

30TH ALASKA STATE LEGISLATURE  
FIRST SESSION  
CONFERENCE COMMITTEE ON HB57 and HB59  
June 9, 2017  
11:34 a.m.

11:34:07 AM

CALL TO ORDER

Chair Seaton called the Conference Committee meeting on HB57 and HB59 to order at 11:34 a.m.

MEMBERS PRESENT:

House:

Representative Paul Seaton, Chair  
Representative Neil Foster  
Representative Lance Pruitt

Senate:

Senator Lyman Hoffman, Vice-Chair  
Senator Anna MacKinnon  
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT:

David Teal, Director, Legislative Finance Division;  
Representative David Eastman; Representative Charisse Millet;  
Representative Dave Talerico; Representative Cathy Tilton;  
Representative Tammie Wilson.

SUMMARY

HB 57        APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 57 was HEARD and HELD in committee for further consideration.

HB 59        APPROP: MENTAL HEALTH BUDGET

HB 59 was HEARD and HELD in committee for further consideration.

#hb57

#hb59

CS FOR HOUSE BILL NO. 57(FIN) am(brf sup maj fld)(efd fld)

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

SENATE CS FOR CS FOR HOUSE BILL NO. 57(FIN) am S

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

and

CS FOR HOUSE BILL NO. 59(FIN)

"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."

SENATE CS FOR CS FOR HOUSE BILL NO. 59(FIN)

"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."

[11:34:42 AM](#)

Co-Chair Seaton invited David Teal, Director of the Legislative Finance Division to join legislators at the table. He reported that the conference committee would be addressing open items in HB 57 and HB 59 based on the motion sheets distributed to members earlier in the day, dated June 9th, on the Department of Military and Veterans Affairs, the Department of Public Safety, the Department of

Revenue, the Executive Branch-wide Appropriations, and Judiciary.

Senator Hoffman MOVED to ADOPT the following in the Department of Military and Veterans' Affairs budget:

Item 1 House  
Item 2 House  
Item 3 House

There being NO OBJECTION, it was so ordered.

Co-Chair Seaton indicated that the action closed the conference-able items in the Department of Military and Veterans Affairs budget.

Senator Hoffman MOVED to ADOPT the following in the Department of Public Safety's budget:

Item 1 Senate  
Item 2 Senate  
Item 3 Line 1 House plus \$6,000 for a revised total of \$1,525,100  
  
Item 3 Line 2 House minus \$6,000 for a revised total of minus \$1,525,100  
  
Item 4 House  
Item 5 Senate  
Item 6 Senate minus \$31,100 for a revised total of \$93,300. This funds the position at 75% in recognition that the position would not be filled on July 1.  
  
Item 7 Senate

Senator Olson OBJECTED to Item 7.

Item 8 OPEN  
Item 9 Senate  
Item 10 House  
Item 11 House  
Item 12 House  
Item 13 Senate

Senator Olson OBJECTED to Item 13.

Item 14 Senate  
Item 15 OPEN  
Item 16 OPEN  
Item 17 OPEN  
Item 18 Senate

Representative Pruitt OBJECTED to Item 18.

Item 19 Senate and modify the first line of the language by adding "and the Legislative Finance Division" after the words "Finance Committees"

Representative Pruitt OBJECTED to Item 19.

Item 20 Senate  
Item 21 Senate  
Item 22 Senate

Co-Chair Seaton indicated that the action closed conference-able items 1,2,3,4,5,6,9,10,11,12,14,20,21,22 in the Department of Public Safety.

Co-Chair Hoffman MOVED to ADOPT Item 7.

Senator Olson spoke to his objection. He relayed that Item 7 transferred \$200 thousand from the Village Public Safety Officer (VPSO) Program to the Alaska State Troopers. He realized there were vacancies within the VPSO program and within the Alaska State Troopers. In looking at the funding for both over the previous 10 years, it had been a hard fought process to get adequate funding for the troopers. He opined that with the amount of domestic violence, the increased rate of crime, and the opioid epidemic in rural Alaska the state was going in the wrong direction. He mentioned a series on Quinagak in the Bethel area about people on the front lines of the epidemic. He thought the rural communities needed as much support as possible.

Senator Olson MAINTAINED his OBJECTION.

[11:40:54 AM](#)

Co-Chair Foster asked if the position funded in the Alaska State Troopers would be supporting the VPSO program.

[11:41:18 AM](#)

AT EASE

11:42:41 AM

RECONVENED

A roll call vote was taken on the motion.

IN FAVOR: MacKinnon, Foster, Pruitt, Hoffmann, Seaton

OPPOSED: Olson

The MOTION to ADOPT Item 7 PASSED (House: 3/0 - Senate: 2/1).

Co-Chair Hoffman MOVED to ADOPT Item 13.

Senator Olson OBJECTED. He explained that his argument was the same for the current amendment as it was for the previous amendment. He thought it essentially took money away from the VPSO program to support the trooper detachment. He thought the legislature was doing the same thing by undercutting the people on the front lines in order to have the troopers present.

Co-Chair Foster clarified that it was a difficult item for him because it impacted his areas. He wondered about the number of positions that were unfilled within the VPSO program. The amendment would move funding for 4 positions. He asked how many there were in unfilled VPSO positions.

DAVID TEAL, DIRECTOR, LEGISLATIVE FINANCE DIVISION, thought the number was close to 20 for the previous 2 years. He thought the department would have the figure.

Senator Olson asked how many vacancies there were within the Alaska State Troopers.

