

HOUSE FINANCE COMMITTEE
SECOND SPECIAL SESSION
July 15, 2019
11:06 a.m.

11:06:37 AM

[MEETING HELD AT THE ANCHORAGE LIO AND RECORDED IN JUNEAU]

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 11:06 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Tammie Wilson, Co-Chair (via teleconference)
Representative Jennifer Johnston, Vice-Chair
Representative Dan Ortiz, Vice-Chair
Representative Andy Josephson
Representative Bart LeBon
Representative Kelly Merrick
Representative Colleen Sullivan-Leonard
Representative Cathy Tilton

MEMBERS ABSENT

Representative Ben Carpenter

ALSO PRESENT

Erin Shine, Staff, Jennifer Johnston; Brodie Anderson, Staff, Representative Neal Foster; Paul Labolle, Staff, Representative Neal Foster; Megan Wallace, Director, Legislative Legal Services, Alaska State Legislature; Jackie Cason, Self, Anchorage; Cris Eichenlaub, Self, Anchorage; Toby Widdicombe, Self, Anchorage; Natasha Gamache, Self, Anchorage; Page Hall, Self, Wasilla; Sara Dykstra, Self, Anchorage; Alan Mitchell, Self, Anchorage; Jane Sutherland Niebergall, Self, Anchorage; Kevin Voss, Teacher, Anchorage; Rock De Augustine, Veterans for a full PFD, Anchorage; Maria Skala, Self, Anchorage; Galen Schmidt, Self, Anchorage; Laura Bonner, Self, Anchorage; Bert Houghtaling, Self, Anchorage; Molly Hayes, Self, Anchorage; Lisa Sparrow, Self, Anchorage; Jonathon

Schumacher Jr., Self, Anchorage; William Topel, Self, Anchorage; Caroline Storm, Self, Anchorage; Emily Olson, Self, Anchorage; Nick Brockett, Self, Anchorage; Sandy Travis, Self, Anchorage; Ann Rappoport, Self, Anchorage; Linn McCabe, Self, Anchorage; Dana Kerr, Self, Anchorage; Suzi Pearson, Executive Director AWAIC, Anchorage; Jason Lessard, Executive Director NAMI, Anchorage; Mike Alexander, Self, Anchorage; Randy Virgin, Self, Anchorage; Carol Waters, Self, Anchorage; Marnie Hartill, Self, Anchorage; Sam Cason, Self, Anchorage; Tony Kaliss, Self, Anchorage; Bronson Frye, Self, Anchorage; Bradley Cruz, Self, Anchorage; Janel Walton, Self, Anchorage; Mary Schallert, Self, Anchorage; Surge Kulikov, Self, Anchorage; Nikole Nelson, Self, Anchorage; Melanie Uydai, Self, Anchorage; Michaela Kolevok, Self, Anchorage; Deborah Erickson, Self, Anchorage; Rick Phillips, Self, Anchorage; Kathy Young, Self, Anchorage; Verne Boerner, ANHB, Anchorage; Jake Metcalf, Self, Anchorage; Beverly Cross, Self, Anchorage; Laura Norton Cruz, Self, Anchorage; Deanna Beck, Self, Anchorage; Michael Fenster, Self, Anchorage; Ternia Vandenhoerk, Self, Anchorage; Rochene Rawanhellen, Self, Anchorage; Brad Owens, Self, Anchorage; Shelly Vendetti Vuckovich, Self, Anchorage; Sterling Gallagher, Self, Anchorage; Kurt Schmidt, Self, Anchorage; Paul D. Kendall, Self, Anchorage; Pat Borion, Self, Anchorage; Katie Moran, Self, Anchorage; Richard Moran, Self, Anchorage; Janice Park, Self, Anchorage; Corey Whitmore, Self, Anchorage; Robyn Henry, Self, Anchorage; Gail Hineman, Self, Anchorage; Barbara Karl, Self, Anchorage; Donna Steinfort, Self, Anchorage; Amber Barney, Self, Anchorage; Kim Hays, Self, Anchorage; Dr. Kat Milligan-Myhre, Self, Anchorage; Yasmin Lechtenbera, Self, Anchorage; Estelle Thomson, Self, Anchorage; Petra Illig, Self, Anchorage; Christina Sammons, Self, Anchorage; Tristan Sammons, Self, Anchorage; Samuel Ohana, Self, Anchorage; Anne Kessler, Self, Anchorage; Dirk Schumaker, Self, Anchorage; Ryan Walsh, Self, Anchorage; Sherrie Hinshaw, NPLA, Anchorage; Nelta Edwards, Self, Anchorage; Shane Castle, Self, Anchorage; James Sandonal, Self, Anchorage; Anne Dennis, Self, Anchorage; Brandon Fifer, Self, Anchorage; Skylar Quin, Self, Anchorage; Pat O'Hara, Self, Anchorage; Hope Finkelstein, Self, Anchorage; Robert Skorczewski, Self, Anchorage; Lesa Hollew, Self, Anchorage; Christi Meyn, Self, Anchorage; Tara Devlin, Self, Anchorage; Sandy Harper, Self, Anchorage; Jill Griffin, Self, Wasilla; Julia Greenfield, Self, Eagle River; Senate

President Cathy Giessel; House Speaker Edgmon;
Representative Geran Tarr;

PRESENT VIA TELECONFERENCE

Valerie Brooks, Self, Ketchikan; Frank Bauer, Self, Homer;
Jeremiah Oksoktaruk, Self, Seward; Antoinette Collins,
Self, Wasilla; Sara Caldwell, Self, Douglas; Katie Botz,
self, Juneau; Christine Hutchison, Self, Kenai; Sol Neely,
Self, Juneau; Kristina Cranston, Self, Sitka; Alex Koplín,
Self, Homer; Judith Ritenburgh, Self, Trapper Creek; Gail
Limbaugh-Moore, Self, Soldotna; Herman Morgan, Self, Aniak;
Carrie Harris, Self, Anchor Point; Dale Austermaul, Self,
Nome; Carrie Harris, Self, Anchor Point; Reid Bowman, Self,
Juneau; William Deaton, Self, Cordova; Jeanine Morse, Self,
Kenai; Kate Veh, Self, Soldotna; Kathy Swanson, Self,
Juneau; Kimberly Thiri, Self, Anchor Point; Tom Lakosh,
Self, Anchorage; Robert Hall, Houston Chamber of Commerce,
Houston; Adam Hykes, Self, Homer; Beth Weigel, Self,
Juneau; Sylvia Panzarella, Self, Anchorage; Karin Dahl,
Self, Anchorage; Dan LaPlante, Self, Anchorage; Melody
McCullough, Self, Wasilla; Todd Hume, Self, Anchorage;
Kathy Swanson, Self, Juneau; Andree McLeod, Self,
Anchorage; Maura Wrenn, Self, Chugiak; Billie Haan, Self,
Palmer; Diane Holmes, Self, Anchorage; Jaylene Peterson-
Nyren, Self, Anchorage; Ann-Lillian Schell, Self, Kasilof;
Keith Montgomery, Self, Anchorage; Liz Shine, Self,
Anchorage; Bill Zorb, Self, Fairbanks; Helen Nienhueser,
Self, Anchorage; Rachel Lord, Self, Homer; Roxann Dayton,
Self, Wasilla; Don Gray, Self, Fairbanks; Johnathon
Gordaoff, Self, Wasilla; Robeta Rinehart, Self, Anchorage;
Chris Pearson, Self, Juneau; Ed Martin, Self, Anchorage;
Dawn Walsh, Self, Douglas; Representative Gary Knopp

SUMMARY

HB 2001 APPROP: ERA FOR PERMANENT FUND DIVIDENDS

HB 2001 was HEARD and HELD in committee for
further consideration.

PUBLIC TESTIMONY

Co-Chair Foster reviewed the agenda for the meeting.

#hb2001

HOUSE BILL NO. 2001

"An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date."

11:07:53 AM

Vice-Chair Ortiz MOVED to ADOPT the proposed committee substitute for HB 2001, Work Draft 31-LS1103\K (Caouette 7/14/19).

Vice-Chair Johnston OBJECTED for discussion.

Co-Chair Foster indicated his staff would be walking through the committee substitute.

11:08:44 AM

ERIN SHINE, STAFF, JENNIFER JOHNSTON, read from a prepared statement:

Today before you for consideration is the House Finance Committee Substitute for HB 2001 that appropriates a surplus Permanent Fund Dividend. The amount available to pay a surplus Permanent Fund Dividend is contingent upon appropriating funds for essential state services.

Therefore, the CS before you also includes the following items:

- For the Operating Budget the CS
 - 1) Restores the vetoed FY20 operating budget items and
 - 2) the vetoed FY19 supplemental operating budget items

- For the Capital Budget this CS
 - 1) Restores the FY20 projects that were vetoed
 - 2) reintroduces projects that were removed from the bill due to the failed Constitutional Budget Reserve vote.
 - 3) and Funds the FY20 capital budget items with UGF dollars

- Finally, this CS includes language for
 - 1) the use of the Constitutional Budget Reserve
 - 2) and authorizes the reverse sweep.

