROOF, SELF, SAND POINT (via teleconference), urged the committee to restore funding for public broadcasting. He stressed that public broadcasting played a critical role

in his community. He stressed that the public radio provided essential emergency services information. He stressed that state funding was critical for public broadcasting. He felt that it was a small portion of the budget. He spoke in support of funding for education. He stressed that education was not a place that should see additional reductions.

3:18:02 PM

DEBORAH HOLLAND, SELF, ANCHORAGE (via teleconference), spoke in support of additional budget cuts. She felt that the rural areas should be taxed. She remarked that the urban centers of Alaska paid to cover the costs in rural communities.

3:19:06 PM

ASHLYN ANTONELLI, SELF, ANCHORAGE (via teleconference), spoke in support of funding for education. She remarked that many high school graduates were entering the university under college level. She felt that there should also be continued funding for UA. She stressed that raising the cost of tuition for UA was detrimental to students. She felt that the university could not continue to cut programs.

3:21:02 PM

AT EASE

3:30:09 PM

RECONVENED

Vice-Chair Bishop handed the gavel to Co-Chair Hoffman.

TREVER STORRS, EXECUTIVE DIRECTOR, ALASKA CHILDREN'S TRUST, ANCHORAGE (via teleconference), spoke in support of Alaska's children. He provided information about the organization that was focused on the prevention of child abuse and neglect. He emphasized the best return on investment was to invest in children earlier on in life rather than later. He did not support the legislature's solution to cut the budget. He shared there was a solution that was better for Alaskans. He quoted the economist James Heckman who believed that in an era of tight government budgets the real question was how to use the available funds wisely. The best evidence supported the

policy to invest in the very young. He spoke to struggles later in children's lives. For every dollar invested in early childhood education, \$7 dollars was saved later. He underscored that the ages zero to five were the most critical time in a child's life. Early childhood education combatted adverse experiences. He did not support cuts to pre-K, Best Beginnings, and other programs.

[3:33:07 PM](#)

TERI ELIZABETH KING, SELF, JUNEAU (via teleconference), provided information about her personal and career background. She shared that her young son had Down's syndrome. She emphasized the importance of programming for children to learn adaptive skills. She spoke in support of funding for children's education programs. She stated that social services had been great in the community. She did not want to see the services disappear. Cognitive development was imperative for children who learned differently.

^PUBLIC TESTIMONY: ANCHORAGE

[3:34:51 PM](#)

CHARLES MCKEE, SELF, ANCHORAGE (via teleconference), addressed birth certificates and trust accounts. He remarked that former Governor Wally Hickel had said that Alaska was an owner state. He believed Alaska was a public corporation and a commodity along with its resources. He shared that he had provided written testimony as well. He stated the Bar Association had taken control and ran the state's credit out the back door. He stated the legislature could fund the government on its own. He referred to a document he would provide the committee related to credit.

[3:37:38 PM](#)

DEENA BISHOP, SUPERINTENDENT, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of education. She understood the budget problems facing the state. She emphasized the importance of investing where it mattered. Investing in the future meant investing in the knowledge and skill capacity of the people in Alaska. She stressed that schools, teachers, and other workers felt the pressure of outcomes. She underscored that the system must ensure better outcomes for students. The district had made

major changes to support the state, while expecting quality education. She stated that the district had an agreement for shared services for the first time, which would eliminate redundant work. The district had changed boundaries of students and had closed schools. The district had a \$15 million deficit; it was changing practices to address the issue. She noted the deficit was with the BSA flat funding. She underscored the importance of education for the state. She urged the committee to avoid further cuts to the BSA. She supported creating new ways to bring in revenue and other.

