

SENATE FINANCE COMMITTEE

March 17, 2017

1:31 p.m.

1:31:48 PM

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 1:31 p.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

Senator Anna MacKinnon, Co-Chair

ALSO PRESENT

Greg Pugh, Self, Mat-Su; Jasmine Leremia, Self, Petersburg;
John Sonin, Self, Juneau; Kaytlyn Kelly, Self, Palmer;
Kyrstyn Kelly, Self, Palmer; Senator Pete Kelly.

PRESENT VIA TELECONFERENCE

Deb Trobridge, Pre-K, Nome; Doug Walrath, Director, Northwestern Alaska Career and Technical Center (NACTEC), Nome; Krystal Hensley, Pre-Kindergarten, Nome; Beverly Hoffman, PBS/Self, Bethel; Kathy Hanson, Self, Bethel; John Active, Self, Bethel; Adrian Wagner, Self, Bethel; Matt Scott, Self/YKHC, Bethel; Elizabeth Tressler, Self/YKHC, Bethel; Jean Simon, KYUK, Bethel; Brian Lefferts, Self, Bethel; Carlton Kuhns, Assistant Superintendent, Bethel Regional High School - Lower-Kuskokwim School District; Barbara Angaiak, Self, Bethel; Mary Weiss, Self, Bethel; Mark Marrow, Community Member, Unalaska; Ashley Crowe, Pre-Kindergarten, Nome; Crystal Taxac, Early Childhood/Pre-Kindergarten, Nome; Kelly Bogart, Head Start, Nome; Mary Nanuwak, Self, Bethel; Dave Cannon, Self, Aniak; Paul Kendall, Self, Anchorage; Katie Ellanna, Head Start, Nome;

Elizabeth Korenek-Johnson, Parent & Teacher, Nome; Lindsay Johnson, Student, Nome; Ed Martin, Self, Cooper Landing; Mark Roseberry, North Slope Borough School District, Barrow; Michael I. Jeffery, Self, Barrow; Mike Shults, Resident, Barrow; Erin Hollingsworth, Self, Barrow; Linda Payton, KBRW, Barrow; Gary McDonald, Self, Anchorage; Cheryl Hunne, Self, Barrow; Amy Purevsuren, Self, Unalaska; Helen Simmonds, Member, Key Coalition, Barrow; Jeanie Arnold, Self, Wrangell; Patrick Mayer, Wrangell Public Schools Superintendent, Wrangell; Janalee Gage, Self, Ketchikan; Valerie Brooks, Self, Ketchikan; Gwen McDonald, Self, Ketchikan; Sheila Miller, Self, Ketchikan; Terri Robbins, Self, Ketchikan; Janice Walker, KRBD radio, Ketchikan; Ed Zastrow, Member, AARP, Ketchikan; Brenda Loughman, Self, Ketchikan; Josef Quitsland, Self, Petersburg; Craig Olson, Self, Petersburg; Erin Michael, Self, Petersburg; Marilyn Menish-Meucci, Self, Petersburg; Rexanne Stafford, Self, Petersburg; Chelsea Tremblay, Self, Petersburg; Joe Stratman, Self, Petersburg; Orin Pierson, Self, Petersburg; Bennett McGrath, Self, Petersburg; Nola Walker, Self, Wrangell; Peggy Cowan, North Slope Borough School District, Anchorage; Bob Fassino, Self, Wasilla; Brian Merritt, Wrangell School Teacher, Wrangell; Pete Hoepfner, Cordova School District, Cordova; Mary Anne Bishop, self, Cordova; Barb Jewel, Cordova School District, Cordova; Kris Johnston, Self, Cordova; Theresa Gillespie, Self, Cordova; Janet Johnson, Self, Cordova; Sam Skaggs, Self, Sitka; Mary Wegner, Superintendent, Sitka School District, Sitka; Bob Purvis, Self, Sitka; Emmett Williams, Self, Sitka; Kenley Jackson, Self, Sitka; Mark Gorman, Municipal Administrator, City and Borough of Sitka, Sitka; Laurie Hood, Self, Sitka; John Dull, Self, Sitka; Kim Michaud, President, Valdez Imagination Library Board, Valdez; Lily Herwald, Self, Sitka; Karl Becker, self, Cordova; Mary McMahan, Alaska Council of School Administrators, Palmer; Steve St. Clair, Self, Mat-Su; Linda Conover, Best Beginnings/Imagination Library, Mat-Su; Robin Minard, Mat-Su Health Foundation, Mat-Su; Luke Fulp, Mat-Su Borough school District, Matsu; Garvan Bucaria, Self, Mat-Su; Beth Fread, Self, Matsu; Michael West, AK Earthquake Center, Fairbanks; Cheryl Kilgore, Interior Community Health Center, Fairbanks; Rebecca Racenet, Self, Wasilla; Jeanette Grasto, National Alliance on Mental Illness, Fairbanks; Pam Goode, Self, Rural Deltana; Vanessa Liston, Self, Matsu; Kerry Boyd, Yukon Koyukuk School District, Fairbanks; Don Gray, Self, Fairbanks; Karen Taber, Fairbanks Wellness Coalition, Fairbanks.

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 indicated that the committee would be hearing public testimony on the operating budget and the mental health budget, SB 22 and SB 24. He pointed out that what was printed online for the education component did not include the targeted 5 percent cut that the Senate was contemplating in the education budget. He wanted to make sure people were aware that the issue would be addressed by the Senate prior to heading to the floor. He requested that individuals limit their testimony to two minutes. He listed the times and correlating cities from which the committee would be hearing public testimony for the day.

