

SENATE FINANCE COMMITTEE

May 10, 2018

9:46 a.m.

9:46:23 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:46 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

None

ALSO PRESENT

Sheldon Fisher, Commissioner, Department of Revenue; Representative Dan Saddler, Sponsor; Juli Lucky, Staff, Senator Anna MacKinnon; Representative Harriet Drummond, Sponsor; Marcy Herman, Legislative Liaison, Department of Education and Early Development; Todd Brocious, Health and Safety Administrator, Department of Education and Early Development.

SUMMARY

HB 214 BREE'S LAW; DATING VIOLENCE PROGRAMS

SCS HB 214(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Education and Early Development.

CSHB 260(FIN) am

FISH & GAME LICENSES;ELECTRONIC FORM

CSHB 260(FIN)am was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN1(DFG).

CSHB 331(FIN)

TAX CREDIT CERT. BOND CORP; ROYALTIES

CSHB 331(FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN1(DNR); and three previously published fiscal impact notes: FN3(REV), FN4(REV), FN5 (REV/Debt Service).

#hb331

CS FOR HOUSE BILL NO. 331(FIN)

"An Act establishing the Alaska Tax Credit Certificate Bond Corporation; relating to the issuance of bonds by the Alaska Tax Credit Certificate Bond Corporation; relating to purchases of tax credit certificates and refunds and payments of tax credits; relating to the oil and gas tax credit fund; relating to overriding royalty interest agreements; providing for an effective date by repealing the effective date of secs. 2, 5, 8, 10, 31, 37, and 40, ch. 3, SSSLA 2017; and providing for an effective date."

9:47:25 AM

Co-Chair MacKinnon informed that the committee had heard HB 331 on May 8, 2018; at which time the committee reviewed a Sectional Analysis and presentation. There had been invited testimony as well as public testimony.

SHELDON FISHER, COMMISSIONER, DEPARTMENT OF REVENUE, provided a brief overview of the bill. He stated that HB 331 was intended to allow the state to pay off the majority its obligations under existing tax credits. It did so in a cost-neutral way by allowing an option for credit-holders to take a discount. The discount would reduce the obligation of the state and allow it to bond through the tax credits; with the discount paying for interest. He thought the proposal would be cost-neutral to the state while paying off tax credits and allowing producers to be able to raise capital and re-initiate projects.

Senator Micciche asked the commissioner to discuss work he expected to move forward for projects that were stalled. He referenced business in Kenai and on the North Slope. He asked about revenue-positive aspects of the legislation.

Commissioner Fisher informed that there were approximately 37 to 38 tax credit holders; most of which had seen the proposal as an opportunity to raise capital and deploy the capital to promote projects and continue work. He affirmed that in addition to putting Alaskans back to work, the proposal would also accelerate production from the properties. The state would benefit through getting additional royalties, as well as production tax associated with the properties. He viewed the bill as a way to provide an acceleration of revenue to the state in future years.

Vice-Chair Bishop MOVED to report CSHB 331(FIN) out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CSHB 331(FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN 1(DNR); and three previously published fiscal impact notes: FN 3(REV), FN 4(REV), FN 5 (REV/Debt Service).

[9:51:20 AM](#)

AT EASE

[9:53:16 AM](#)

RECONVENED

#hb260

CS FOR HOUSE BILL NO. 260(FIN) am

"An Act relating to possession of certain licenses, tags, and permits issued by the Department of Fish and Game; and providing for an effective date."

Co-Chair MacKinnon informed that HB 260 had been heard in committee on April 8, 2018. The committee had considered a Sectional Analysis and reviewed the fiscal note. The public hearing was opened and closed.

[9:53:16 AM](#)

REPRESENTATIVE DAN SADDLER, SPONSOR, shared that HB 260 had four elements: it expanded the definition of outdoor recreational licenses to include electronic as well as paper forms; it provided that failure to have a license in possession was curable in 30 days by providing proof that a license was valid at the time of citation (for sport hunting, fishing, and trapping); it provided immunity to a law enforcement officer for non-intentional damage to an electronic device while looking for a license; and added fur dealing to the list of activities that required licensing.

Vice-Chair Bishop MOVED to report CSHB 260 (FIN)am out of Committee with individual recommendations and the accompanying fiscal note.

CSHB 260(FIN)am was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN 1(DFG).

[9:55:16 AM](#)

AT EASE

[10:00:34 AM](#)

RECONVENED

#hb214

HOUSE BILL NO. 214

"An Act renaming a portion of the Alaska Safe Children's Act as Bree's Law; relating to Bree's Law programs and Bree's Law activities; relating to dating violence and abuse policy, training, awareness, prevention, and notices; and providing for an effective date."

[10:00:34 AM](#)

Co-Chair MacKinnon informed that HB 214 was heard in committee on April 20, 2018. The public hearing had been opened and closed.