[3:40:13 PM](#)

MR. TAM AGOSTI-GISLER, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of funding for the BSA, bond debt reimbursement, and busing. She stated a 5 percent reduction to the BSA would mean \$27 million in cuts to education in the district. She stated the impact to the ASD would be \$16 million if the foundation formula was underfunded without changing the BSA. She emphasized the numbers were frightening. Further reductions would most likely result in class size increases. She spoke to the average costs of a full time employee. She stated the district had cut 100 non-school based personnel at the education center, in information technology, purchasing, and other, which accounted for 25 percent of their reductions. She spoke to one person being expected to do the job of three people. She addressed declining student enrollment and position eliminations. The district had also made reductions to individuals in special education. She emphasized that the district had increased efficiency and had made cost reductions. She added that the district had established shared services agreements with the Municipality of Anchorage.

[3:43:28 PM](#)

STARR MARSETT, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of education. She stated that reductions to pre-K grants would result in unprepared students. She spoke to increased costs related to pupil transportation. She opposed a 5 percent cut to education, which would cost ASD \$27.2 million. She shared that a total of 393 full time positions had been reduced. She provided a breakdown of the reduced positions. The district had used savings to pay the \$10.8 million in debt reimbursement that

had been taken by the governor. She stated that if funding continued as is the district would continue to face a deficit and reduce positions.

[3:45:51 PM](#)

JIM ANDERSON, CHIEF FINANCIAL OFFICER, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in opposition to cuts to education. He addressed the governor's past veto of bond debt reimbursement, which had forced ASD to use savings to cover the shortfall of nearly \$10.8 million. The district did not have funds to cover the deficit in the coming year. Decisions by the legislature would be made after the district had developed its budget. He stressed that moving responsibility for education to taxpayers did not decrease the cost of education, it merely shifted the cost. He stated that the foundation formula had a max cap cities could provide to the district - Anchorage historically had met the cap annually, but it would be unable to provide additional resources to make up any new cuts within the foundation formula. He urged the committee to consider the impact of amendments being made at the national level as well. The district could get hit at both levels.

[3:48:11 PM](#)

CARLY DENNIS, ALASKA YOUTH FOR ENVIRONMENTAL ACTION, ANCHORAGE, spoke about her love for Alaska and shared that the group was focused largely on conservation issues. She encouraged committee members to preserve the state for future generations. She supported teachers, schools, and students.

[3:49:15 PM](#)

MICHAEL BAILEY, PRESIDENT, ALASKA ASSOCIATION ON DEVELOPMENT DISABILITIES, ANCHORAGE (via teleconference), spoke in support of funding for senior and disabilities Medicaid services. He supported an amendment offered by Senator Micciche that added funding to partially restore service levels. He shared information about the association. He spoke to the impact of reductions in communities across the state. He understood that reductions had to be made to address the budget shortfall. The association remained committed to recalibrate appropriate

levels of service in a manner consistent with a shared vision for the system.

[3:50:54 PM](#)

DAVE DONLEY, HOPE COMMUNITY SERVICES, ANCHORAGE (via teleconference), testified in support of funding for Hope Community Services. The organization greatly appreciated the budget subcommittee's increment reducing cuts to services. Hope supported a unified vision to address the critical needs of disabled Alaskans. He supported finding good outcomes for disabled Alaskans.

[3:52:04 PM](#)

STEVE HENNESSEY, SELF, ANCHORAGE (via teleconference), pointed out that the highest form of mental wellness was the ability to self-advocate. He stressed that the individuals were not able to advocate for themselves when someone took something from them. He thanked the committee for restoring some funding for day habilitation mental health services. He stressed that the individuals receiving the services were a return on investment because they got jobs and worked their hearts out. He asked the committee to reconsider the mental health budget.

[3:53:07 PM](#)

EMILY CROSS, PUBLIC BROADCASTING KNBA, ANCHORAGE (via teleconference), spoke in opposition to cuts to public broadcasting. She stressed that cuts would result in reduced radio services across the state. The cuts would impact 95 percent of the state's population and would have a domino effect by severely impacting the station's ability to administer and attract 25 percent federal matching funds. The return on the state's dollar invested was approximately \$6 to \$1. She asked for support of public broadcasting.