#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: Bethel, Nome, Kotzebue, Unalaska

1:33:48 PM

DEB TROBRIDGE, PRE-K, NOME (via teleconference), spoke in support of Pre-Kindergarten (Pre-K) funding. She was a foster care parent and relayed her experience with providing consistency and stability through the Head Start program, which was funded with Pre-K monies. She claimed the success of the program benefiting the foster children in her care. Foster children that were able to return to their parents or were placed into a new home were able to continue in the Head Start Program. She reported that the Head Start Program also supported families in making sure their children's well child exams and immunizations were done. Kids in the entire region benefited from the program. She mentioned the partnership between Nome Public School and the Head Start Program - Nome Public School provided certified teachers in the Head Start classrooms in Nome and the community preschool. She reported that due to the partnership 80 children in Nome benefited from Pre-K funding. She listed a number of villages where Head Start classrooms were fully staffed. She asked the finance committee to consider how it could meet the obligation to meet the needs of the children and families in the Bering Straits Region.

1:36:30 PM

DOUG WALRATH, DIRECTOR, NORTHWESTERN ALASKA CAREER AND TECHNICAL CENTER (NACTEC), NOME (via teleconference), spoke in supporting funding for the Nome Youth Facility and Pre-K. He agreed that every dollar spent resulted in \$4 to \$6 savings in the future. He thought making cuts to the Department of Education and Early Development (DEED) would seemingly require a greater investment in the Division of Juvenile Justice. However, the Nome Youth Facility funding in the budget was not enough to deliver essential services. As a result, juvenile offenders would be sent out of the region. He spoke of NACTEC collaborating with the Nome Youth Facility to deliver vocational training programs since 2010. The vocational center had repurposed heavy equipment simulators to the youth facility for onsite training. He mentioned keeping Nome Youth offenders in the region in order for them to participate in vocational training as a means of remediation. He was willing to pay an individual income tax to keep Pre-K programs so less

funding would be needed for juvenile justice programs in the future.

[1:39:06 PM](#)

KRYSTAL HENSLEY, PRE-KINDERGARTEN, NOME (via teleconference), spoke in support of the Head Start Program. She worked for Head Start and her daughter attended the program. Her daughter greatly benefited from the program, as she had improved her speech because of attending. She suggested that the program benefited many children. She urged committee member support.

[1:41:28 PM](#)

BEVERLY HOFFMAN, PBS/SELF, BETHEL (via teleconference), spoke in support of public broadcasting. She indicated that public broadcasting remained vital to keeping in touch. She urged leaders not to forget those people that needed public broadcasting. She supported a statewide income tax and asked the committee not to cap the Permanent Fund Dividend (PFD).

[1:43:24 PM](#)

KATHY HANSON, SELF, BETHEL (via teleconference), urged members to support public broadcasting. She provided examples of the benefits of the service including broadcasting essential emergency information. She spoke of funding provided by the region. She would gladly pay an income tax.

[1:45:15 PM](#)

JOHN ACTIVE, SELF, BETHEL (via teleconference), spoke in opposition to the proposed cuts to public broadcasting. He wanted to see the excellent services provided by public broadcasting. He indicated it was one of the only means of staying connected. He spoke to the benefits of the service. He thought further cuts to the service would be detrimental. He mentioned the fact that public broadcasting was provided in both Yupik and English. He spoke to additional benefits of the service.

[1:48:52 PM](#)

ADRIAN WAGNER, SELF, BETHEL (via teleconference), spoke against additional cuts to public broadcasting. He thought the service to rural Alaska was imperative. He provided his background in public radio. He thought public broadcasting was the one thing the legislature should keep in the budget.

[1:50:39 PM](#)

MATT SCOTT, SELF/YKHC, BETHEL (via teleconference), advocated against cuts to education and public broadcasting. He thanked the committee for hearing his testimony.

[1:52:11 PM](#)

ELIZABETH TRESSLER, SELF/YKHC, BETHEL (via teleconference), spoke in support of public broadcasting. She provided her background information. She relayed that public radio was used to reach listeners about diabetes. She relayed that the region had approximately 700 individuals diagnosed with diabetes and over 1000 individuals diagnosed with pre-diabetes. She suggested that losing public radio would impair Yukon-Kuskokwim Health Center being able to provide information about diabetes management and prevention. She asked the committee to consider continuing to provide funding for public broadcasting. She thanked the committee.

[1:54:00 PM](#)

JEAN SIMON, KYUK, BETHEL (via teleconference), spoke in support of public broadcasting. She was a lifelong resident of Bethel. She urged members not to cut public radio because it was vital to the region to be able to access public information.

[1:55:31 PM](#)

BRIAN LEFFERTS, SELF, BETHEL (via teleconference), spoke against further cuts to public broadcasting. He relied on public radio for local and statewide news and information. The local radio stations played a critical role in the region's communities. They played local basketball games, aired city council meetings, and hosted public forums to discuss important issues. He added that community members relied on public radio for news and information. He spoke to additional advantages of the service and thanked the committee for the opportunity to speak.