To reiterate, a surplus Permanent Fund Dividend as outlined in this CS requires that the legislature address the funding of state services to arrive at the funding available to pay a Permanent Fund Dividend. This CS restores funding for the Governor's vetoes to the operating and capital budgets and uses the remaining—or surplus—general funds to pay this year's Permanent Fund Dividend. And it does so without exceeding the total percent of market value draw from the Permanent Fund Earnings Reserve available for appropriation set out by laws in AS 37.13.140 and AS 37.13.145.

Therefore, this CS appropriates \$641,151,000 to the dividend fund, which would equate to an approximately \$929 Permanent Fund Dividend for each qualified Alaskan this year.

Mister Chairman, if it is the will of the committee, I believe my colleagues Mr. Anderson and Mr. Labolle are ready to walk through a sectional analysis.

[11:11:17 AM](#)

BRODIE ANDERSON, STAFF, REPRESENTATIVE NEAL FOSTER, reviewed the sectional analysis:

Committee Substitute for House Bill 2001 (FIN)
Sectional Analysis
Version 31-LS1103\K

NUMBERS SECTIONS: 1 - 15

- Sec. 1 Page 2, Line 1 - Page 12, Line 5
Restores the vetoed FY20 Operating Budget items passed by the legislature
- Sec. 2 Page 13, Line 1 - Page 16, Line 20
Summary of appropriations by agency and funding sources made in Sec. 1
- Sec. 3 Page 17, Line 1 - Page 18, Line 20
Summary of statewide funding for the appropriations made in Sec. 1
- Sec. 4 Page 19, Lines 1-19

Restores the vetoed FY19 Supplemental Operating Budget items passed by the legislature

- Sec. 5 Page 20, Lines 1-11
Summary of appropriations by agency and funding sources made in Sec. 4
- Sec. 6 Page 21, Lines 1-10
Summary of statewide funding for the appropriations made in Sec. 4
- Sec. 7 Page 22, Lines 1-28
Restores the HB 40 vetoed FY20 Mental Health Capital Budget items passed by the legislature
- Sec. 8 Page 23, Lines 1-15
Summary of appropriations by agency and funding sources made in Sec. 7
- Sec. 9 Page 24, Lines 1-8
Summary of statewide funding for the appropriations made in Sec. 7
- Sec. 10 Page 25, Line 1 - Page 30, Line 27
Funds FY20 Capital Budget items removed due to the failed CBR vote with an UGF funding source and restores the vetoed FY20 Capital Budget items
- Sec. 11 Page 31, Line 1 - Page 32, Line 14
Summary of appropriations by agency and funding sources made in Sec. 10
- Sec. 12 Page 33, Lines 1-17
Summary of statewide funding for the appropriations made in Sec. 10
- Sec. 13 Page 34, Lines 1-18
Restores the vetoed FY19 Supplemental Capital Budget items passed by the legislature
- Sec. 14 Page 35, Lines 1-11
Summary of appropriations by agency and funding sources made in Sec. 13

Sec. 15 Page 36, Lines 1-8
Summary of statewide funding for the appropriations made in Sec. 13

[11:14:28 AM](#)

PAUL LABOLLE, STAFF, REPRESENTATIVE NEAL FOSTER, reviewed the language sections of the bill:

LANGUAGE SECTIONS: 16 - 34

Sec. 16 Page 37, Lines 1-8
Re-appropriates funds from the Alaska Higher Education Investment Fund to the Department of Education

Sec. 17 Page 37, Line 9 - Page 38, Line 7
Outlines Alaska Permanent Fund appropriations as follows:

(a) and (b): Satisfies the payment of Post 1979 field royalties to the Permanent Fund Corpus for FY18;

(c) and (d): satisfies the payment of Post 1979 fiels royalties to the Permanent Fund Corpus for FY19;

(e): Reverses the veto of \$1 billion deposit from the Earnings Reserve to the General Fund;

(f): Appropriates \$641,151,000 from the General Fund to the Alaska Permanent Fund Dividend Fund; and

(g): Reverses the veto and restores the full \$9.4 billion transfer from the Earnings Reserve to the Principal of the Permanent Fund Corpus

Sec. 18 Page 38, Lines 8-12
Restores the vetoed funding for the Alaska Legal Services Corporation

Sec. 19 Page 38, Line 13 - Page 39 Line 15
Restores the payment of Debt Service to:
(a): municipalities or agencies; and
(b) and (c): school bond reimbursement

Sec. 20 Page 39, Lines 16-26

Restores Fund Capitalization to the:
(a): Community Assistance Fund;
(b) and (c): Forward funding of FY21
education foundation formula and
transportation; and
(d): REAA school construction funding

- Sec. 21 Page 39, Line 27 - Page 40, Line 2
Restores funds transfers or vetoed from the
(a): Civil Legal Services funds from court
filing fees; and
(b): Power Cost Equalization Endowment Fund
to the Renewal Energy Grant Fund
- Sec. 22 Page 40, Lines 3-23
Ratifies prior year funding for specific
projects
- Sec. 23 Page 40, Line 24 - Page 41, Line 5
Restores the vetoed:
(a): re-appropriation made from the
Exxon Valdez oil spill restoration fund
to the Prince William Sound Science
Center; and
(b): the appropriation from the Alaska
Industrial Development and Export
Authority to the Northwest Arctic
Borough
- Sec. 24 Page 41, Lines 6-11
Restores the vetoed authorization of land
sale receipts to Mt. Edgecumbe Boarding
School
- Sec. 25 Page 41, Lines 12-18
Restores the vetoed re-appropriation for the
Flattop Mountain Trail clean up pilot
project
- Sec. 26 Page 41, Line 19 - Page 42, Line 6
Restores the vetoed items to the Department
of Transportation and Public Facilities for:
(a): Marine vessel replacement fund;
and
(b): Harbor Facility Grant Fund
- Sec. 27 Page 42, Lines 7-14

Restores the veto to the Ketchikan Gateway Borough

Sec. 28 Page 42, Line 15 - Page 47, Line 10
Restores the re-appropriations vetoed to the Alaska Housing Capital Corporation account

Sec. 29 Page 47, Line 11 - Page 48, Line 18
Outlines the Constitutional Budget Reserve Fund authorization for the:
(a): reverse sweep language;
(b): deficit filling language;
(c): headroom authorization; and
(d): conforming language.

Sec. 30 Page 48, Lines 19-24
Addresses lapsing funds

Sec. 31 Page 48, Lines 25-29
Outlines the retroactivity clauses

Sec. 32 Page 48, Line 30 - Page 49, Line 1
Applies contingency clauses related to Sec. 17 and Sec. 29

Sec. 33 Page 49, Line 2-4
and 34 Effective date clauses

[11:22:37 AM](#)

Co-Chair Foster explained that essentially the veto items were restored in the new committee substitute. He indicated that the CS was a starting point from which to work. /He reported that there were ways to increase the Permanent Fund Dividend.

Mr. Labolle thought Co-Chair Foster had encapsulated the contents of the document.

Representative Sullivan-Leonard had grave concerns with the current committee substitute. She challenged the validity and legality of the bill before the committee. She thought it was a "Déjà vu" of the budget bill.

Co-Chair Foster agreed that it was a legal question that had to be answered.

[11:27:39 AM](#)

MEGAN WALLACE, DIRECTOR, LEGISLATIVE LEGAL SERVICES, ALASKA STATE LEGISLATURE, agreed that the governor's proclamation was not a general subject, rather he included a very specific appropriation for the legislature to consider. She stated that legal question as to whether or not the draft bill complied constitutionally with the governor's proclamation was a complicated issue. The governor had the constitutional authority to limit the general subjects of legislation considered by the legislature during a special session. She opined that there was no question that the governor's power to limit the subjects could not infringe on the legislature's power of appropriation. She explained that even if the general subject of the special session was determined to be limited to an appropriation for the Permanent Fund Dividend (PFD), it would be the legislature who decided the funding source and amount of that appropriation. She stated that the Alaska Supreme Court had never construed the governor's power to limit the general subject of a special session. She shared that other states whose constitutions also allowed a governor to limit the special session calls had adopted certain tests that were employed to determine whether the ultimate legislation passed by the legislature complied with the subject or whether it was too broad in light of the subject listed by that governor.

[11:31:44 AM](#)

Representative Sullivan-Leonard asked if there had been any other special sessions called by previous administrations where the legislature had changed the topic in midstream.

Ms. Wallace responded that the constitutionality of the legislature's action was upon passage of the bill. She did not know whether discussion of the legislation in the committee process presented any constitutional issues. She stressed that it was the final version and appropriations that were passed by the legislature that would prevent the constitutional question.

Representative Sullivan-Leonard asked if past legislatures had altered the call of the governor.

Mr. Labolle felt that Ms. Wallace was stating that the committee work could act on any legislation, but the

constitutional question occurred in the passage of any legislation.

Ms. Wallace responded, "Generally, yes."

Co-Chair Foster stressed that the bill was a surplus PFD bill. He stressed that in order to determine the surplus, the inclusion of all the items in the budget must be considered to determine the PFD.

[11:34:43 AM](#)

Representative Josephson relayed that the original bill, HB 39, had been drawn from a larger account. Currently, because of the uncertainty of the reverse sweep vote, he wondered whether they would be funded directly from the GF rather than from capitalized accounts.

Mr. Labolle asked Representative Josephson to reference a specific appropriation.