[3:54:37 PM](#)

CAROL WATERS, SELF, ANCHORAGE (via teleconference), spoke in support of education funding. She provided information about her professional background in education. She stressed it was imperative to increase funding for the education of the state's children. She believed it should be the state's top priority. She supported increased

funding for early childhood, secondary, and university education.

[3:56:38 PM](#)

DREW HANSEN, RURAL CAP AND PARENTS AS TEACHERS, ANCHORAGE (via teleconference), spoke in support of the Rural CAP Parents as Teachers program. He spoke to the cost benefits of early childhood programs. He stated that for every dollar invested in Parents as Teachers a \$3.29 monetary benefit was realized for participants and taxpayers. He shared detailed information about the finding. He shared that Rural CAP was a community action program across the state and had the ability to screen and assess children in Head Start who had transitioned from the Parents as Teachers program. Data showed that Parents as Teachers children entering their next educational setting were more on target developmentally and had more skill sets related to school readiness. He stated it was possible to only cut to a certain depth.

[3:58:56 PM](#)

AMY SIMPSON, SELF, ANCHORAGE (via teleconference), testified in opposition to cuts to pre-K, Parents as Teachers, and Best Beginnings. She was saddened by the cuts because it would make education more difficult for children to enter prepared for kindergarten and their ability to learn. She spoke to the return on investment of early childhood programs. She believed the cuts would have far reaching impacts on students later on. She proposed that Alaska should stop depending on one funding source for all revenue. She supported an income tax to help pay for services - it would not be easy or without sacrifice. She had also heard the state needed people from outside Alaska for its workforce. She stressed education to improve the state's workforce. She asked the committee to restore funding to education.

[4:01:29 PM](#)

MEGHAN JOHNSON, DIRECTOR, LEARN AND GROW, ANCHORAGE (via teleconference), testified in support of early education for children. She shared information about the organization that provided resources to all early care and learning programs. She asked the committee to consider what its values were related to children and families in Alaska. She

spoke to the critical investment provided by early learning programs. She spoke to the importance of access to early childhood education. The early care and learning community was working very hard to align its systems in order to have a comprehensive, quality, affordable, and accessible system for all of the state's young children. She stressed that for many of Alaska's families it was not an option to stay home for care. She spoke in support of Head Start, pre-K, and licensed childcare programs. There was ample data to show that the high quality education made a difference. She spoke to the dramatic impact on the economy in the future.

[4:04:04 PM](#)

PANU LUCIER, DIRECTOR, SYSTEM FOR EARLY EDUCATION DEVELOPMENT, ANCHORAGE (via teleconference), spoke in support of a long-term fiscal plan that invested in young children and families. She supported diverse revenues to minimize the use of the budget reserve. She urged the committee to make budget decisions that maintained services and support for young children and their families. She did not want to jeopardize leveraged revenue for early learning. She spoke to the unintended consequences of cuts to education including increased dropout rates and other. She emphasized the state could invest now or pay the price later.

[4:05:37 PM](#)

HOPE FINKLESTEIN, SELF, ANCHORAGE (via teleconference), stressed that taxes were not a dirty word. She underscored that she was willing to pay to live in Alaska. She reminded the committee that people in the state experienced crisis including suicide, domestic violence, drug abuse and other. She stressed it was not possible to cut the state's way out of the deficit. She did not support balancing the budget on the backs of the state's vulnerable citizens including the poor, elderly, and disabled. She did not want to give away the state's precious natural resources. She thanked the committee for investing in the health and education of the state.

[4:07:54 PM](#)

DEENA MITCHELL, SELF, ANCHORAGE (via teleconference), spoke in support of funding for education. She was concerned the formula funding for education and pupil transportation had

not been included in the bill. She spoke to the drastic increase in medical costs in the past ten years, which had resulted in the need to cut school budgets. All school districts statewide had made significant cuts to their budgets that impacted students. She referred to testimony from the ASD that significant cuts were coming if the BSA remained at its current level. She emphasized that class sizes would increase and critical support positions would be eliminated. She did not support the cut to the school bond debt reimbursement would have the same impact. She implored the committee to create a comprehensive budget plan. She stated a compromise included broad based income. She strongly supported a state income tax. She underscored the importance of maintaining investment in the next generation.