[1:56:57 PM](#)

CARLTON KUHNS, ASSISTANT SUPERINTENDENT, BETHEL REGIONAL HIGH SCHOOL - LOWER-KUSKOKWIM SCHOOL DISTRICT (via teleconference), spoke in support of public education. He had been an educator in the region since 1979 and had seen funding for public education ebb and flow over the years. He had concerns with the state's current situation. He encouraged further consideration in generating additional revenue streams as opposed to making the budget balance through cuts. He relayed that the Lower-Kuskokwim School District was the largest of the Regional Educational Attendance Areas (REAs) in the state. The school district served over 4000 K-12 students. He mentioned many of the challenges of the district. He spoke of travel costs. He reported that a recent roundtrip from Bethel to Platinum cost \$500. The district was a major employer in the area. He encouraged members to consider additional education funding. He thanked the committee.

[1:59:52 PM](#)

BARBARA ANGAIK, SELF, BETHEL (via teleconference), spoke against additional cuts to public education. She was nervous to hear of another 5 percent decrease to education funding which she thought would likely result in the closure of certain schools. She mentioned being willing to pay a state income tax. She thanked the committee.

[2:02:07 PM](#)

MARY WEISS, SELF, BETHEL (via teleconference), spoke in opposition to cuts to education and to the public nursing program. She noted wanting leadership in dealing with the federal government. She suggested that not only was the state legislature threatening to gut Alaska's way of life, the federal government was also making the same threat. She hoped the legislature would help to protect Alaskans from those threats.

[2:03:35 PM](#)

MARK MARROW, COMMUNITY MEMBER, UNALASKA (via teleconference), spoke in support of public broadcasting. He relayed the importance of the service provided. He urged members to fund public broadcasting.

2:05:01 PM

ASHLEY CROWE, PRE-KINDERGARTEN, NOME (via teleconference), spoke in support of the Head Start program and other Pre-K programs. She thanked the committee.

2:06:43 PM

CRYSTAL TAXAC, EARLY CHILDHOOD/PRE-KINDERGARTEN, NOME (via teleconference), spoke in opposition of cuts to Pre-K programs. She wished the committee well.

2:07:24 PM

KELLY BOGART, HEAD START, NOME (via teleconference), urged members to support the Head Start Program. She saw the benefits of the program, which helped her to decide to pursue her degree in child development and family studies. She spoke of her daughter attending Head Start and the benefits she was currently receiving. The impact of Pre-K education on her child was amazing. There were no other programs for early childhood education in the region. She also spoke of the benefits of being able to attend school herself while her daughter was in school.

2:09:42 PM

MARY NANUWAK, SELF, BETHEL (via teleconference), mentioned only 30 days being left in the legislative session. She spoke in favor of public radio and urged members to fund the service. She also spoke of the alcoholism and sexual assault in her region. She supported addiction assistance and public broadcasting. She thanked the committee.

2:15:04 PM

DAVE CANNON, SELF, ANIAK (via teleconference), expressed his concerns with the potential loss of funding for public radio. He spoke of the benefits received by having public radio. He was concerned about the runway being moved in Aniak and thought there were better ways to spend the funding earmarked for that project. He thanked the committee.

2:16:50 PM

PAUL KENDALL, SELF, ANCHORAGE (via teleconference), spoke in favor of a 90-day congress in Anchorage. He discussed what he thought were the five most essential services including electricity, water, trash, sewer, and the internet. He thought everything else was an amenity or a want. He thought there needed to be only one account payable agency. He felt that a large percent of government employees lacked responsibility. He also asserted that the governor stole the people's money. He revealed several other complaints. He thought the legislature should consider the possibility of moving into the BP building in Anchorage. He thanked the committee for the opportunity to testify.

[2:21:02 PM](#)

KATIE ELLANNA, HEAD START, NOME (via teleconference), spoke in support of the Head Start program. She had 5 children who received many of the services provided by Head Start and it was very much needed.

[2:22:08 PM](#)

ELIZABETH KORENEK-JOHNSON, PARENT & TEACHER, NOME (via teleconference), spoke in support of fully funding Pre-K, Parents-As-Teachers, and the Best Beginnings programs. She mentioned many of the benefits students received. She urged members to support early education funding.

[2:23:41 PM](#)

LINDSAY JOHNSON, STUDENT, NOME (via teleconference), spoke to the benefits of reading. She was a resident of Nome and was 9 years old. She talked about using the imagination library, which helped her begin reading. She thought reading was important in helping kids learn. She thanked the committee.

[2:25:01 PM](#)

ED MARTIN, SELF, COOPER LANDING (via teleconference), thought government was inflated. He opposed the size of the budget and thought the legislature should make needed reductions. He opposed the use of the Permanent Fund. He also opposed income taxes. He encouraged the further development of Alaska's resources. He urged members to

create new wealth. He thanked the committee for the opportunity to testify.

[2:28:43 PM](#)

MARK ROSEBERRY, NORTH SLOPE BOROUGH SCHOOL DISTRICT, BARROW (via teleconference), reported he had been working on a residential learning center with a residential program that allowed students from villages to take career courses and certification courses that were not available in their villages. He requested that the Department of Education and Early Development-approved program be added to the education budget. He relayed the importance of the program. The graduation rate in the region was 54 percent in the prior year - much lower than districts in the Northwest with residential programs like NACTEC and Star of the North. He continued to provide details regarding his funding request. He thanked members for taking the time to listen.

[2:31:26 PM](#)

MICHAEL I. JEFFERY, SELF, BARROW (via teleconference), spoke in support of public broadcasting. He mentioned the benefits of the service. He also urged continued support for the Office of Children's Services (OCS). He noted that the services provided by OCS helped to reduce recidivism. He was willing to pay an income tax and have a reduced dividend. He urged the passing of a full fiscal plan.