[10:01:18 AM](#)

AT EASE

[10:01:30 AM](#)

RECONVENED

Vice-Chair Bishop MOVED to ADOPT proposed committee substitute for HB 214, Work Draft 30-LS0781\N (Radford/Laffen, 5/9/18).

Co-Chair MacKinnon OBJECTED for discussion.

JULI LUCKY, STAFF, SENATOR ANNA MACKINNON, discussed the changes to the bill. She informed that the bill was shorter when it was referred to committee and had retroactively named a law "Bree's Law." There had been a great deal of feedback from various stakeholders, including members of the public and school district employees, as to how to implement the program.

Ms. Lucky continued explaining the changes to the bill. She shared that there had been some concern over the lack of a nationally adopted curriculum. There was also concern regarding an unfunded mandate for school districts to develop the curriculum. There were a few other concerns regarding ongoing training costs, time for teachers to be out of classrooms, lack of training, and confusion about disclosures. Additionally, consistency across districts and ensuring best practices were considered.

10:04:10 AM

Ms. Lucky conveyed that the co-chair's office had worked with the department to craft a bill that allowed for flexibility within school districts, but also for provision of basic assurance that all programs were meeting best practices.

Ms. Lucky discussed an Explanation of Changes document (copy on file):

Repeals and reenacts AS 14.30.356(a) to require the department to work with school districts to develop and approve a "teen dating violence and abuse awareness program" with the same requirements as are in current law. This would remove the "unfunded mandate" to school districts to develop the program and provide consistency across the state, while still allowing for local control and cultural differences to be respected. Page 1, lines 6-10.

Adds an additional requirement that the program be periodically reviewed by a qualified individual or committee, which mirrors language in the suicide awareness and prevention training statute - AS 14.30.362. This ensures that best practices are followed. Page 1, lines 11-13.

Designates February as "Teen Dating Violence Awareness and Prevention Month" to align with national efforts to bring attention to this important issue. Page 2, lines 13-21.

Names the program the "Bree Moore Teen Dating Violence Awareness and Prevention Program" to align the title with federal and other states' efforts to enact and promote similar programs. Page 2, lines 22-27.

Ms. Lucky elaborated on the many resources connected to the title of the program as proposed in the committee substitute (CS).

[10:07:26 AM](#)

Ms. Lucky discussed changes to Section 4 of the bill. The intent of the section was to honor Ms. Moore's legacy as well as tie in the program with the same effort on a national scale.

Ms. Lucky stated that there was a new fiscal note from the Department of Education and Early Development (DEED) for consideration.

Ms. Lucky described that there had been initial concern over the fiscal note, after which there was discussion with the department. She discussed options for savings including reducing updates for training and other features. She relayed that instead of reducing the fiscal note, in the interest of having a full program she would be presenting the full fiscal note requested by the department.

Ms. Lucky detailed that the fiscal note would require \$263,300 in FY 19; \$119,300 in FY 20; and an ongoing cost of \$75,000 per year. She stated that the fiscal note was an estimate and the numbers needed more refining by the department. She pointed out that adopting the CS required taking on the cost of the unfunded mandate that was passed with Bree's Law.

[10:10:33 AM](#)

REPRESENTATIVE HARRIET DRUMMOND, SPONSOR, supported the changes to the bill. She thought the committee substitute contained a needed change to the program and focused resources on teenagers that would benefit from the knowledge.

Co-Chair MacKinnon asked if the sponsor was in favor of the CS.

Representative Drummond was amenable to the curriculum that was being worked on by DEED. She thought the parents of Bree Moore would appreciate seeing mention of "Bree's Law" through a simple amendment. She thought the change would acknowledge the large amount of work put in labelling the program.

Senator von Imhof thanked Ms. Lucky for her work on the CS and her presentation. She thought the CS was an improvement upon the original bill. She understood that the common name of Bree's Law was preferable by Bree's parents and possibly others but thought a more standardized name was connected to a greater amount of national resources. She thought that it was important to guide teenagers to appropriate resources as readily as possible.

[10:13:56 AM](#)

Senator Stevens considered the Explanation of Changes document and questioned the use of the term "cultural differences." He understood allowing for local control.

Co-Chair MacKinnon suggested that the department could enlighten as to how cultural differences might appear within development of educational curriculum.

Representative Drummond referenced cultural differences in Alaska Native villages, and stated she was not an expert on the topic.

Senator Stevens thought that dating violence was a cross-cultural concept.

Co-Chair MacKinnon WITHDREW her OBJECTION. There being NO further OBJECTION, it was so ordered.

10:15:35 AM

AT EASE

10:15:44 AM

RECONVENED

Co-Chair MacKinnon asked for a discussion of the fiscal note and curriculum development as proposed in the bill.

MARCY HERMAN, LEGISLATIVE LIAISON, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, introduced herself.

TODD BROCIOS, HEALTH AND SAFETY ADMINISTRATOR, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, addressed the question of cultural relevance in curriculum development. He recognized that there was tremendous variety in the state regarding language, rural versus urban areas, and content delivered in different communities. He emphasized the importance of ensuring that the curriculum was relevant to all audiences as well as working with partners during development.