[4:10:41 PM](#)

ABBE HENSLEY, EXECUTIVE DIRECTOR, BEST BEGINNINGS, ANCHORAGE (via teleconference), spoke in support for funding for Best Beginnings. She discussed that children were all unique, which was the reason it was important to have early development programs such as Best Beginnings, Parents as Teachers, and pre-K grants. She spoke to the value of investment in the early years of a child's life, which reduced the need for investments later on. She provided information about the program worked to ensure all children begin school ready to succeed. Since the program's inception 10 years earlier, the program had partnered with Department of Education and Early Development in the work. She provided further information about the organization. She spoke in support of the Imagination Library, which provided books to children between birth and five years of age - the program had spent \$548,000 on books in 2016; the estimated market value of the books was over \$1 million, which represented a savings of about \$1 million.

[4:14:24 PM](#)

RONNIE BROWN, HEAD START, ANCHORAGE (via teleconference), spoke in support of pre-K, Parents as Teachers, and Best Beginnings. She shared a personal story about her life experience. She had Head Start to thank for helping her child be a successful student. She spoke to the desire to have successful children, but people did not always know how to make that happen. The programs provided parents tools to help their families and children.

4:16:30 PM

ABBY BELTZ, SELF, ANCHORAGE (via teleconference), spoke in opposition to major cuts proposed to programs for individuals with disabilities. She shared a personal story. She had worked as a special education teacher to help people with cognitive impairment. She had worked to help individuals with disabilities play an active role in their community. She had been shocked and horrified by proposed major cuts that would limit client services to only eight hours per week. She noted that thankfully it had recently changed in the bill. She believed the cuts went against the grain of celebrating Alaska's diversity. She asked committee members to imagine they were only able to get out of their homes for eight hours per week. She asked the committee to consider that many people did not have family support systems to step in and help. She provided a quote by Gandhi: "The true measure of any society can only be found in how it treats its most vulnerable members."

4:19:18 PM

MILDRED PARKER, PROFESSIONAL DEVELOPMENT SPECIALIST, THREAD, ANCHORAGE (via teleconference), testified in support of early childhood education. She provided information about the organization that worked to help children achieve life-long success. She had been working in the field for over 18 years. She urged the committee to support early education programs such as pre-K. She stated if the goal was to improve high school graduation and performance, it was important to invest in children.

4:20:38 PM

MICHELLE JERO, GUARDIAN, ANCHORAGE (via teleconference), spoke in support of funding for disabled services. She expressed gratitude to Senator Micciche for hearing the voiced of many families who had been saved by the Medicaid waiver. She was proud of Alaska for closing an institution and for standing strong to say that all members of the community belonged in the community. She spoke to increased social skills, access to work opportunities, socialize, and other. She was grateful for the alliance between the provider agencies, Key Coalition and the trust. She urged the committee to look at an integrated approach of additional revenue and using the Permanent Fund. She was

willing to pay her share in order to maintain services for those in need.

[4:22:10 PM](#)

BRENDA MOORE, ALASKA MENTAL HEALTH TRUST BOARD, ANCHORAGE (via teleconference), spoke in opposition to cuts that would impact children, disabled individuals, Adult Temporary Assistance, and other. She knew the cuts had not been proposed lightly. She hoped the committee understood that many of the proposed cuts would increase the need for acute and costly care. The board was urging the committee to develop a fiscal plan that provided enough revenue to provide fiscal certainty.

[4:24:12 PM](#)

CAT COWARD, SELF, ANCHORAGE (via teleconference), spoke in support of Alaska public schools and public media. She was extremely concerned about the complete cut of funding to public media and the exclusion of formula funding and transportation amounts to the schools' budgets. She stressed that children and public media were not perks, they were fundamental to the state's communities. She supported an income tax and access to the Permanent Fund in order to maintain a vibrant community. She asked the committee to restore funding to public media and schools.