[2:35:07 PM](#)

MIKE SHULTS, RESIDENT, BARROW (via teleconference), voiced his support for public radio. The service provided a plethora of benefits. He mentioned that public radio was the only way for certain types of information to be dispersed. It was an essential part of the community. Everyone benefited from public radio. He would hate to see funding be slashed. He thanked the committee.

[2:37:36 PM](#)

ERIN HOLLINGSWORTH, SELF, BARROW (via teleconference), spoke in favor of public broadcasting. There were not many options to get the word out about various announcements. She also spoke in favor of the Online with Libraries (OWL) program. She also advocated in favor of early education

funding and urged members to fund Meals on Wheels. She thanked the committee.

[2:39:58 PM](#)

LINDA PAYTON, KBRW, BARROW (via teleconference), supported public broadcasting. She thought village communication was crucial to the community. She spoke of having to rely on batteries when the power went out. She asked members to fund public radio. She thanked members for their consideration.

[2:41:45 PM](#)

GARY MCDONALD, SELF, ANCHORAGE (via teleconference), opposed cuts to public radio. He thought the services was critical in rural Alaska. He recommended giving people additional time to testify.

Co-Chair Hoffman noted that written testimony was another venue for the people to make their wishes known.

[2:43:07 PM](#)

CHERYL HUNNE, SELF, BARROW (via teleconference), spoke in favor of early childhood education including Parent-As-Teachers, Best Beginnings and other programs. She mentioned many benefits. She thanked committee members for their time..

[2:45:08 PM](#)

AMY PUREVSUREN, SELF, UNALASKA (via teleconference), opposed cuts to public broadcasting. She believed many folks relied exclusively on public radio. She thanked members for the opportunity to testify.

Co-Chair Hoffman indicated there were no other people online to testify. The committee would stand "at ease" until 3:15 PM.

[2:46:53 PM](#)

AT EASE

[3:16:21 PM](#)

RECONVENED

^Public Testimony: Barrow, Tok, Delta Junction

3:16:49 PM

HELEN SIMMONDS, MEMBER, KEY COALITION, BARROW (via teleconference), spoke in support of the day services funding, and mental health increment money. She shared that her oldest son received the benefits of the day services funding. She remarked that her son was able to complete school, because of the services he received starting at age 17. She expressed support of funding for education, and shared that the alternative school was important for the community of Barrow. She shared that her sons were successful thanks to the day services program.

^Public Testimony: Ketchikan, Wrangell, Petersburg

GREG PUGH, SELF, MAT-SU, spoke in support of further cuts to the budget. He felt that the government was not able to provide benefits for everyone. He did not believe that the state could sustain the current level of spending. He spoke against taxes, because he did not want his daughters to pay taxes. He stressed that there were many areas within the bill that could be cut. He felt that there should be a focus on the constitutionally mandated programs, rather than entitlement programs.

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

3:24:05 PM

JASMINE LEREMIA, SELF, PETERSBURG, testified in support of funding for education. She stressed that the children would eventually be the leaders of the state and country. She hoped that the legislature would limit the cuts, and testified in support of new revenue such as taxes.

3:25:59 PM

JEANIE ARNOLD, SELF, WRANGELL (via teleconference), urged the committee to restore funding for public broadcasting. She stressed that public radio was essential in her community, because it provided much needed community and emergency information.

3:27:01 PM

PATRICK MAYER, WRANGELL PUBLIC SCHOOLS SUPERINTENDENT, WRANGELL (via teleconference), testified in support of funding for education. He spoke against the proposed reduction in the Base Student Allocation (BSA). He stated that the cut would result in a reduction of two teaching positions.

[3:29:11 PM](#)

JANALEE GAGE, SELF, KETCHIKAN (via teleconference), spoke in support of programs such as treatment and addiction support services. She shared that she became disabled, and relied on services to assist her. She shared that she was able to recover quickly in her home thanks to the assisted living services.

[3:32:49 PM](#)

VALERIE BROOKS, SELF, KETCHIKAN (via teleconference), urged the committee to restore funding for public broadcasting and funding for education. She stated that she was a reading specialist in an elementary school in Ketchikan, and remarked that the budget restrictions in the districts were a direct result of the reduced state budget. She felt that it was essential that the state do the best to provide reliable education funding to provide optimal learning environments for the state's students.

[3:34:49 PM](#)

GWEN MCDONALD, SELF, KETCHIKAN (via teleconference), spoke in support of funding for independent learning centers. She stated that Southeast Alaska Assisted Learning had afforded her employment opportunities to allow her to contribute to her community. She was able to reclaim her independence thanks to the transportation provided by assisted living. She stressed that cutting the program would be detrimental to the residents of the state.

[3:36:34 PM](#)

SHEILA MILLER, SELF, KETCHIKAN (via teleconference), urged the committee to restore funding for public broadcasting. She stressed that the cuts to public radio would cause a loss of emergency alert services. She stated that there would be an additional loss of other funding sources.

[3:37:45 PM](#)

TERRI ROBBINS, SELF, KETCHIKAN (via teleconference), urged the committee to restore funding for public broadcasting. She remarked that there were many essential programming including news, weather, emergency, and local community information. She stressed that there was a quality of life that was made possible by public broadcasting. She stressed that there was isolation in many communities that limited the opportunity to communicate and participate; but public broadcasting provided that connection to the world.

