

HOUSE FINANCE COMMITTEE
February 21, 2020
5:07 p.m.

5:07:04 PM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 5:07 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Jennifer Johnston, Co-Chair
Representative Ben Carpenter
Representative Andy Josephson
Representative Gary Knopp
Representative Bart LeBon
Representative Kelly Merrick (via teleconference)
Representative Dan Ortiz, Vice-Chair (via teleconference)
Representative Colleen Sullivan-Leonard
Representative Adam Wool

MEMBERS ABSENT

Representative Cathy Tilton

PRESENT VIA TELECONFERENCE

Charles McKee, Self, Anchorage; Deena Bishop, ASD, Anchorage; Starr Marsett, President, Anchorage School Board, Anchorage; Dave Carter, Self, Anchorage; Laura Bonner, Self, Anchorage; Patti Calonder, Self, Anchorage; Andy Holleman, ASD/Self, Anchorage; Katherine Goodell, Self, Anchorage; William Goodell, Self, Anchorage; Crystal-Ann Berwick, Self, Anchorage; Chris Tower Zafren, Self, Anchorage; Sandra Quimby, Self, Eagle River; Steve Heimbels, Self, Anchorage; Janet McCabe, Partners for Progress, Anchorage; Suzi Pearson, AWAIC, Anchorage; Rick Goodfellow, Self, Anchorage; Ron Wilson, AKTCA, Anchorage; Jake Metcalf, Executive Director, ASEA Local 52, Anchorage; Pam Kelley, Executive Director, Alzheimer's Resource - AK, Anchorage; Jessie Gwen Kennedy, Alaska Public Media, Anchorage; Steve Petratis, Self, Anchorage; Andres Widmer, Self, Anchorage; Marnie Hartill, Self, Anchorage; Gary

McDonald, Self, Anchorage; Carrie Harris, Self, Anchor Point; Caroline Bolar, Self, Anchorage; Michael Bailey, HOPE/AADD, Anchorage; Cris Eichenlaub, Self, Eagle River; Adam Babcock, Self, Anchorage; Bryan Emerson, Director of Public Relations, Civil Air Patrol, Mat-Su; Gary Voss, Self, Juneau; Jeff DeFreest, Lieutenant Colonel, Alaska Civil Air Patrol, Juneau; Robert Carlson, Self, Bethel; Diana Kuest, Self, Anchorage; Philip Moser, Self, Juneau; Kenny Morgan, Self, Bethel; Patricia Gilbert, Assembly of Wrangell and School Board, Wrangell; Terri Walker, Superintendent, Northwest Arctic Borough School District, Kotzebue; Margaret Hansen, Northwest Arctic Borough School District, Kotzebue; Lucy Robinson, Wrangell Parks and Rec, Wrangell; Gayle Gross, Self, Wrangell; Anne Morrison, Wrangell Assembly, Wrangell; Mike Lockabey, Self, Wrangell; Kate Thomas, Parks and Recreation Office, Wrangell; Alan Reeves, Commercial Fisherman, Wrangell; Tania Harrison, Self, Cordova; Marc Carrel, Self, Cordova; Karl Becker, self, Cordova; Roxanne Brower, North Slope Borough District, Barrow; Fadil Limani, Deputy Finance Director, North Slope School District, North Slope; Mayor Steve Prysunka, Mayor, Wrangell; Lisa Von Bargaen, Wrangell Borough Manager, Wrangell; Greg Weaver, Self, Wasilla.

SUMMARY

HB 205 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 205 was HEARD and HELD in committee for further consideration.

HB 206 APPROP: MENTAL HEALTH BUDGET

HB 206 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda. He explained the public testimony process and provided the call in number and House Finance Committee email address.

#hb205

#hb206

HOUSE BILL NO. 205

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

HOUSE BILL NO. 206

"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."

[5:08:11 PM](#)

^PUBLIC TESTIMONY: ANCHORAGE

[5:11:10 PM](#)

CHARLES MCKEE, SELF, ANCHORAGE (via teleconference), was referencing a specific statute related to a State of Alaska public corporation. He referenced a lawsuit from September 2019 pertaining to various drug companies. He had presented a case to the board and the trustee had shown interest in putting the claim in an injunction. He addressed trust law and stated that all crimes were commercial. He shared that he was listed in CourtView. He asserted that situation occurred because the state had stolen money out of his social security account.

Co-Chair Foster provided the House Finance Committee email address for the public.

[5:14:28 PM](#)

DEENA BISHOP, ASD, ANCHORAGE (via teleconference), testified in support of school funding. She detailed that the current budget funded education at the FY 18 level prior to HB 287's authorization of funding outside the formula. The elimination of the HB 287 funding had created a \$10.8 million deficit for the Anchorage School District. She discussed the high annual inflation growth. The district was required to submit its budget to the assembly by the first Monday in March. The school board had approved a balanced budget during the current week, which required increased class size and the elimination of teacher positions. She spoke to reductions that had consistently occurred in the district over the years. She stressed that the 50 percent reduction in school bond debt shifted an

additional \$20 million to Anchorage residents. She urged the legislature to provide reliable and predictable education funding. She stressed that children were the state's most valuable resource.

Representative Josephson thanked Ms. Bishop for her testimony. He thought an argument may be made that the resources being requested were duplicative to funds in a separate piece of legislation. He asked if Ms. Bishop could dispel the argument.