Representative Josephson restated his question.

Mr. Labolle responded that the Community Assistance Fund was originally funded with general funds in the operating budget. He stated that, globally, with the portion of the operating budget, all funds were the original fund source in the Conference Committee Report. He stated that he capital budget was different, because the House version used the CBR as the primary fund source. The current bill used general funds and other funds. The specific funds were those used by the Senate's capital budget, before the fund source was changed to the CBR.

Representative Tilton agreed with her colleague regarding the validity of the bill and the constitutionality. She asked the legislative attorney to investigate the past legislatures. She requested the validity of the overall session. She remarked that she was there in a good faith effort to attempt to move forward with the legislature.

Ms. Wallace responded that she was not aware of any challenges. She would be happy to do the research.

[11:40:24 AM](#)

Representative Josephson recalled a doctrine that indicated that more recent legislation was a reflection of an acknowledgement of previous legislation and was controlling in terms of melding of the two. He stated that he would request a legal memorandum that would reflect that those who voted for SB 26 were aware of the existing PFD statute.

Ms. Wallace agreed that the doctrines existed, but believed that issue did not need to be addressed, because the statutes were explicitly written to acknowledge the existing dividend statute.

Representative Josephson thought Ms. Wallace had answered his question. He thought there was further information that could be necessary.

Vice-Chair Johnston noted some vetoes were included in the committee substitute. She wondered whether the staff was able to mention the vetoes that were not backed up by statute or law.

Mr. Labolle responded that the Senior Benefits appropriation was a program in statute. He also stated that the School Bond Debt program was in statute. He deferred to Mr. Anderson.

Mr. Anderson relayed that the Legislative Finance Division had reviewed the vetoes. There were 17 vetoes were contrary to statute. He provided several examples.

[11:45:05 AM](#)

Representative Sullivan-Leonard was still unclear on the PFD breakdown. She wondered whether the bill followed the statutory 5.25 percent.

Ms. Shine replied that the bill followed that percentage.

Representative Sullivan-Leonard stated that the last amount she had heard about was \$2200, and wanted to know the breakdown.

Ms. Shine agreed to provide that information.

Mr. Labolle added that while the POMV established by SB 26, but it provided no guidance on the amount of the Permanent Fund Dividend.

[11:48:35 AM](#)

Vice-Chair Johnston WITHDREW her OBJECTION.

Representative Tilton OBJECTED.

A roll call vote was taken on the motion.

IN FAVOR: Knopp, LeBon, Ortiz, Josephson, Johnston, Foster
OPPOSED: Merrick, Sullivan-Leonard, Tilton

The MOTION to ADOPT CSHB 2001(FIN) PASSED (6/3).

Co-Chair Foster indicated that the committee would be recessing until 2:00 PM at which time the committee would be taking public testimony. He provided additional information as to the details of public testimony.

[11:52:15 AM](#)

AT EASE

[2:04:22 PM](#)

RECONVENED

Co-Chair Foster acknowledged present committee members. He noted that Representative Knopp was online and Representative Adam Wool would call in.

^PUBLIC TESTIMONY

[2:05:10 PM](#)

Co-Chair Foster provided the email address and committee schedule. He thanked the public for being present and online to testify.

[2:07:52 PM](#)

VALERIE BROOKS, SELF, KETCHIKAN (via teleconference), spoke in support of a PFD that did not impact programs. She supported pre-K, the arts, court system, senior programs, and other. She suggested saving dollars on the oil company credits. She thanked the committee.

[2:09:02 PM](#)

FRANK BAUER, SELF, HOMER (via teleconference), supported a full PFD of \$3,000. He testified in opposition to the bill. He reminded the committee that the dividend had been established to protect the Permanent Fund from encroachment by the legislature.

[2:10:50 PM](#)

Co-Chair Foster updated the public on the legislation. The new version of the bill included a restoration of all items vetoed by the governor and added the capital budget. Anything that was surplus would go to pay the PFD of approximately \$900. He noted it was a starting point.

[2:12:16 PM](#)

JACKIE CASON, SELF, ANCHORAGE, supported a modest PFD. She stated the situation was a divide between individuals who had lost faith in the government. She supported public safety, health, and other. She shared that she had benefited from the generosity of public programs and she had paid the support back. She shared her personal story in the state detailed she had used public programs to help her go to school.

[2:14:42 PM](#)

CRIS EICHENLAUB, SELF, ANCHORAGE, asked the committee to restore honesty, trust, and negotiating skills. He discussed the reasons the governor had been elected. He spoke against the legislation. He did not support money to legislative per diems.

Representative Sullivan-Leonard remarked that the bill before the committee included a PFD of \$900.

Mr. Eichenlaub replied that he did not support that.

[2:17:07 PM](#)

TOBY WIDDICOMBE, SELF, ANCHORAGE, spoke in favor of the bill. He did not support the governor's fixation with a \$3,000 PFD. He spoke to the problem with greed. He thought the governor was selling snake oil. He thought the governor's policies would create a recession. He stated that the governor and his OMB director reported to the Koch brothers.

[2:19:22 PM](#)

NATASHA GAMACHE, SELF, ANCHORAGE, shared that she had been at all of the rallies recently. She supported a budget that took care of the state's citizens. She stressed that the governor's plan would kill job and create a recession. She underscored that crime would increase. She emphasized the problem with sexual assault in the state. She asked where the people were expected to go who were homeless. She underscored that people would leave the state and real estate values would crash.

[2:22:00 PM](#)

JEREMIAH OKSOKTARUK, SELF, SEWARD (via teleconference), supported a full PFD of \$3,000. He thought that the former Governor Walker had stolen money from the people in the form of the PFD.

[2:23:11 PM](#)

ANTOINETTE COLLINS, SELF, WASILLA (via teleconference), she did not feel she had had any voice in the past four years in Alaska. She stressed that the PFD had been stolen from citizens. She supported Governor Dunleavy. She supported a full PFD of \$3,000. She stated that money from the PFD went to funding jobs. She asked the committee to listen to regular Alaskans.

[2:24:35 PM](#)

SARA CALDWELL, SELF, DOUGLAS (via teleconference), testified in support of HB 2001. She thought the committee should be proud of its past operating budget. She believed the governor's vetoes and backpay for PFDs was crazy. She believed the cuts would create destruction in the state. She supported an income tax that was based on people's ability to contribute. She thought getting a smaller PFD was a stand-in for taxes until a tax could be reestablished. She thought asking for a large PFD was not right.

[2:26:45 PM](#)

KATIE BOTZ, SELF, JUNEAU (via teleconference), asked the committee to consider how devastating it would be to

provide a full PFD. She asked the committee to think about that people could not survive without infrastructure. She believed it would be devastating if there was no override of the governor's vetoes. She stressed that loss of jobs and housing would // She understood that committee members cared about Alaska. She asked the committee how they wanted their constituents to remember them when the next election came up. She wanted to know how Alaska would stabilize in 40 to 50 years. She asked the legislature to meet in one location to get the work done.

[2:29:52 PM](#)

PAGE HALL, SELF, WASILLA, supported a full PFD of \$3,000. She thought a sales or income tax would make more sense than reducing the PFD. She shared that she had a homeless family member. She stated that nothing had been provided to him. She stressed that people could die when money was taking away from shelter. She shared how she had used PFDs for shelter, school, food, and other. She shared that the first year the PFD had been reduced had hit her family hard. She believed every state division used funds unnecessarily. She asked the legislature to reduce wasteful spending.

Co-Chair Foster provided the email address.

[2:33:14 PM](#)

SARA DYKSTRA, SELF, ANCHORAGE, thanked the committee for its time. She stated the question was about what people wanted Alaska to look like. She strongly opposed the governor's cuts to Head Start and early learning programs and the University. She stressed that many would leave the state due to the governor's cuts. She discussed that business activity would decrease. She stressed that cuts to the University would result in campuses closing and individuals in the state would not have the ability to go to college. She urged the committee to do what was right for Alaska's children and their future.

[2:35:57 PM](#)

ALAN MITCHELL, SELF, ANCHORAGE, opposed the governor's vetoes and supported a PFD of approximately \$1,500. He stated that if cuts went through many professors would be sent out of state. The University would become more

expensive, less accessible, and would have fewer programs. He pointed out that many young individuals would choose not to go to college as a result. He underscored that the homeless population would increase. He did not believe the current situation was a fiscal crisis, but a leadership crisis. He noted that the state had a \$65 billion Permanent Fund. He would gladly pay taxes to help solve the fiscal problem. He asked the committee to solve the fiscal situation in a balanced way.

[2:38:33 PM](#)

JANE SUTHERLAND NIEBERGALL, SELF, ANCHORAGE, shared that she had worked in 80 villages in Alaska. She provided detail on her career in Alaska. She had worked for Head Start and had given health examinations. She elaborated on her career history in Alaska villages. She spoke in support of education and Head Start. There were individuals certified as early childhood teachers in the villages currently. She stressed that over the years, Head Start had made a difference in the villages. She stressed the importance of keeping track with early childhood development. She relayed that three people had told her in the past week they would leave the state due to the current fiscal situation. She wanted to make it work.