[3:39:37 PM](#)

JANICE WALKER, KRBD RADIO, KETCHIKAN (via teleconference), urged the committee to restore funding for public broadcasting. She stressed that the public radio provided many essential programs and weather information. She added that the public radio also provided emergency information. She stated that the public radio was the local provider for emergency alerts. She remarked that the staff at the public radio station was already frugal, and volunteered many unpaid hours for the fundraising events. She stressed that the cut would drop the local station below the amount needed for the federal match.

[3:42:15 PM](#)

ED ZASTROW, MEMBER, AARP, KETCHIKAN (via teleconference), spoke in support of regional funding for community broad-based support programs. He stated that the programs included volunteer caregivers. He also urged the committee to restore funding for public broadcasting.

[3:43:09 PM](#)

BRENDA LOUGHMAN, SELF, KETCHIKAN (via teleconference), urged the committee to restore funding for public broadcasting. She stated that she had a business that supported the blind and those with low vision. She felt that public radio was a lifeline for many people in the state.

[3:43:59 PM](#)

JOSEF QUITSLAND, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public

broadcasting. He remarked that he was able to watch the committee meeting because of public broadcasting. He remarked that he would be ignorant or be required to turn to Fox News without public radio. He remarked that losing funding for public radio would have a trickledown effect. He also spoke in support of funding for the marine highway. He stated the marine highway had many beneficiaries beyond the residents of Southeast Alaska. He also spoke in support of diverse funding structures.

[3:46:35 PM](#)

CRAIG OLSON, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting, and arts programs. He stated that public radio had absorbed the recent cuts, and felt that further cuts would result in a loss of federal funding. He felt that the public radio provided jobs to the community. He remarked that the loss of public radio would result in a great loss of information. He explained that the communities in Alaska had the highest level of support of any state in the country.

[3:48:46 PM](#)

ERIN MICHAEL, SELF, PETERSBURG (via teleconference), spoke in support of funding for public health nursing. She explained that the public health nursing provided various forms of screening, family planning services, and knowledge for the current opioid addiction problem in the state. She stressed that public health nursing provided a much needed service to the state. She also urged the committee to restore funding for public broadcasting.

[3:50:39 PM](#)

MARILYN MENISH-MEUCCI, SELF, PETERSBURG (via teleconference), spoke in support of Pre-K, Best Beginnings, Department of Health and Social Services, Alaska Marine Highway, and urged the committee to restore funding for public broadcasting. She felt that the committee should severely cut the oil and gas tax credit, use a portion of the PFD, and a statewide income tax.

[3:52:21 PM](#)

REXANNE STAFFORD, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting and the Alaska Marine Highway System. She felt that the public radio was imperative to providing information about emergencies. She stated that her community relied on the ferry system. She stated that women could not give birth in Petersburg anymore, so the ferry system was essential. She also spoke in support of the state income tax.

[3:54:20 PM](#)

CHELSEA TREMBLAY, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting; public health programs; and public schools. She spoke against the oil and gas tax credits. She urged support of a state income tax.

[3:55:39 PM](#)

JOE STRATMAN, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting. He felt that public radio was an integral part of his community. He stated that the emergency alert system was effectively used to warn the public of severe weather, natural disasters, escaped criminals, child abductions, and other emergencies. He stressed that public radio was an essential element to the health and safety of Alaskans. He also voiced support of a state income tax.

[3:57:21 PM](#)

ORIN PIERSON, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting. He felt that the cuts to public radio station would shut down the Petersburg radio station. He shared the public radio station was run by many volunteers. He felt that public radio was a daily utility in small communities in the state. He shared that the residents were told to listen to the radio in times of emergency.

[3:59:11 PM](#)

BENNETT MCGRATH, SELF, PETERSBURG (via teleconference), urged the committee to restore funding for public broadcasting, public health nursing, and the Alaska Marine Highway System. She also spoke in support of taxes. She

remarked that public radio was essential in communities that did not have internet.

[4:00:31 PM](#)

NOLA WALKER, SELF, WRANGELL (via teleconference), urged the committee to restore funding for public broadcasting. She stressed that the public radio provided many essential communication access. She felt that public radio was important to participate in democracy.

[4:02:05 PM](#)

PEGGY COWAN, NORTH SLOPE BOROUGH SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of funding for public education. She remarked that she was fortunate to live and work on the North Slope. She shared that her district would increase the local contribution. She remarked that the district was struggling with budget decisions to best serve the students in a quality manner. She remarked that there could be school districts who may be experiencing a worse result than her district. She stressed that students were the state's greatest resource.

[4:04:41 PM](#)

BOB FASSINO, SELF, WASILLA (via teleconference), felt that there were enough cuts in the budget. He spoke in support of a state income tax. He spoke against the oil and gas tax credits. He felt that the earnings from the Permanent Fund could be used to fund the budget. He stressed that the budget situation needed to be fixed immediately.

[4:07:05 PM](#)

BRIAN MERRITT, WRANGELL SCHOOL TEACHER, WRANGELL (via teleconference), spoke against cuts to the education formula. He stressed that ignorance was expensive. He also spoke in support of the Alaska Marine Highway System.