Mr. Teal did not know the answer.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Foster, MacKinnon, Seaton, Hoffman

OPPOSED: Olson

The MOTION to ADOPT Item 13 PASSED (House: 3/0 - Senate: 2/1).

11:46:27 AM

Co-Chair Hoffman MOVED to ADOPT Item 18.

Representative Pruitt OBJECTED.

Representative Pruitt spoke to his objection. He indicated that the appropriation being discussed was an inter-agency receipt, which could be done without the approval or authority of the legislature. He explained that it had been agreed by the House that it did not like the idea of arming tax division personnel who would be able to fulfill duties similar to personnel from the Department of Public Safety. While he understood the inter-agency receipt could be carried out without the appropriation, he thought it was better to send the signal that the legislature did not intend to arm tax personnel. He favored the House recommendation of disallowing the inter-agency receipt from taking place.

Representative Pruitt MAINTAINED his OBJECTION.

11:47:48 AM

AT EASE

11:50:59 AM

RECONVENED

Co-Chair MacKinnon indicated that after discussions with the department she had been notified that the administration would not be deploying armed tax collectors in the state. She asked that the Item be set aside to allow some time to confirm the information.

Co-Chair Hoffman WITHDREW his MOTION to ADOPT Item 18.

Co-Chair Seaton indicated Item 18 would remain open.

Co-Chair Hoffman MOVED to ADOPT Item 19 with modified language (See language above).

Representative Pruitt spoke to his objection. His caucus was concerned with allowing the Department of Public Safety to come up with a plan for staffing levels. It was suggested that the Legislative Budget and Audit Division make the determination. He also suggested there was an entity that had recently given an executive look at the

Anchorage Police Department. He had been given a copy by Representative Kopp who thought the entity had done an effective job in recommending what they should and should not do. He thought some solutions could be suggested that most people could agree on. He suggested that if a department audited itself, there would be an expectation for a request for increased funding in the future. He thought having a more neutral party would be solid.

Representative Pruitt WITHDREW his OBJECTION.

[11:53:56 AM](#)

AT EASE

[11:54:47 AM](#)

RECONVENED

Co-Chair Seaton relayed that the objection to Item 19 had been removed.

Co-Chair Hoffman commented that crime was on the rise in urban and rural Alaska. The House did not have intent language to try to address the issue. He believed the intent language being discussed was adequate. He commented, "If additional studies need to be taken, so be it." He thought the Senate's intent language recognized the problem in Alaska and the need to address adequate funding levels for Alaska State Troopers and VPSO's.

There being NO OBJECTION, it was so ordered.

Co-Chair Seaton indicated that the action closed the conference-able items 7, 13, and 19 in the Department of Public Safety, leaving items 8, 15, 16, 17, and 18 OPEN.

[11:56:30 AM](#)

Senator Hoffman MOVED to ADOPT the following in the Department of Revenue's budget:

- Item 1 House minus \$61,500 for a revised total of \$184,500. This funds the positions at 75% in recognition that the positions would not be filled on July 1.
- Item 2 House
- Item 3 House for all lines
- Item 4 Senate

There being NO OBJECTION, it was so ordered.

Co-Chair Seaton indicated that the action closed the conference-able items in the Department of Revenue's budget.

[11:57:17 AM](#)

Senator Hoffman MOVED to ADOPT the following in Executive Branch-wide Appropriations:

Item 1 House for all lines

Representative Pruitt OBJECTED.

Representative Pruitt explained that there would be an increase to the budget of \$1.8 million. He understood the discussion that the legislature would not be passing a bill that lowered the appropriation. He thought there were other areas the legislature had chosen not to fully fund what was indicated in statute. He highlighted that the appropriation clearly articulated that there was not a pay freeze in place in Alaska while the state was in desperate times. He argued that by accepting the item, the state was not freezing pay. It might be that the legislature and/or the administration had recognized they had to do things differently. However, the adoption of the item essentially sent a message that everything was "A-Okay."

Representative Pruitt REMOVED his OBJECTION.

Co-Chair Hoffman relayed that the item had been under a significant amount of debate. He opined that the adoption of the item was not an acknowledgement that the legislature was avoiding addressing the state's fiscal problems having not taking up the legislation [SB 31/HB 71 - Title: NO ST. EMPLOYEE PAY INCREASE FOR 2 YRS Legislation introduced by the governor in January 2017]. He surmised there were two questions to be answered. First, did the state have two classes of employees? If so, should the state treat them differently? The legislature was faced with the dilemma of whether to freeze the pay of unclassified employees, who were under the preview of the legislature, without being able to freeze the pay of union employees. He argued that even though the state had a major financial problem, treating unclassified employees differently because they

were not in a union did not bode well at the current time in Alaska's history.

There being NO OBJECTION, it was so ordered. Item 1 was ADOPTED.

Co-Chair Seaton indicated that the action closed the conference-able items in Executive Branch-wide Appropriations.

[12:00:09 PM](#)

Senator Hoffman MOVED to ADOPT the following in the Judiciary's budget:

Item 1 House

There being NO OBJECTION, it was so ordered.

Co-Chair Seaton indicated that the action closed the conference-able items in Judiciary's budget.

Co-Chair Seaton conveyed that once the next meeting date, time, and subject matter were determined, the meeting would be noticed on BASIS.

HB 57 was HEARD and HELD in committee for further consideration.

HB 59 was HEARD and HELD in committee for further consideration.

#  
ADJOURNMENT

[12:01:12 PM](#)

The meeting was adjourned at 12:01 p.m.