Mr. Brocios continued discussing the curriculum development. He informed that the proposed curriculum would be delivered to seventh-grade students as well as twelfth-grade students, who had tremendous developmental differences. He suggested that the department would seek to put together a curriculum development team to put together three age-appropriate curriculum strands.

10:18:39 AM

Senator Stevens asked if Mr. Brocios was not implying that there was a cultural difference in the perception of teen violence, but rather was considering making students and parents comfortable with the curriculum materials.

Mr. Brocios stressed that violence was impermissible everywhere, and the department sought to tailor the message to account for cultural differences in the state.

Co-Chair MacKinnon stated that the CS attempted to provide a vehicle for collaboration with districts, so the same message could be heard by all in a way that was culturally appropriate. She discussed cultural differences and her experience living in Unalaska. She thought that the CS

provided an opportunity to correct some aspects of the bill that had not been contemplated earlier.

[10:21:23 AM](#)

Co-Chair MacKinnon continued her remarks. She emphasized that process was important. She mentioned harassment, name-calling, intimidation, and other tactics. She stated that for the reasons listed, the bill was returned to the committee. She committee had taken three weeks to work on the bill. She stressed that no one in the committee had tried to block conversation about the bill.

Co-Chair MacKinnon asserted that as chair of the committee it was necessary to set aside personal feelings and do what was best for society. She discussed the diversity of the state. She lamented the inappropriate behaviors around the issue.

Co-Chair MacKinnon stated that the actions of some members that had advocated for the bill could questionably be bullying and harassment versus advocacy. She relayed that she had spoken with many individuals and agencies. She wondered if the bill should be brought up at a different time when it could be considered with robust debate.

[10:26:13 AM](#)

Senator Olson echoed the concern voiced by Co-Chair MacKinnon regarding public postings and expressions of opinion that he considered contrary. He thought Co-Chair MacKinnon had articulated the shared concerns well. He did not want personal attacks to cloud the minds of policy-makers.

Senator Micciche thought the CS had struck a balance that would deliver the most effective teen dating violence programs to the people of Alaska. He shared that he had four daughters and pondered the loss of a child due to dating violence. He thought that Co-Chair MacKinnon had balanced an emotional issue in trying to produce a product that would guide young people in avoiding a violent situation.

Senator Micciche continued his remarks. He discussed the variety of emotional issues faced by legislators. He discussed the importance of the respectful exchange of

ideas. He reiterated that the CS was balanced. He appreciated the naming of the Bree Moore Teen Dating Violence Awareness and Prevention Program. He thought the state should provide a standard curriculum. He supported moving the bill forward.

10:30:07 AM

Senator Stevens expressed a desire to hear from DEED as to how Section 1 of the bill would be implemented. He asked about reviewing the program on a statewide versus district level.

Mr. Brocius stated that program review would be an amalgam. During the initial work of the Alaska Safe Children's Act Task Force, a committee review had convened and a number of evidenced-based national dating violence curricula were identified and pushed forward for district consideration. One of the recommendations to come out of the task force was an identified scarcity of curricula available for grades 10 through 12; and that more curricula needed to be developed or identified. The department's vision was that a curriculum review committee would convene and further the consideration of nationally available best-practice curricula. In addition, a collection of state and federal experts would convene to help develop an Alaska-specific program for grade 7 through 12.

Senator Micciche stated that he had sticker shock from the fiscal note. He considered the social and personal cost of domestic violence, and thought the fiscal note was small in comparison. He thought an effective program was more important than saving pennies.

Vice-Chair Bishop supported Co-Chair MacKinnon. He had engaged in curriculum development in a previous job. He was not perturbed by the fiscal note. He estimated that it took about 40 hours to develop an effective 25-question multiple choice test and pondered the associated cost. He concurred with Senator Micciche that the program was the right thing to do.

Vice-Chair Bishop MOVED to report SCS HB 214(FIN) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SCS HB 214(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Education and Early Development.

[10:34:47 AM](#)

Co-Chair MacKinnon thanked Ms. Herman and the commissioner for working with staff on the bill. She discussed supporters of the bill. She hoped that the department would reach out to the family of Bree Moore. She hoped the administration would include the family in the statewide effort as proposed in the bill. She discussed culturally relevant education. She discussed the nature of grief.

Ms. Herman stated that she would carry Co-Chair MacKinnon's remarks back to the department. She expressed appreciation for working with the co-chair and staff.

[10:37:54 AM](#)

AT EASE

[10:38:29 AM](#)

RECONVENED

Co-Chair MacKinnon stated that the committee was trying to conclude its business and had moved up bills planned for the afternoon. She anticipated that the afternoon meeting would be cancelled.

Co-Chair MacKinnon discussed the agenda for the following day.

#

ADJOURNMENT

[10:40:08 AM](#)

The meeting was adjourned at 10:40 a.m.