[4:25:16 PM](#)

RYAN BUCHHOLDT, SELF, ANCHORAGE (via teleconference), spoke in support of the governor's request of \$325 million UGF for the University of Alaska. He provided information about his education and professional career. He stated that the proposed reduction would hinder the university's ability to respond to its fiscal reality; even a flat budget was an effective cut in the face of fixed cost increases such as utility increases. He urged the committee to restore the university's budget.

[4:27:06 PM](#)

CHRIS TRULETES, SELF, ANCHORAGE (via teleconference), spoke in support of the governor's budget for the University. He supported a sustainable budget that did not destroy the state's economy and the future of Alaskans. He was in favor of an income tax and use of the Permanent Fund. He

discussed the desire to have industry in Alaska. He was concerned if cuts went too deep jobs and families would be lost. The university was vital to the state's future. He spoke in support of public media, education, and other.

[4:29:53 PM](#)

CARL BERGER, SELF, ANCHORAGE (via teleconference), testified on behalf of the restoration of funding to public broadcasting. He had lived in rural Alaska for 31 years prior to moving to Anchorage. He stressed the importance of public broadcasting in rural communities. He shared that the zeroed out funding to radio and television amounted to approximately \$2.7 million. There was no way a station could operate with the reduced funding; there was only so much that could be done on a local level. He urged the committee to restore the funding.

[4:32:34 PM](#)

MARY GEDDES, SELF, ANCHORAGE (via teleconference), shared information about her personal experience in Alaska. She did not believe the proposed bill reflected the values that were important. She addressed proposed cuts to the Department of Health and Social Services budget and stated the bill would radically alter how people lived and some of the cuts would result in greater cost in the long-run. She emphasized that she and her husband supported an income tax rather than the proposed budget. She thought the cuts were penny wise and pound foolish. She noted she had provided written testimony as well.

Co-Chair Hoffman addressed the schedule for the remainder of the meeting.

[4:35:26 PM](#)

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[5:04:38 PM](#)

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[5:05:16 PM](#)

MARK CARR, SELF, ANCHORAGE (via teleconference), urged the committee to restore funding for public broadcasting. He felt that the public radio and television was essential to his community.

^PUBLIC TESTIMONY: KENAI, KODIAK, DILLINGHAM

5:06:20 PM

JADE SPARKS, SELF, KENAI, spoke in support of full funding for public education. He stated that he was involved in many different extracurricular activities. He felt that the proposed cuts would threaten the extracurricular activities. He stressed that those activities enhanced the student culture.

5:07:54 PM

ADDISON DOWNING, SELF, KENAI, spoke in support of funding for education. He remarked that it was difficult to measure future funding for education. He stressed that the cuts had a negative effect on teachers and classrooms. He urged the committee to maintain the same level of funding for education.

Senator Micciche wondered where Mr. Downing attended school. Mr. Downing replied that he was from Soldotna High School.

5:09:49 PM

DARIUS KASPRZAK, SELF, KODIAK (via teleconference), urged the committee to restore funding for public broadcasting. He stressed that he depended on public radio as a direct link to community information and emergency services. He remarked on the importance public media in small communities.

5:11:12 PM

DAN DUNAWAY, SELF, DILLINGHAM (via teleconference), urged the committee to restore funding for public broadcasting. He echoed the remarks of Mr. Kasprzak. He felt that public radio provided an essential source of information. He stressed that public radio provided important weather and emergency warnings. He stated that commercial fisheries relied heavily on the announcements from public radio. He pointed out that zeroing the budget would cause a loss of federal funding, and jeopardize the access to satellite broadcasting.

[5:13:28 PM](#)

SUZETTE MIZELLE, SELF, KENAI (via teleconference), remarked that she had experienced terrible budget cuts in the 1980s, and felt that UA could not continue to experience budget cuts.