[2:42:24 PM](#)

CHRISTINE HUTCHISON, SELF, KENAI (via teleconference), was opposed to the bill. She was appalled at the University that it could not maintain its accreditation. She stated that the University was a land grant organization. She agreed with the governor's vetoes. She wanted the legislature to get the government back to a balanced state. She thought there were too many people getting funding from the government. She stated that the Permanent Fund should be separate.

[2:44:45 PM](#)

SOL NEELY, SELF, JUNEAU (via teleconference), supported the legislature's original budget sent to the governor for approval. He supported a smaller PFD and maintaining government services. He did not believe the governor's budget was for Alaskans and that it represented outside interests of groups like the Koch brothers. He asked

whether the state could continue to afford using \$1.2 billion on PFDs.

[2:46:38 PM](#)

KEVIN VOSS, TEACHER, ANCHORAGE, spoke against the governor's vetoes. He shared that costs in Alaska were higher than in the Lower 48. He stressed that the state gave hundreds of millions of dollars to oil companies. He did not support a \$3,000 PFD. He stated that many Alaskans did just fine financially and should be viewing PFDs as an added bonus. He thought taking away social services and education funds was short-sighted. He congratulated the committee on its budget sent to the governor prior to the vetoes. He did not need a \$3,000 PFD and was happy to contribute.

[2:49:09 PM](#)

ROCK DE AUGUSTINE, VETERANS FOR A FULL PFD, ANCHORAGE, supported a full PFD of \$3,000. He discussed the current governor's vetoes. He discussed that increased property taxes, sales taxes, and other would bring in millions. He stated the taxes would bridge the fiscal gap. He supported allowing individuals to donate a portion of their PFDs to government if they desired. He believed cutting the PFD was the most regressive action possible.

[2:51:49 PM](#)

MARIA SKALA, SELF, ANCHORAGE, shared her history in Alaska since 1977. She discussed per capita tax paid in 1977, which was approximately 11 percent. She stated that if the amount was paid now, people would be paying \$17,000 in taxes. She stated that the cuts made by the governor were to core state responsibilities. She opposed cuts to education and other. She stressed it was far more cost effective to pay for pre-K than to pay for remedial education later on.

[2:54:59 PM](#)

GALEN SCHMIDT, SELF, ANCHORAGE, testified in opposition to the governor's cuts. He understood there were strongly held beliefs by everyone in the room. He stressed the importance of being critical and pragmatic, work with open hearts and minds. He supported services for homeless, Medicaid funds,

and other. He thought paying the services was better than a \$3,000 PFD.

[2:56:24 PM](#)

KRISTINA CRANSTON, SELF, SITKA (via teleconference), thanked the committee for its work. She shared detail about her life in Alaska. She shared the helpfulness of the PFD. She fully opposed the governor's vetoes. Her family would be deeply impacted immediately and long-term. She stated PFDs would be spent to live if all of the cuts were made. She thought paying a \$6,000 PFD was short-sighted. She thought a partisan game was being played.

[2:58:47 PM](#)

ALEX KOPLIN, SELF, HOMER (via teleconference), thanked the committee. He applauded the committee's efforts to override the governor's vetoes. He was strongly in favor of the bill or any bill that would overturn the vetoes. He cited the Alaska Constitution, and government for the people. He believed most Alaskans would be in favor of funding for government services. He hoped the committee would restore a functional budget for the people.

[3:01:26 PM](#)

JUDITH RITENBURGH, SELF, TRAPPER CREEK (via teleconference), did not support government stealing money from private funds. She supported a full PFD of \$3,000. She shared her family's history pertaining to the PFD. She stated that taking money from the PFD would tax all residents. She did not support the governor's vetoes, but she realized the need for an equitable way to tax and raise revenues. She stressed they could not take money from the private sector for use to balance the budget. She supported some sort of income tax, but was opposed to taking the PFD. She understood that many students used their PFDs for college funds. She wanted the legislature to restore past PFDs that had not been paid in full.

Vice-Chair Johnston provided the committee email address. She acknowledged Co-Chair Wilson online.

[3:04:53 PM](#)

LAURA BONNER, SELF, ANCHORAGE, supported HB 2001. She spoke against vetoes made by the governor. She believed the vetoes would put Alaska into a deep recession. She stressed there would be job loss in the public and private sector. She reported that cuts to the capital budget had already delayed construction projects. She supported a revised PFD formula and a comprehensive fiscal plan.

[3:07:14 PM](#)

BERT HOUGHTALING, SELF, ANCHORAGE, supported a full PFD of \$3,000. He asked the legislature to follow the law. He supported the governor. He thought the legislature's inability to follow the law had resulted in the current situation. He thought legislators had been hiding in Juneau. He thought the legislators that had been in Juneau were cowards and were acting illegally.

[3:10:03 PM](#)

MOLLY HAYES, SELF, ANCHORAGE, shared information about her life and career in Alaska. She worked as an educator. She and her family chose to remain in Alaska because they loved the state. She did not want a full PFD and believed it was like dirty money now. She did not want to jeopardize the future of Alaska's young people. She shared that young adults would be forced to leave the state to receive education elsewhere. She asked the committee to restore the governor's vetoes. She thanked legislators who were already advocating for them.

[3:12:29 PM](#)

LISA SPARROW, SELF, ANCHORAGE, did not support using a PFD to hold the government hostage. She spoke against cuts to the mentally ill and others. She stressed that Alaska was throwing money at the oil companies and the PFD. She stated that the state still had wealth despite the drop in oil revenue. She stressed that Head Start and University programs were being eliminated. The pain was happening now. She stated the majority of Alaskans had made it clear they opposed the governor's vetoes.

[3:14:35 PM](#)

JONATHON SCHUMACHER JR., SELF, ANCHORAGE, shared that he was a lifelong resident. He detailed that he had been

diagnosed with some issues that prevented him from working or interacting with people. He stated that a full PFD would help immensely. He would be a homeless person // He asked the committee to follow the full PFD calculation.

3:17:35 PM

WILLIAM TOPEL, SELF, ANCHORAGE, supported a full PFD and back pay of PFDs. He shared that he had moved to Alaska in 1966. He was a senior citizen living on a fixed income. He stated that the PFD belonged to the people not the government. He elaborated that the PFD helped all Alaskans, not just special interest groups. He discussed the history of the PFD payouts. He elaborated that PFDs had to compete with other state services, which he did not support. He thought legislators who had met in Juneau had done so illegally. He supported the governor.

3:21:27 PM

CAROLINE STORM, SELF, ANCHORAGE, supported an income tax that was the fairest way to tax citizens. She did not support cuts to the PFD. She stressed that people were hurting and were losing their jobs. Her income would be significantly impacted by a recession. She asked the legislature to institute an income tax.

3:23:02 PM

EMILY OLSON, SELF, ANCHORAGE, asked if Representative Sullivan-Leonard had left the meeting.

Vice-Chair Johnston replied she had an interview and would be back.

Ms. Olson reported that physicians could not care adequately for their patients when the state was constantly in turmoil. She strongly opposed cuts to Medicaid and reported some patients would die. She stressed the duty to provide services. She discussed critical cancer research that would stop if the cuts went through. She stressed opposition to cuts to education and the University. She stressed that the cuts far exceeded the value of an individual PFD. The PFD had never been free money. The legislature needed to reframe the fight. She agreed another source of income was needed.

[3:26:39 PM](#)

NICK BROCKETT, SELF, ANCHORAGE, spoke in support of liberty and justice. He spoke against cuts to the PFD. He stressed the PFD was the peoples' money. He underscored that taking the money took individuals' freedom to spend their money in the way they needed. He provided examples. He stated that the university system in Alaska was bloated and disgusting. He spoke to the freedom to choose. He thought people should be able to spend their money anyway they wanted. He did not want to take money from the children.

[3:29:12 PM](#)

SANDY TRAVIS, SELF, ANCHORAGE, spoke in support of fully funding the PFD. She felt that an audit for each department would be useful. She remarked that an audit must be approved by the Legislature. She felt that the legislature had refused to do its job.

[3:31:58 PM](#)

ANN RAPPOPORT, SELF, ANCHORAGE, urged support for HB 2001. She felt it should reinstate funding. She felt that the governor's vetoes would destroy the state and the American system. She remarked that her children may not see a future in Alaska.

[3:34:53 PM](#)

GAIL LIMBAUGH-MOORE, SELF, SOLDOTNA (via teleconference), felt that the PFD should be paid as was written in law. She felt that the \$951 was unacceptable.

[3:35:35 PM](#)

HERMAN MORGAN, SELF, ANIAK (via teleconference), felt that the laws were broken, because the legislators should be in Wasilla. He expressed support of a full PFD. He felt that the legislature was paying too much attention to special interest groups. He remarked that rural Alaskans needed the PFD.

[3:38:54 PM](#)

CARRIE HARRIS, SELF, ANCHOR POINT (via teleconference), felt that the PFD should not be a part of the budget

conversation. The PFD should follow the traditional statutory formula. She remarked that the PFD was used for necessities for the poor people in Alaska. She felt that using the PFD was the laziest way to form a budget. She stressed that the working poor used the PFD.

[3:41:51 PM](#)

DALE AUSTERMAUL, SELF, NOME (via teleconference), queried the members present on the committee.

Vice-Chair Johnston named the members present in the committee.