^Public Testimony: Sitka, Cordova, Valdez

[4:08:13 PM](#)

PETE HOEPFNER, CORDOVA SCHOOL DISTRICT, CORDOVA (via teleconference), spoke in support of funding of education. He spoke against the 5 percent reduction in the DEED

budget. He hoped that there would be an opportunity to testify on that possible 5 percent reduction. He stressed that there were unintended consequences to budget cuts. He felt that the education funding should be maintained across the state. He felt that defunding education would hurt Alaska into the future. He spoke in support of the \$250,000 for the Alaska Best Practices Initiative.

[4:11:12 PM](#)

Co-Chair Hoffman stated that there was an intended 5 percent reduction to DEED, and the meeting would be the final public testimony on the operating budget.

[4:11:37 PM](#)

MARY ANNE BISHOP, SELF, CORODVA (via teleconference), spoke in support of locally based case management services for mental health programs. She stated that she had a 9-year-old special needs daughter. She remarked that her daughter would need the day-habilitation services.

[4:12:47 PM](#)

Co-Chair Hoffman handed the gavel to Senator Micciche.

Senator Micciche announced that the current bill had increased the day-habilitation limit from 9 to 12 hours.

[4:13:07 PM](#)

BARB JEWEL, CORDOVA SCHOOL DISTRICT, CORDOVA (via teleconference), expressed disappointment with the exclusion of the DEED budget in the bill. She spoke against the proposed 5 percent cut to education. She remarked that the cut would provide a negative impact on the Cordova School District. She remarked that schools had no option to raise revenue, other than what they were given. She felt that funding for schools would provide a strong culture for the state.

[4:15:02 PM](#)

KRIS JOHNSTON, SELF, CORDOVA (via teleconference), spoke in support of funding for day services and mental health programs. She stated that she had a son with a Medicaid waiver that allowed him to be active in the community. She

stressed that the program allowed for him to live a safe and supportive lifestyle. She remarked that 12 hours was not enough for him to be an active member of the community.

[4:16:40 PM](#)

THERESA GILLESPIE, SELF, CORDOVA (via teleconference), spoke in support of funding for school districts to assist special needs residents in transitioning into the community as a functioning adult. She hoped that her son would be able to support himself in the community.

[4:17:53 PM](#)

JANET JOHNSON, SELF, CORDOVA (via teleconference), spoke against the cuts to the day services program. She announced that she had a daughter with special needs. She remarked that the cuts endangered her ability to be in the community. She felt that the result would be a higher cost with her being institutionalized. She spoke in support of a state income tax.

[4:20:26 PM](#)

SAM SKAGGS, SELF, SITKA (via teleconference), spoke against the cuts to the day services program. He shared that he had a disabled son, and the program provided his son greater opportunities to participate in the community. He hoped that there could be a way to find cost savings by working with the providers. He understood that there had been abuse of the program, but assured the committee that the program was beneficial.

[4:22:06 PM](#)

MARY WEGNER, SUPERINTENDENT, SITKA SCHOOL DISTRICT, SITKA (via teleconference), spoke against funding for public education, early childhood education, and transportation. She stressed that the future of Alaska was reliant on education. She felt that there should be additional sources of revenue to fund the budget. She remarked that level funding was essential. She remarked that Sitka schools had responded to the most recent funding cuts, but stressed that there was no way for the school systems to create revenue to fund their budgets.

[4:24:20 PM](#)

BOB PURVIS, SELF, SITKA (via teleconference), spoke in support of the Centers for Independent Living. He shared that the center had provided him education and ability to use a computer. He encouraged the committee to consider those with disabilities who needed the services.

[4:25:24 PM](#)

EMMETT WILLIAMS, SELF, SITKA (via teleconference), urged the committee to restore funding for public broadcasting. He stressed that the small town was working together toward a common goal through public radio with the desire to be safe and work together as a community. He stressed that the cut would result in layoffs and would deprive the community of its voice.

[4:27:11 PM](#)

KENLEY JACKSON, SELF, SITKA (via teleconference), urged the committee to restore funding for public broadcasting. She remarked that she had relied on the public radio in order to be an engaged citizen. She also stated that public radio provided information about the local natural disasters and emergencies.

[4:28:42 PM](#)

MARK GORMAN, MUNICIPAL ADMINISTRATOR, CITY AND BOROUGH OF SITKA, SITKA (via teleconference), remarked that Sitka was experiencing some budget issues, much like the state was currently experiencing. He spoke in support of additional revenue sources. He urged support of a state income tax.

Senator Micciche handed the gavel to Co-Chair Hoffman.

[4:30:50 PM](#)

LAURIE HOOD, SELF, SITKA (via teleconference), spoke in support of public health nursing. She stated that she was a registered nurse for 22 years, and is currently completing a master's degree in Public Health. She remarked that public health covered a wide range of issues such as managing diabetes, substance abuse, and pregnancy. She stressed that a strong public health infrastructure was essential for resilient and productive communities. She announced that Alaska had the highest rates of Chlamydia in

the country. She stated that Southeast Alaska's rates of Hepatitis C had increased 490 from 2011 to 2015 in 18 to 29-year-olds, because of the increased opioid abuse.

[4:33:03 PM](#)

JOHN DULL, SELF, SITKA (via teleconference), supported the 5 percent cut to education. He felt that the BSA was already too high. He also spoke in support of the cuts to the University of Alaska. He thanked the committee for the efforts to cut the budget. He spoke in support of cuts to public broadcasting.