[5:14:47 PM](#)

PENNY BEARDEN, SELF, NANWALEK (via teleconference), spoke against funding for education. She understood that education funding seemed like a large portion of the budget, but stressed that cutting education was cutting resources for students. She stressed that young people were the most valuable resource in Alaska.

[5:16:16 PM](#)

MARGARET GILMAN, PARENT, KENAI PENINSULA BOROUGH SCHOOL DISTRICT, KENAI (via teleconference), spoke in support of maintaining the status quo funding for education. She felt that the lack of inclusion in the DEED budget was for political reasons. She assumed that there was an intended budget reduction of 5 percent, and spoke against that budget reduction. She remarked that her daughter was on track for the Alaska Performance Scholarship, but with the unknown future of the scholarship, it may be more prudent for her daughter to attend college out of state.

Senator Micciche wondered why DEED was not included in the budget.

Co-Chair Hoffman announced that DEED funding was not included in the budget, but there was an intention to reduce the budget by 5 percent for UA, Department of Transportation and Public Facilities, and Department of Education and Early Development.

[5:19:19 PM](#)

SEAN DUSEK, SUPERINTENDENT, KENAI PENINSULA BOROUGH SCHOOL DISTRICT, SOLDOTNA (via teleconference), testified against a further reduction for DEED. He announced that his school had already experienced significant reductions, and further cuts would negatively impact its students. He announced that his school district was one of the highest performing districts in the state. He remarked that he was unable to

provide contracts to new teachers because of the unknown budget reductions. He stressed that many Soldotna residents were prepared to pay for essential services. He felt that it was also important to address the high cost of health care.

[5:21:39 PM](#)

TANA OTCHECK, ASSISTED LIVING HOME, KENAI (via teleconference), spoke in support of funding for home and community based services. She shared that her foster daughter volunteered at the Salvation Army, and she relied on the day services hours. She stressed that many participants in day services were active in their communities.

[5:22:39 PM](#)

DANIEL BOWEN, PARENT, KENAI PENINSULA BOROUGH SCHOOL DISTRICT, KENAI (via teleconference), spoke in support of funding for public education. He spoke against a 5 percent cut to DEED. He shared that he was a kindergarten teacher, and he had seen that reduction in education funding would force larger classrooms. He stressed that it was difficult for teachers to address the needs of children in large classrooms. He stated that Title 1 made it possible to have personal time with students.

[5:25:07 PM](#)

DAVE BRIGHTON, KENAI PENINSULA EDUCATION ASSOCIATION, KENAI (via teleconference), spoke against budget reductions for DEED. He felt that cuts were not enough to balance the budget. He remarked that there were already significant cuts to the Kenai Peninsula School District. He remarked that the status quo budget would already result in a reduction in teachers. He requested fully funding of education. He spoke in support of a sales tax and use of the Permanent Fund earnings reserve.

[5:27:28 PM](#)

JAMES HARRIS, KENAI, PENINSULA BOROUGH SCHOOL DISTRICT TEACHER OF THE YEAR, SOLDOTNA (via teleconference), testified against the 5 percent cut to education. He did not believe that it was a creative solution to the budget problem. He remarked that many teachers were leaving to

other states to "retire with dignity." He felt that there had been poor decisions and bad choices by the legislature. He did not believe that cutting the budget would help the students in the state.

[5:29:06 PM](#)

JENNY NEYMAN, SELF, KENAI (via teleconference), urged the committee to restore funding for public broadcasting. She stated that her local station had hired a contractor to fix the transmitter. She stressed that state funding was not a luxury for public radio. She stated that state funding simply kept the radio on the air. She remarked that the public radio provided news and emergency information.

[5:30:57 PM](#)

LADAWN DRUCE, SELF, STERLING (via teleconference), spoke against the contemplated 5 percent reduction to education. She felt that education cuts would directly impact the students. She stressed that it was not possible to turn away students. She remarked that teachers were expected to continue to provide a high quality of students, even in higher classroom sizes. She remarked that some teachers may not be able to provide quality feedback on assignments with the proposed cuts. She testified in support of a sales tax and a statewide income tax.