[3:42:19 PM](#)

Mr. Austermaul encouraged the committee to do their work in Wasilla. He spoke in support of the full PFD. He felt that there should be a repeal of some previous bills from previous legislatures. He spoke in support of a tax, but wanted a vote of the people to determine the tax. He noted that there was a lawsuit against the committee, so he felt that the meeting was illegal. He remarked that the University of Alaska Anchorage had an 8 percent graduation rate. He remarked that the University of Alaska was second to last in the nation in graduation behind Arizona. He spoke in support of the governor's vetoes.

[3:45:36 PM](#)

CARRIE HARRIS, SELF, ANCHOR POINT (via teleconference), spoke against HB 2001. He supported the governor and the legislators that were meeting in Wasilla.

[3:46:51 PM](#)

REID BOWMAN, SELF, JUNEAU (via teleconference), noted that the state had budgetary problems, and remarked that there were some revenue problems. He spoke in support of the PFD to ensure that the peoples' money was not spent frivolously. He spoke on the subject of overturning the vetoes. He remarked that his daughter had received an Alaska Performance Scholarship, but her scholarship was now unavailable for an unknown plan for the University of Alaska. He felt that the vetoes were cruel, because of the short amount of time.

Vice-Chair Johnston noted that there was an email for public testimony: housefinance@akleg.gov.

[3:50:08 PM](#)

LINN MCCABE, SELF, ANCHORAGE, felt that the PFD had no place in budget discussions. She was embarrassed about the emotional manipulation. She felt that the bill was illegal, because there was not a quorum present when the bill was presented.

[3:52:33 PM](#)

DANA KERR, SELF, ANCHORAGE, spoke in support of the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) program. She noted that the lack of education was related to mass incarceration. She felt that there would be an increase in crime with the budget vetoes. She remarked that there would be an economic recession. She encouraged negotiation.

[3:55:01 PM](#)

SUZI PEARSON, EXECUTIVE DIRECTOR AWAIC, ANCHORAGE, spoke in support of overriding the vetoes and funding the operating budget. She stressed she was also in support of a reduced PFD that would help to fund the programs impacted by the vetoes.

[3:58:35 PM](#)

JASON LESSARD, EXECUTIVE DIRECTOR NAMI, ANCHORAGE, encouraged the legislature to move forward with the budget that was passed in the previous session. He noted that there was a discussion about the focus in community based care, but he remarked that there was no community based care in the vetoes. He spoke in support of a compromised PFD. He noted that society should be seen as a collective, and there was compromise in a society.

[4:00:55 PM](#)

MIKE ALEXANDER, SELF, ANCHORAGE, noted that the University had lost its accreditation. He wondered how many nonprofits would take a pay cut in order to stay on the job. He supported the governor's vetoes, and felt that he should have cut further.

[4:04:27 PM](#)

RANDY VIRGIN, SELF, ANCHORAGE, remarked that it was the fourth year in a row reducing the budget. He noted that there was also a private sector recession. He felt that it was a false choice to choose between state services and the PFD. He remarked that the PFD was a necessity to many people in the state. He noted that state services were important to the state. He stressed that there was money to pay for a PFD and state services. He remarked that the state was within its means to pay for all of the options. He did not want people against each other in what he saw as a false crisis.

[4:06:55 PM](#)

CAROL WATERS, SELF, ANCHORAGE, spoke against the vetoes. She remarked that she knew many people who kept people safe and fed. She spoke in support of HB 2001.

[4:09:22 PM](#)

MARNIE HARTILL, SELF, ANCHORAGE, thanked Representative Merrick. She appreciated the former governor to keep the PFD intact. She spoke against the vetoes, and spoke in support of HB 2001. She remarked that many people worked hard in their communities, and felt that there should be an adjustment in the PFD formula. She remarked that children and students would always be her special interest. She spoke against the conduct of the governor and the legislators who were meeting in Wasilla. She felt that it was the impact of Americans for Prosperity.

[4:12:58 PM](#)

SAM CASON, SELF, ANCHORAGE, spoke against the oil tax credits. He felt that there should be a realistic budget, and a reasonable compromise. He remarked that the governor was attacking the government. He encouraged the committee to stand up for all three branches of government. He spoke in support of overriding the vetoes.

[4:14:47 PM](#)

TONY KALISS, SELF, ANCHORAGE, agreed with the false narrative of Alaskans being against each other. He remarked

that the current budget director did not care about the impact of the budget. He suggested that there should be a discussion, and have a difference of opinion. He felt that the situation was unnecessary, and appreciated the speech from Senator Von Imhof.

[4:16:59 PM](#)

BRANSON FRYE, SELF, ANCHORAGE, urged support of HB 2001. He stated that the federal income tax resulted in matching grants to keep the Alaskan construction industry healthy and robust. He remarked that the state received more in federal dollars than what was in the capital budget. He felt that money was not a partisan issue.

[4:18:42 PM](#)

BRADLEY CRUZ, SELF, ANCHORAGE, urged the reverse sweep for the WWAMI program, because it was the least expensive medical school per capita in the country. He remarked that 61 percent of the graduates return to Alaska. He stated that the program was cheap, because many of his colleagues taught for free. He stressed that the cuts were harmful, because there was a desire to attend medical school in state. He felt strongly about the two main arguments, because the state was given a false choice, because there could be other political solutions. He felt there could be other ways to raise revenues.

[4:21:49 PM](#)

WILLIAM DEATON, SELF, CORDOVA (via teleconference), was a high school senior, and he did not plan to stay in Alaska. He was recently a page at the U.S. Senate, and witnessed much debate during the reopening of the federal government. He shared that the budget must be cut, and approved of the vetoes. He felt that the governor did not veto enough in the budget. He supported a full PFD, and was opposed to new taxes. He remarked that the governor did not cut the UA budget, but only the state's contribution to the university.

[4:24:52 PM](#)

JEANINE MORSE, SELF, KENAI (via teleconference), felt that the legislature needed to provide good leadership for the state. She encouraged a sensible fiscal plan that would

balance the budget. She stated that they should not listen to special interest groups, and listen to the Alaska people. She spoke in support of the original PFD as designed by Governor Hammond. She stated that the money belonged to the Alaska people.

[4:25:59 PM](#)

KATE VEH, SELF, SOLDOTNA (via teleconference), spoke in support of cutting her PFD to avoid a recession. She felt that the PFD could be used to fund the government services.

[4:27:52 PM](#)

KATHY SWANSON, SELF, JUNEAU (via teleconference), spoke against cutting the PFD. She spoke in support of the governor's vetoes.

[4:29:24 PM](#)

KIMBERLY THIRI, SELF, ANCHOR POINT (via teleconference), felt that the legislators created the situation, because they would not work with the governor. She remarked that the problems had been around for many years. She felt that there was a false picture of "doom and gloom."

Vice-Chair Johnston reminded the committee of the email address to send in public testimony.

[4:31:33 PM](#)

JANEL WALTON, SELF, ANCHORAGE, spoke against the elimination of the Alaska Performance Scholarship. She remarked that he children and other students were choosing to stay in Alaska thanks to the money offered through the Alaska Performance Scholarship.

[4:33:30 PM](#)

MARY SCHALLERT, SELF, ANCHORAGE, quoted some portions of the Constitution, which stated that the legislature was responsible for the promotion and protection of public health. She supported HB 2001.

[4:35:33 PM](#)

SURGE KULIKOV, SELF, ANCHORAGE, encouraged the legislature to invest in other industries besides oil. He elaborated on many ideas that the legislature should consider.

[4:39:11 PM](#)

NIKOLE NELSON, SELF, ANCHORAGE, stated that she works for Alaska Legal Services. She stated that Alaska Legal Services' offered services, because it was the state's legal obligation to provide representation to the residents of the state. She noted that Alaska Legal Services was fully reliant on state dollars. She remarked that people were getting turned away, because of lack of financial resources.

[4:42:05 PM](#)

MELANIE UYDAI, SELF, ANCHORAGE, stated that she served the most vulnerable people in the state. She spoke in support of HB 2001, and reinstating the vetoes. She shared that she had worked to install fire alarms for a woman who lacked the resources to install fire alarms. She shared that her house burned down, and the smoke alarms saved her life. That woman was in a better place now. She thanked the committee for their bipartisan approach to the problem.

[4:44:44 PM](#)

MICHAELA KOLEVOK, SELF, ANCHORAGE, expressed concern about the direction of the state and the cost to the most vulnerable in the state. She spoke in support of HB 2001.

[4:47:41 PM](#)

DEBORAH ERICKSON, SELF, ANCHORAGE, shared stories of her two sons. She testified against the governor's vetoes.

[4:51:02 PM](#)

RICK PHILLIPS, SELF, ANCHORAGE, felt that the cause of the dilemma was from the oil tax credits. He read from a bill [SB 21], which was passed in a previous legislature. He felt that there could be a balanced budget and a full PFD, if the oil tax credits were revoked.

[4:53:26 PM](#)

KATHY YOUNG, SELF, ANCHORAGE, spoke in support of overriding the vetoes. She shared that she was a teacher in the WWAMI program. She remarked that the cut to Medicaid would have a negative impact on the most vulnerable. She stated that the medical system relied on the university system.

[4:55:18 PM](#)

VERNE BOERNER, ANHB, ANCHORAGE, spoke in support of HB 2001.