[4:35:01 PM](#)

KIM MICHAUD, PRESIDENT, VALDEZ IMAGINATION LIBRARY BOARD, VALDEZ (via teleconference), spoke in support of the Imagination Library and Best Beginnings. She remarked that Best Beginnings had provided essential support in the first few years of the Imagination Library. She remarked that the program provided books to everyone enrolled in the program free of charge. She stated that there were many students enrolled in the program.

[4:37:12 PM](#)

LILY HERWALD, SELF, SITKA (via teleconference), urged the committee to restore funding for public broadcasting. She stated that her children had learned about many things from public radio. She shared that the culture was taught through public radio. She felt that the funding for public radio provided maximum benefit to keep the information on the radio.

[4:39:20 PM](#)

KARL BECKER, SELF, CORDOVA (via teleconference), urged the committee to restore funding for public broadcasting. He stressed that public radio provided an opportunity to have access to weather and emergency alerts. He felt that those programs were important to his community. He stressed that the programs were relevant, and were wholesome and family-centered entertainment.

[4:41:26 PM](#)

AT EASE

[5:02:08 PM](#)

RECONVENED

^Public Testimony: Fairbanks, Mat-Su

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

[5:02:09 PM](#)

MARY MCMAHON, ALASKA COUNCIL OF SCHOOL ADMINISTRATORS, PALMER (via teleconference), testified in support of funding for education. She relayed that she was a principal in the Mat-Su Borough School District and was president of the Alaska Association of Secondary School Principals. Additionally, she was the President of the Alaska Council of School Administrators (ACSA). She informed that ACSA worked on joint position statements to help inform legislative policy, and its top priority was for the legislature to immediately develop and implement a long-term multi-revenue fiscal plan. She emphasized the importance of timely, reliable, and predictable revenue for schools to fully fund all districts as well as all educational initiatives, laws and mandates. She spoke in opposition to cost shifting state expenditures to local government. She requested that the committee provide additional opportunity for public testimony on any action taken by the committee regarding the BSA and pupil transportation items.

[5:04:40 PM](#)

STEVE ST. CLAIR, SELF, MAT-SU (via teleconference), thought the committee was wasting time by taking public testimony. He mentioned the American healthcare system. He discussed transparency. He encouraged Alaskans to contact their legislators. He discussed budget reductions.

[5:07:01 PM](#)

AT EASE

[5:08:04 PM](#)

RECONVENED

LINDA CONOVER, BEST BEGINNINGS/IMAGINATION LIBRARY, MAT-SU (via teleconference), spoke in support of funding for early childhood programs. She was a retired teacher and discussed the importance of early learning. She was a volunteer with

the Mat-Su Imagination Library. She discussed the importance of child development and referred to relevant research. She urged the committee to restore funding for Best Beginnings and the Imagination Library. She referred to a statewide study from 2015 that indicated a majority of Alaskans supported funding early childhood education programs.

[5:10:31 PM](#)

ROBIN MINARD, MAT-SU HEALTH FOUNDATION, MAT-SU (via teleconference), testified against further cuts to community-based support services in the mental health budget. She agreed that reductions were necessary given the fiscal climate, but cutting funds from behavioral health services would cost the state more in the long run. She asserted that there were critical pieces missing in Alaska's continuum of care for mental health and substance abuse disorders. She discussed overuse of the emergency department and correctional facilities as a result of lack of services. She cited statistics regarding patients with mental health diagnoses using the emergency department, and the associated costs.

[5:12:39 PM](#)

LUKE FULP, MAT-SU BOROUGH SCHOOL DISTRICT, MATSU (via teleconference), urged the committee to restore education funding. He acknowledged the state deficit and the need to establish a long-term fiscal plan. He relayed that the school district had developed a plan for the upcoming school year based upon the governor's budget. He stated that the district faced an \$11.2 million deficit considering the governor's proposed funding for the foundation formula and pupil transportation program. The school board made \$9.5 million in spending reductions and had voted to increase class sizes, eliminate positions, reduce administrator salaries, cut extra-curricular activities, and decrease custodial services at the majority of schools. He continued that the district was considering outsourcing custodial and food service positions if cost savings were possible. He thought further cuts would be detrimental to the education system. He urged the committee to fully fund education at the foundation formula funding levels. He urged the committee to make an opportunity for public testimony once the Senate a funding plan for K-12 education.

[5:15:11 PM](#)

GARVAN BUCARIA, SELF, MAT-SU (via teleconference), discussed the Permanent Fund.

Vice-Chair Bishop asked Mr. Bucaria to confine his testimony to the budget bills on the agenda.

[5:16:20 PM](#)

BETH FREAD, SELF, MATSU (via teleconference), testified in support of further cuts to state spending. She supported cutting education funding by combining school districts and reducing open positions. She discussed savings in the administrative budget. She discussed contract negotiations and merit increases. She supported using the Permanent Fund Earnings Reserve. She discussed rhetoric.

[5:19:53 PM](#)

JOHN SONIN, SELF, JUNEAU, testified in support of funding for education and public radio. He discussed the importance of public radio to rural areas. He spoke in support of early childhood education. He emphasized the importance of education for the long term health of the state. He spoke in support of an education tax.

[5:22:49 PM](#)

MICHAEL WEST, AK EARTHQUAKE CENTER, FAIRBANKS (via teleconference), spoke in support of funding for the Alaska Earthquake Center. He discussed the many activities in the state that relied on information from the center. He discussed functions of the center. He noted that the center was in its fourth year of budget reductions. He urged the committee to support funding for the University of Alaska, and the role it played in the state.