[5:33:03 PM](#)

FRED STURMAN, SELF, SOLDOTNA (via teleconference), spoke in support of continued budget cuts. He spoke against the funding for 25,000 state employees. He noted that there were only 17,000 state checks paid to state employees. He remarked that the state budget had increased by 97 percent from 2006 to 2016. He did not believe that the Knik Arm Bridge would be built, so those employees did not need to continue to work for the state. He felt that the Division of Motor Vehicles (DMV) could be eliminated. He also spoke against a private chef.

[5:35:19 PM](#)

DAVE JONES, KENAI PENINSULA BOROUGH SCHOOL DISTRICT, SOLDOTNA (via teleconference), spoke against the proposed cuts to education funding. He stated that, with status quo funding, his district would see a \$3.2 million budget

deficit. He remarked that there would be teachers, coordinators, custodial positions, and tutors would be eliminated in his district. He remarked that the school board would see an approximate \$1 million fund balance to achieve those personnel cuts. He remarked that there were two main cost drivers for increased costs: health care and costs related to intensive needs students. He remarked that the reduction would be highly detrimental to the students in his district. He stressed that the BSA reduction would be detrimental to the borough. He thanked the committee for previous funding.

[5:39:55 PM](#)

MARY TOUTONGHI, SELF, SOLDOTNA (via teleconference), spoke in support of funding for schools and disability assistance programs. She requested that the oil credit funding be used to pay for those programs, because she felt that people should use alternative sources of energy. She felt that children should be the most important investment. She spoke against the cuts of early childhood education programs.

[5:42:44 PM](#)

JESSE BJORKMAN, SELF, NIKISKI (via teleconference), testified in support of new revenues to the state. He spoke against a 5 percent cut to education. He stated that there would be an elimination of many essential services for students. He remarked that there would be a 52 teacher reduction in his district. He urged the committee to examine alternative revenue sources.

[5:45:10 PM](#)

HEATHER FOXWORTHY, PARENT EDUCATOR, PARENTS AS TEACHERS, KODIAK (via teleconference), spoke in support of funding for Parents AS Teachers. She remarked that she assisted any family that may be in need of help with their children. She stressed that many of the families that she assisted did not feel a common "needy" description. She remarked that for every one dollar spent on early childhood education, the state saved 7 to 10 dollars in other parts of the budget.

[5:47:28 PM](#)

MARILYN ROSENE, SELF, DILLINGHAM (via teleconference), spoke in support of education and prevention programs. She stated that education, health, safety, and communication were essential services in rural Alaska. She spoke in support of an income tax. She also spoke in support of a state sales tax.

[5:49:35 PM](#)

BETH RIVEST, SELF, JUNEAU, spoke against the cuts to education funding. She felt that education and self-care were the foundational principles for functioning in society. She urged stable funding for education. She stressed that there should be a sense of expectation, and rely on relationships. She shared that her son did not do well in the school system, and felt that stable funding may provide the support for his different way of learning.

[5:51:54 PM](#)

JIM CEDENO, SELF, COMMUNITY OF OLD HARBOR (via teleconference), urged the committee to restore funding for education. He did not believe that the state could afford a 5 percent reduction in its children. He stressed that there should not be a gamble for children's' future.

[5:53:21 PM](#)

JENNIFER SYCHRA, ADVOCATE, KODIAK WOMEN'S RESOURCE CENTER, KODIAK (via teleconference), spoke against the transfer of funding from the Council on Domestic Violence and Sexual Assault for funding for a new state trooper. She stated that her center provided many tools and resources to help families have a safe place to stay. She stated that without the center's services, many people would be stuck in their homes and continue to face domestic abuse in their homes.

SB 22 was HEARD and HELD in committee for further consideration.

SB 24 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

[5:55:27 PM](#)

The meeting was adjourned at 5:55 p.m.