[4:58:10 PM](#)

JAKE METCALF, SELF, ANCHORAGE, shared that he grew up in the state, and went out of state to law school. He returned to the state in 1986. He shared that he had worked since he was five. He stressed that jobs in Alaska were the most important aspect of the state. He felt that the vetoes would put the state back to 1986 into a recession. He shared that he had four kids, and wanted them to live in the state. He spoke in support of HB 2001.

[5:03:07 PM](#)

BEVERLY CROSS, SELF, ANCHORAGE, shared that she was born and raised in Alaska, and was 66-years-old. She remarked that her mother was on the list for the Pioneer Home, and had some friends who received senior benefits. She remarked that the governor was spending more on his aides and staff, but was cutting the budget for the vulnerable residents of the state.

[5:06:24 PM](#)

LAURA NORTON CRUZ, SELF, ANCHORAGE, spoke in support of HB 2001. She stated that the loss of funding for early childhood education would result in developmental problems for children.

[5:09:30 PM](#)

DEANNA BECK, SELF, ANCHORAGE, shared that she was a mother. She spoke in support of funding for educational employment and education programs.

[5:12:13 PM](#)

MICHAEL FENSTER, SELF, ANCHORAGE, spoke against the governor's vetoes. He hoped that the legislature would stand up for Alaskans.

[5:14:06 PM](#)

TERNIA VANDENHOERK, SELF, ANCHORAGE, spoke against the governor's vetoes. She shared that she was a formerly incarcerated person.

[5:18:33 PM](#)

ROCHENE RAWANHELLEN, SELF, ANCHORAGE, spoke in support of the original budget, and urged the consideration of a tax. She asked that the most vulnerable people in the state be considered in determining the cuts. She shared that it was a direct attack on Alaska's values. She stressed that people turned to and adopted the values of the Native people: family and community. She remarked that her daughter had received an Alaska Performance Scholarship. She also shared that she had personal experience teaching, and stressed that children could not learn if they were hungry.

[5:22:25 PM](#)

BRAD OWENS, SELF, ANCHORAGE, appreciated the participation in the democracy. He noted that there was compelling testimony. He hoped that there could be a sensible budget. He felt that there should be an understanding of all that the government provides.

[5:24:16 PM](#)

SHELLY VENDETTI VUCKOVICH, SELF, ANCHORAGE, thanked the committee for their time, and appreciated the alternate views that she had listened to in the meeting. She felt that people needed to come together to find a bipartisan solution. She spoke in support of HB 2001. She disagreed with the disparaging remarks about special interest groups. She stressed that children, family, and elders were sacred to the state.

[5:26:59 PM](#)

STERLING GALLAGHER, SELF, ANCHORAGE, shared that he had worked to personally write the Permanent Fund. He remarked that the Permanent Fund had no purpose. The PFD was developed after the Permanent Fund was developed. He stressed that the economics of the future were unknown. He remarked Alaska initially adopted the laws of Oregon, but he worked to rewrite the laws specifically for Alaska. He remarked that he also worked to develop the severance tax. He stated that the 12 percent today in severance tax would be approximately \$8 billion. He felt that the state had come a long way in decreasing the numbers. He shared that he had given the government many ideas, such as using Alaska Industrial Development and Export Authority (AIDEA) to build lateral pipelines. He felt that Alaska Housing Finance Corporation (AHFC) grants could be given to the pension fund.

[5:32:11 PM](#)

KURT SCHMIDT, SELF, ANCHORAGE, spoke in opposition to HB 2001. He thought the session was a shell game. He asserted that the PFD should be distributed, and the budget reserved for only the most important issues.

[5:35:34 PM](#)

PAUL D. KENDALL, SELF, ANCHORAGE, noted that Trump was an Archangel. He asserted that the legislature was not dealing with the real problem at hand. He challenged the body to make a case for Juneau. He spoke of the division within the legislature. He asserted that legislators hid from the public in Juneau. He apologized for being so emotional. Times were difficult.

[5:39:32 PM](#)

PAT BORION, SELF, ANCHORAGE, disclosed that he worked for the university and was speaking only on his own behalf. He spoke of President Johnson's efforts to make proper reductions in the right places. He suggested that the proposed veto would rip the rug out from under the efforts that have already been made in efficiencies. He argued that there would be collateral damage from the proposed cuts. He noted that his youngest child was the youngest student that would be attending the university. He thanked members for their time.

[5:42:45 PM](#)

KATIE MORAN, SELF, ANCHORAGE, moved to Alaska in 1980. She testified in support of HB 2001. She talked about how she and her husband worked for the fire department. She had been involved in the health industry for several years and was concerned about the people that needed help. She talked about having been homeless. She thanked the committee.

[5:44:35 PM](#)

RICHARD MORAN, SELF, ANCHORAGE, testified in support of HB 2001.

[5:46:20 PM](#)

JANICE PARK, SELF, ANCHORAGE, recalled when Bill Ray was in the legislator. She thought compromise was needed. She urged the restoration of funds to the University. Her daughter was a student in the university. She urged members to stay in the conversation rather than walking away in the middle of the debate.

[5:49:19 PM](#)

COREY WHITMORE, SELF, ANCHORAGE, opposed the governor's vetoes and supported compromise on the amount of the PFD. She supported the Alaska Performance Scholarship. She thought Alaska should bring in more money with a state income tax or an increase to the oil industry.

[5:51:36 PM](#)

ROBYN HENRY, SELF, ANCHORAGE, was a faculty member of the University. She talked about the students that came in from the Bush to receive their education. She advocated supporting students that wanted to bring their education back to their communities. She had come from a Board of Regents meeting. She urged support of the University of Alaska.

[5:54:33 PM](#)

GAIL HINEMAN, SELF, ANCHORAGE, testified in support of HB 2001. She spoke against the governor's veto of the Ocean Ranger Program. She stressed the governor's cuts would result in a recession. She advocated restoring all of the

funds related to the vetoes. She thought more revenues should be considered and that the oil companies should pay additional taxes.

[5:56:47 PM](#)

BARBARA KARL, SELF, ANCHORAGE, spoke in opposition to the governor's vetoes. She supported the Arts and Public Broadcasting. She supported a state income tax. She lived in Alaska in previous years when there was a state income tax and thought it was a good idea. She reminded people that legislative hearing could be attended via the internet.

[5:59:28 PM](#)

DONNA STEINFORT, SELF, ANCHORAGE, had been a resident for over 25 years. She encouraged all legislator to return to Juneau to get their job done. She testified in support of HB 2001. She suggested the capital budget was being held hostage for a \$3000 PFD. She thought the governor and the minority were acting foolishly.

[6:01:25 PM](#)

TOM LAKOSH, SELF, ANCHORAGE (via teleconference), spoke in favor of an increase to the corporate income tax as well as a state income tax. He suggested a tax on the PFD. He thought additional taxes would make a significant difference in the economy. He stated that the legislature needed to tax money back to the state. He spoke of the possibility of not being able to use fossil fuel in the near future - it was an issue that needed to be fixed immediately.

[6:04:11 PM](#)

AMBER BARNEY, SELF, ANCHORAGE, spoke in support of a PFD but not at the expense of services. She provided a personal story about her adopted son affected by substance abuse in the womb. She talked about the successes her son had experienced thus far. She and her husband had intended for their son to attend Head Start and now that would not be possible. She urged the legislature to overturn the governor's vetoes.

[6:06:58 PM](#)

ROBERT HALL, HOUSTON CHAMBER OF COMMERCE, HOUSTON (via teleconference), spoke in favor of placing the issue of a new PFD formula on an advisory vote by the people. He thought it would be proper that the people had a say in the PFD formula. He urged a vote of the people.

[6:10:19 PM](#)

ADAM HYKES, SELF, HOMER (via teleconference), spoke in opposition to HB 2001. He argued that the state could do without the University. He was a student but could take classes online. He opposed the legislature taking his PFD and using it for government services.

[6:12:36 PM](#)

KIM HAYS, SELF, ANCHORAGE, testified in support of HB 2001. She thought the reductions would damage the economy. She asked members to support the legislation.

[6:14:55 PM](#)

DR. KAT MILLIGAN-MYHRE, SELF, ANCHORAGE, had a PhD in microbiology. She had been a student of the University of Alaska. She thought education was imperative. She spoke of having lost her native language. She advocated training more Alaskan Natives in the sciences. She urged support for a reversal of the governor's vetoes of the University along with many other programs. She wanted Alaska to remain what it was.

[6:17:57 PM](#)

YASMIN LECHTENBERA, SELF, ANCHORAGE, testified in support of HB 2001. She spoke of the high costs within the state. She spoke of the disparity in the cost for her children to attend college in Alaska versus other states. She urged members to override the governor's vetoes.

[6:19:29 PM](#)

ESTELLE THOMSON, SELF, ANCHORAGE, testified in opposition to the governor's cuts. She thought it was nice to have the PFD. However, she thought preserving services was more important. She urged members to support HB 2001.

[6:21:43 PM](#)

BETH WEIGEL, SELF, JUNEAU (via teleconference), spoke in support of the university. She had worked at the University for several years. She spoke against cuts to public broadcasting. She thought several of the cuts would affect everyone. She encouraged members to limit the PFD rather than making the large reductions.