[5:25:30 PM](#)

CHERYL KILGORE, INTERIOR COMMUNITY HEALTH CENTER, FAIRBANKS (via teleconference), testified in support of funding for Medicaid expansion. She had been the CEO of the health center since 1995. She referred to recent changes to the state and national healthcare system. She relayed that the

center served individuals that had barriers to health care, which had been somewhat reduced due to increased Medicaid coverage. There were many specialty care needs that were beyond non-tribal health care centers in the state. She appreciated the budget constraints that were faced by the state. She relayed that in 2006, the center saw 5,558 people with 18,801 visits. She specified that 66 percent of the individuals lived at or below 200 percent of the federal poverty level. She urged the committee to support Medicaid expansion, and adult dental within expansion.

[5:27:58 PM](#)

REBECCA RACENET, SELF, WASILLA (via teleconference), spoke in support of funding for community support services and disability support services. She support a fiscal plan that would have sufficient revenues to support communities. She discussed her personal experience with her daughter's disease and disability. She recounted her positive experience with receiving community support services. She discussed her concerns about losing services. She stated that she would be sending written testimony.

[5:31:56 PM](#)

AT EASE

[5:32:19 PM](#)

RECONVENED

Vice-Chair Bishop stated the committee would be "at-ease" until 5:45 p.m.

[5:32:29 PM](#)

AT EASE

[5:45:23 PM](#)

RECONVENED

KAYTLYN KELLY, SELF, PALMER, testified in opposition to cuts to education. She encouraged the Senate to find a fiscally responsible solution to the current budget. She surmised reducing education funding by 5 percent had the potential to cut 50 positions in her school district. She posited that Alaska ranked below 47 other states in reading and ranked below 36 other states in math. She thought that lower income districts were disproportionately affected by cuts. She opposed cuts to the Alaska Performance

Scholarship. She thought the scholarship kept students in the state. She supported additional sources of revenue for the state.

[5:48:04 PM](#)

KYRSTYN KELLY, SELF, PALMER, testified in opposition to cuts to education. She discussed potential cuts to her high school. She discussed the number of students in her high school classes and the likelihood of greater student numbers. She asserted that cuts to education directly affected her learning. She thought that education had been cut too much.

[5:50:04 PM](#)

JEANETTE GRASTO, NATIONAL ALLIANCE ON MENTAL ILLNESS, FAIRBANKS (via teleconference), testified against budget cuts that targeted the elderly and people with disabilities. She relayed that she was the parent of two adults with disabilities. She asserted that services were not adequate even without the cuts. She considered that cuts would lower the quality of life of many individuals. She discussed the higher costs of hospitalization, prison, and emergency care as compared to the costs of a community health center. She thought it was short-sighted to cut community-based health programs and funnel patients into more expensive institutional care. She did not support cutting the PFD.

[5:52:41 PM](#)

PAM GOODE, SELF, RURAL DELTANA (via teleconference), spoke in opposition to SB 26. She thought the legislature had a spending problem. She asserted that over-spending had resulted in the state budget deficit rather than the low price of oil.

[5:54:11 PM](#)

VANESSA LISTON, SELF, MATSU (via teleconference), testified against budget cuts to community health services. She relayed that her son had significant disabilities and required 24-hour care. She discussed the cost of care. She emphasized that cuts to disability services would be devastating.

5:56:15 PM

KERRY BOYD, YUKON KOYUKUK SCHOOL DISTRICT, FAIRBANKS (via teleconference), spoke in support of funding for K-12 education programs. She relayed that she was the superintendent of the Yukon Koyukuk School District. She was also an officer of the Alaska Superintendents Association and the Alaska Council of School Administrators. She thanked the committee for their work. She stated that the Alaska Council for School Administrators supported adequate funding for public education as its number one priority. She supported the immediate development of a long-term, multi-revenue fiscal plan. She thought the state must provide timely, reliable, and predictable revenue for schools to fully fund schools in all regional districts. She opposed cost-shifting of state expenditures to local government. She asked the committee to provide additional opportunity for public testimony if there was any action taken by the committee regarding the BSA and pupil transportation.

5:58:18 PM

DON GRAY, SELF, FAIRBANKS (via teleconference), testified in support of funding for K-12 education programs. He spoke in support of additional revenue measures to balance the budget. He supported an income tax. He supported a slight increase in a state highway fuel tax. He did not think more cuts were needed. He did not support cuts to education or shifting costs to local districts. He spoke in support of funding for public broadcasting. He thought public broadcasting was important for rural and urban areas.

6:00:41 PM

Senator Micciche stated that he wanted to hear from every Alaskan whether or not they supported further cuts to the budget. He clarified that public testimony should be confined to the bill being considered. He asked testifiers to speak to SB 22.

6:01:43 PM

KAREN TABER, FAIRBANKS WELLNESS COALITION, FAIRBANKS (via teleconference), spoke in opposition to cuts of funding for community-based support services through reductions to Department of Health and Social Services. She relayed that the coalition was focused on prevention of suicide and prescription opioid misuse. She asked the committee to maintain the current level of funding for the Department of

Health and Social Services. She discussed past cuts to GF spending. She thought that the state needed a fiscal plan to provide enough revenue to maintain critical services rather than continued cuts that would cost the state more in the future. She urged the committee to maintain funding for treatment and prevention services that were needed in the state.

Vice-Chair Bishop CLOSED public testimony.

#

ADJOURNMENT

6:03:56 PM

The meeting was adjourned at 6:03 p.m.