[6:24:10 PM](#)

SYLVIA PANZARELLA, SELF, ANCHORAGE (via teleconference), testified in support of HB 2001 and a smaller PFD. She supported additional taxes to the oil companies. She spoke against the governor's vetoes of the Ocean Ranger Program and the Alaska State Council on the Arts. She urged members to overturn the governor's vetoes.

[6:26:41 PM](#)

ARIN DAHL, SELF, ANCHORAGE (via teleconference), was a lifelong Alaska. She earned two degrees at UAA. She had worked in the homeless program. She spoke in favor of early education and services for the homeless. She testified in support of the governor's vetoes. She opposed all of the governor's vetoes. She was okay with receiving a smaller PFD for the good of the state.

[6:27:55 PM](#)

DAN LAPLANTE, SELF, ANCHORAGE (via teleconference), spoke in opposition to HB 2001. He favored oil subsidies which supported the government. He opposed additional taxes. He spoke of the high per diem costs. He argued that the legislature should not be in Juneau. He supported the governor's reductions.

[6:31:34 PM](#)

MELODY MCCULLOUGH, SELF, WASILLA (via teleconference), opposed HB 2001 and supported the governor's vetoes. She expected a full PFD and the back pay. She spoke of using her PFD supporting her grandchildren in the form of food, clothing, and heat. She suggested that some legislators were breaking the law. She argued that the PFD was not for government use. She talked about the negative impact of not receiving a full PFD. She argued that legislators were not

listening to Alaskans. She talked about the expense of a special session in Juneau. She reiterated her support for the governor and his vetoes.

[6:32:49 PM](#)

TODD HUME, SELF, ANCHORAGE (via teleconference), spoke in opposition to HB 2001 and in support of the governor's vetoes. He urged lawmakers to follow the law. He suggested that the legislature was not following the law. He explained that the PFD formula was in the constitution for a reason. He supported an income tax and encouraged members to follow the law.

[6:35:17 PM](#)

KATHY SWANSON, SELF, JUNEAU (via teleconference), testified in support of HB 2001 and the governor's vetoes. She suggested that what the legislature was doing was akin to the definition of insanity, as it was doing the same thing over and over again.

[6:36:32 PM](#)

PETRA ILLIG, SELF, ANCHORAGE, was a recipient of the WHAMI Program. She posed the question of what kind of state people wanted to live in. She thought most people wanted good educations for their children and a safe place to live. She spoke of her children attending the University of Alaska. She thought people wanted services over a PFD. She asked members to do what was right rather than worrying about their reelection. She asked members to please fund the state.

[6:38:59 PM](#)

CHRISTINA SAMMONS, SELF, ANCHORAGE, spoke in opposition to HB 2001. He children would be affected by the reductions, as they attended the University of Alaska. She encouraged looking for other avenues for revenue including a state income tax. She would do with a smaller PFD.

[6:42:41 PM](#)

TRISTAN SAMMONS, SELF, ANCHORAGE, testified in support of HB 2001. He stressed the importance of maintaining the integrity of the University of Alaska, particularly of its

research department. He supported additional revenues. He argued that fossil fuels were coming to an end. He was disappointed about the loyalty to oil companies. He thought it was important to ensure the integrity of the state.

[6:45:10 PM](#)

SAMUEL OHANA, SELF, ANCHORAGE, testified in support of HB 2001. He urged members to restore the funding slashed by the governor's vetoes. He relayed a personal story about a friend who became homeless. He indicated his friend was scared about the closing of homeless shelters and concerned about her safety. He urged members to restore funding.

[6:47:39 PM](#)

ANNE KESSLER, SELF, ANCHORAGE, spoke in support of HB 2001. She urged the legislature to find a compromise. She opined that people needed to be realistic. She encouraged the legislature to resolve the PFD issue. She spoke in favor of an income tax.

[6:50:07 PM](#)

DIRK SCHUMAKER, SELF, ANCHORAGE, opposed the governor's cuts to early learning programs. He discussed the benefits of the Head Start Program. He reported that about 500 children would be affected across Alaska. He relayed that the cuts to the programs would be damaging in the end. He talked about the benefits of certain programs. He hoped everyone supported the welfare of all children. He urged members to restore the budget and reverse the governor's vetoes.

Co-Chair Foster asked about how much the state had to lose.

Mr. Schumaker responded that it was different for every community.

[6:53:48 PM](#)

RYAN WALSH, SELF, ANCHORAGE, testified in support of HB 2001 and encouraged the restoration of higher education.

[6:55:03 PM](#)

SHERRIE HINSHAW, NPLA, ANCHORAGE, testified in support of HB 2001. She thought the proposed cuts would be detrimental to Alaska's future.

[6:56:16 PM](#)

NELTA EDWARDS, SELF, ANCHORAGE, testified in support of HB 2001. She thanked the House Finance Committee for being at the LIO in Anchorage. She was a Sociology Professor at the University of Alaska. She encouraged support for the University system. She spoke about the negative effects of the drastic reductions by the governor. She talked about growing up in Fairbanks and attending a small public school that offered many opportunities. She talked about being involved with RFVP, as a young person. She reiterated her support for HB 2001.

[6:59:47](#)

SHANE CASTLE, SELF, ANCHORAGE, was a writing instructor at UAA. He thanked members for going to Wasilla. He provided information about his position at the University. He supported the bill.

[7:02:34 PM](#)

ANDREE MCLEOD, SELF, ANCHORAGE (via teleconference), spoke against the governor's cut to Medicaid adult dental services. The administration's decision to lose out on \$19 million in federal funds was a poor one - it was 70 percent of the funding for preventative dental. She shared that the Alaska Dental Society expressed opposition to the cut. She wondered whose interest it was in for the administration to make the cut when it had already been authorized.

[7:05:14 PM](#)

Co-Chair Foster shared there were zero people left in the LIOs. There were individuals in the room and online.

[7:05:52 PM](#)

MAURA WRENN, SELF, CHUGIAK (via teleconference), spoke in support of services, education, and a stable PFD. She shared she had lived in the state since 1981. She did not believe the state had a money problem, but a priority problem. She believed the state could have services and a

sustainable PFD. She supported overriding the governor's vetoes and adding funds back into the operating budget. She reasoned a sustainable PFD was possible if the state considered changing the oil tax structure and implementing an income tax. She wanted the state to be as great as it should be. She wanted to see the state spending money on its people.

[7:09:05 PM](#)

BILLIE HAAN, SELF, PALMER (via teleconference), supported the committee's work. She shared that she was a lifelong Alaskan and her children were living in the state and attending university. She shared that her daughter's lab could potentially lose funding. She spoke in support of the restoration of funds for libraries, Medicaid, the University, and other. Her children were all Alaska Performance Scholarship recipients. She shared that she and her husband were both UAA graduates. She implored the committee to stick to the budget the legislature had worked hard for and compromised on. Citizens were willing to do their part in the form of a lower PFD or an income tax. She implored the legislature to stand up against the governor.

[7:12:47 PM](#)

DIANE HOLMES, SELF, ANCHORAGE (via teleconference), asked the committee how to convince the other legislators to override. She wondered what it could promise that was more than the governor had. She stressed the state did not have a budget crisis, but a priority crisis. She supported government services and a reduced PFD. She opposed cuts to public media and the emergency communications services. She wondered where the funds were to fund the rehabilitation services. She spoke against the governor's veto of the Ocean Ranger Program. She supported a healthy populace. She stressed that services should come first. She did not want the PFD to put into the constitution.

[7:16:12 PM](#)

JAYLENE PETERSON-NYREN, SELF, ANCHORAGE (via teleconference), spoke against the governor's vetoes. She testified against the administration's cuts to Medicaid that would likely result in further federal reductions. She stressed that a reduction of \$50 million in Medicaid could result in a cut of \$150 million. The governor's vetoes

would have a lasting negative impact on the state's economy and elders and children.

[7:19:26 PM](#)

JAMES SANDONAL, SELF, ANCHORAGE, testified in support of the committee's work. He asked legislators in Wasilla to please return to Juneau. He was represented by Representative Laddie Shaw. He was supportive of limiting the PFD, which he believed was responsible. He asked the legislature to stand up to the governor.

[7:21:00 PM](#)

ANNE DENNIS, SELF, ANCHORAGE, supported the bill. She shared that she had worked in the nonprofit social services since the 1980s. She spoke in support of services for children. She shared information about the nonprofit that worked with at-risk children. Her agency no longer had any room to cut due to past cuts in recent years. She explained the cuts would result in laying off staff and would reduce services provided to youths. The organization matched funds with fundraising efforts in the community. The organization had been told the cuts had nothing to do with program outcomes. She stressed that many of the children had suffered trauma including sexual abuse. She implored the committee to not forget about Alaskan children.

[7:23:54 PM](#)

BRANDON FIFER, SELF, ANCHORAGE, testified in support of the bill. He supported a compromised PFD that would allow for state services. He stressed support for funding the capital budget in order to avoid losing \$1 billion in federal matching funds. He opposed the oil tax giveaway and an income tax. He asked the committee to do things that benefitted its voters. He stressed the problem was giving to the rich and taking from the poor.

[7:25:42 PM](#)

SKYLAR QUIN, SELF, ANCHORAGE, was in favor of the legislation. He believed the governor's cuts went too far. He wondered what individuals were sacrificing who wanted a \$3,000 PFD. He was in favor of a reduced PFD.

[7:26:47 PM](#)

PAT O'HARA, SELF, ANCHORAGE, supported the bill. She shared information about her history in Alaska. She stressed that Alaska was a wonderful place to live. Her children had all gone to UAA. She opposed all of the governor's vetoes. She wanted to leave a legacy for her children so they could benefit and thrive. She thought the cuts were based on fear and ignorance.

[7:29:32 PM](#)

ANN-LILLIAN SCHELL, SELF, KASILOF (via teleconference), testified in support of the legislation. She spoke against the governor's vetoes. She was a former state employee of over 20 years. She supported a compromise budget. She stressed that the state could lose substantial federal matching funds. She supported a reduced PFD. She supported an income tax.

[7:31:56 PM](#)

KEITH MONTGOMERY, SELF, ANCHORAGE (via teleconference), spoke in favor of the bill. He thought the cuts would hurt everyday Alaskans and thought Alaskans would die. He believed Alaskans had legitimate concerns about the state. He had attended UAA. He wanted to know that senators and representatives needed to look out for everyday Alaskans. He was supportive of an override of the governor's vetoes. He did not understand why the governor would sacrifice Alaskan jobs. He pointed to a substantial loss in federal funds. He did not believe the PFD should be a part of the conversation.

[7:34:17 PM](#)

HOPE FINKELSTEIN, SELF, ANCHORAGE, thanked the committee members for being present. She was heartened by the legislation. She asked the legislature to restore the governor's vetoes. She thanked the committee for the opportunity to speak.

[7:36:33 PM](#)

LIZ SHINE, SELF, ANCHORAGE (via teleconference), testified in support of the bill. She opposed the governor's cuts to the University and K-12 education. She believed stated that if oil companies were valued more than residents it would

result in devastating results. She supported a restoration of vetoed funds.

[7:38:50 PM](#)

ROBERT SKORCZEWSKI, SELF, ANCHORAGE, spoke in support of the bill. He was opposed to the hatchet cuts made to the budget by the administration. He wanted to love the PFD, but did not want to eviscerate public services. He suggested rolling back oil tax credits. He was opposed to the elimination of programs that did not cost the state money. He supported an income tax.

[7:41:20 PM](#)

LESA HOLLEW, SELF, ANCHORAGE, spoke in favor of the bill. She was opposed to the governor's vetoes. She shared that she was a scientist doing research. She was opposed to cuts to Medicaid preventative dental services. She provided information about mouth disease.

[7:44:10 PM](#)

CHRISTI MEYN, SELF, ANCHORAGE, shared that she had attended the University and that cuts to the University would lead to youth leaving the state. She opposed cuts to vulnerable populations in Alaska. She understood that PFDs helped families, but she believed a reduced PFD needed to be a part of the solution. She supported an income tax.

[7:46:00 PM](#)

TARA DEVLIN, SELF, ANCHORAGE, testified in favor of the bill. She shared that she worked for the Anchorage School District. She provided information about her education she had received out of state - she had not wanted to leave, but she came back. She read a poem about her experience in the classroom and schools. She thanked the committee.

[7:48:21 PM](#)

SANDY HARPER, SELF, ANCHORAGE, opposed cuts to the Alaska State Council on the Arts. She believed the proposed cuts had a dire impact on programs that had been the spirit and history of the people of Alaska. She supported investing in the potential of individuals and educational opportunities for all. She did not think the governor's vetoes were

rational or thoughtful. She reported that another individual supported restoring the governor's vetoes. She thanked the committee for doing its job.

[7:50:45 PM](#)

JILL GRIFFIN, SELF, WASILLA, opposed the bill. She reported she had never had an opportunity to go to Juneau. She believed there were 38 legislators who were not following the state laws. She stressed that the PFD belonged to Alaskans. She spoke in support of a capital budget. She stated that people would die if the roads were not maintained.

[7:54:50 PM](#)

JULIA GREENFIELD, SELF, EAGLE RIVER, supported the bill. She reported she was a graduate of UAF. She and her husband had returned to Alaska because of the educational opportunities. She enjoyed the opportunities afforded by the state including the outdoors and the arts. She opposed the governor's vetoes. She believed the legislature had worked hard to come up with a compromise budget. She urged the legislature to meet in the same location.

[7:57:25 PM](#)

BILL ZORB, SELF, FAIRBANKS (via teleconference), Testified in opposition to the bill. He supported a full PFD of \$3,000. He supported the governor and his vetoes. He reported the governor had elected the governor to bring the state's budget in line. He stated that even if the vetoes stood the state would be facing a \$600 million deficit. He believed the legislature was stealing from the PFD. He elaborated that the state already received oil taxes, corporate taxes, and other.

[8:00:36 PM](#)

HELEN NIENHUESER, SELF, ANCHORAGE (via teleconference), supported the legislation and at most a \$1,600 PFD. She emphatically opposed a \$3,000 PFD. She stressed the state could not afford a PFD of that amount unless an income tax was implemented.

[8:02:43 PM](#)

RACHEL LORD, SELF, HOMER (via teleconference), testified in support of the legislation. She did not believe the words equated to a vision for the state. She did not support massive cuts to the budget. She believed using the PFD was responsible. She stressed that state services impacted hundreds of thousands of people. She was in full support of the bill and a reduced PFD. She thanked the committee for its work. She appreciated the transparency in the state capital that could be viewed on Gavel to Gavel.

[8:06:01 PM](#)

ROXANN DAYTON, SELF, WASILLA (via teleconference), supported the bill. She shared that she had moved to Alaska in the early 1980s. She had graduated from UAF. She supported the University and the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) program. She believed the governor was working for outside interests and reported that the OMB director had a history of cutting universities.

[8:07:51 PM](#)

DON GRAY, SELF, FAIRBANKS (via teleconference), shared information about his lifetime in Alaska and his affiliations. He stated the bill capitalized the fund and did not lapse; it was also a special appropriation for the payment of a PFD. He thought it was generous. He discussed that former Governor Hammond had realized saving for the future. He spoke to the importance of the schools and court system. He pointed out that property taxes paid for services. He discussed that much of the work to maintain roads and aviation came from federal money. The cuts would mean the state would lose out on federal funds. He highlighted cuts to Medicaid. He stressed the state had a representative government. He thought abolishing the state's income tax in the 1980s was a mistake. He would be happy to return to an income tax. He believed a penny saved was a penny earned. He asked the legislature to keep the state open for business. He thought the legislature should continue to be responsible. The legislative branch was the authority in terms of appropriating money. He did not agree with the vetoes made by the governor.

[8:13:24 PM](#)

JOHNATHON GORDAOFF, SELF, WASILLA (via teleconference), shared that he is Aleut and provided information about his family in Alaska. He supported the full PFD. He thought using the PFD would sell the future of Alaskans short. He thought the legislature was taking the lazy way to remove the birthright of the PFD from children to pay for a bloated budget. He thought the legislature did not care about the citizens of the state. He stated that government money brought special interests that did not always align with the interests of citizens. He suggested changing the oil tax.

[8:16:21 PM](#)

ROBETA RINEHART, SELF, ANCHORAGE (via teleconference), supported the bill. She shared that she lived in Vice-Chair Johnston's and Senator Cathy Giessel's district. She worked for the University and spent time with students that would be dramatically impacted by the budget. She stressed that a healthy university meant a lot. She had sympathy for Alaskans who had testified on the importance of the PFD for their families. She would support an income tax. She supported a reduced PFD and reducing oil tax credits.

[8:18:31 PM](#)

CHRIS PEARSON, SELF, JUNEAU (via teleconference), testified in support of the legislation. He stressed the importance for a compromise for the good of the state. He shared information about his move to Alaska in 2011. He shared that he had made a social contract with the state. Everyone who lived in the state had made a commitment to Alaska. He had been a public servant in Juneau since his move to the state. He worked to try to make lives better; many of the jobs relied on government funding. He thanked the committee work its work on the budget that represented compromise. He was opposed to the governor's line item vetoes. He underscored that every day that went by without funding was tarnishing the state's reputation.

[8:22:44 PM](#)

ED MARTIN, SELF, ANCHORAGE (via teleconference), opposed the bill. He thought there were too many egos in the legislature and perhaps the governor's office. He asked the legislature to get its act together. He supported the PFD. He stressed that property rights were extremely important.

He did not believe the people would allow the legislature to take the money from the PFD if there was an advisory vote. He suggested alternative revenue options including land sales. He wanted the committee to meet in Wasilla. He thought the legislature was a dismal failure.

[8:26:20 PM](#)

DAWN WALSH, SELF, DOUGLAS (via teleconference), spoke in strong support of the bill. She shared that her business employed 10 individuals in Anchorage. The business had experienced the impacts of recession. She was extremely concerned about the possibility of another recession. There were numerous things that were out of the control of businesses, but restoring the cuts were in the state's control. She shared that she and her children had attended the University.

Co-Chair Foster reviewed the schedule for the following day in Wasilla. He RECESSED the meeting [note: the meeting never reconvened].

#

ADJOURNMENT

[8:29:59 PM](#)15

The meeting was adjourned at 8:29 p.m.