Ms. Bishop asked if Representative Josephson was referencing a committee substitute for SB 6. She detailed that the bill funded additional resources to the ASD as the district had provided operational funds to preschools. Under the legislation, the average daily membership for Anchorage would increase. The bill focused the resources the district had.

Representative Josephson asked how Ms. Bishop would respond to a claim that the district did not need a restoration of one-time funding because SB 6 would cover it.

Ms. Bishop answered that the amount of money the ASD anticipated for preschool was \$2 million and the reduction from HB 287 was \$10.8 million. There was still a delta in the negative.

Co-Chair Foster thanked Ms. Bishop for her testimony. He discussed early funding of education versus forward funding. He asked when the district needed the state to pass the education budget in order to avoid passing out pink slips to teachers. He asked if the date was May 1.

Ms. Bishop answered that the ASD had a budget deadline of March, while other school districts had an April 1 timeline. She shared that May 15 was the last possible day the district could give pink slip notifications. She relayed that a budget passed by March would be suitable for ASD and April for other districts.

[5:20:49 PM](#)

STARR MARSETT, PRESIDENT, ANCHORAGE SCHOOL BOARD, ANCHORAGE (via teleconference), testified in support of funding for education. She reviewed the number of full-time positions the district had been forced to reduce due to flat funding

from 2013 to 2020. She noted it did not include the new cuts the district would have to make in the following year. She highlighted that the district had incurred increases in salaries, health benefits, and utilities by \$19 million in the current year. The district's current budget deficit was \$19.5 million. She asked the legislature to provide the funding necessary to meet the students' needs. She asked the legislature to adjust the Base Student Allocation (BSA) to reflect the cost of living index. She asked the legislature to make education a priority.

Representative Sullivan-Leonard considered the population difference in the past three years due to net migration. She asked if the school district was seeing large numbers of reductions or a trickle effect.

Ms. Marsett answered that the reduction was slowing down. Some of the losses in instruction were due to a reduction in student population. They were not seeing the reductions they had seen in past years.

[5:23:48 PM](#)

DAVE CARTER, SELF, ANCHORAGE (via teleconference), thought it seemed like Groundhog Day. He believed there would be people testifying for legitimate revenue and spending for legitimate public expenses. He focused his attention on thinking inside the box. He referenced voting yes for Alaska's fair share. He spoke about an average of \$3.8 million per year from 2009 to 2013 from Prudhoe Bay production revenue. He stated that after SB 21 the state had lost an average of \$200 million per year in production tax revenue. He stated the good news was a citizens' initiative on the ballot. He stated that the oil was owned collectively. He thought it was a public education issue. He hoped legislators would vote for Alaska's fair share. He provided the web address.

[5:26:00 PM](#)

LAURA BONNER, SELF, ANCHORAGE (via teleconference), spoke in support of funding for the Alaska Marine Highway System (AMHS). She believed the committee had increased AMHS funding above the governor's request, which she supported, but hoped it was not too little too late. She stressed that the ferry system provided critical infrastructure to coastal communities. She supported University education and

research funding, K-12, Medicaid, public broadcasting, corrections, public safety, and judicial systems. She spoke to underfunding of the AMHS over the years. She was concerned about the Department of Law expenses related to outside legal teams and no-bid contracts. She supported changing the outdated PFD statute. She stated that there was not a spending problem but a revenue problem.

[5:28:41 PM](#)

PATTI CALONDER, SELF, ANCHORAGE (via teleconference), testified in support of funding for disabilities services. She had seen funding decline and was concerned that she and her friends would be negatively impacted by spending cuts. She supported reducing the waitlist to allow more Alaskans access to care and services. She highlighted the importance of stable and predictable funding. She emphasized that Alaskans were waiting so long for services that some died while on the waitlist. She stressed that Alaskans needed access to services in order to be productive and lead meaningful lives.

[5:30:35 PM](#)

ANDY HOLLEMAN, ASD/SELF, ANCHORAGE (via teleconference), testified in support of education funding. He appreciated that in the past several years the legislature had come to understand the necessity of early education funding in order to allow districts to plan. He explained that forward funding a year in advance would mean it would not matter when in session the funding was decided upon. He relayed that districts were being asked to target more and more students who were not reaching proficiency. He stated that as long as the Base Student Allocation (BSA) remained flat, districts would be faced with cutting successful programs. The goal was to keep successful programs running and to look for other ways to increase student proficiency. He discussed that with inflation it became harder and harder to keep programs going. He discussed a program the community did not want to lose. Everything provided meant a great deal to a portion of students. There needed to be more variety to reach all kids. He suggested covering inflation from year to year. He remarked that if the legislature needed to consider a cut it was legitimate but hoped for advanced notice to allow districts to prepare.

Co-Chair Foster acknowledged Vice-Chair Ortiz on the line.

5:33:37 PM

KATHERINE GOODELL, SELF, ANCHORAGE (via teleconference), testified in support of public television and radio. She shared that her son had been raised on Sesame Street and Mr. Rogers and she was glad to see quality preschool programming still being offered on public television. She appreciated the unbiased reporting on public radio on a daily basis. The programming on public radio television served the young and old in rural and urban communities. She asked the committee to consider full funding for the valuable service.

5:34:46 PM

WILLIAM GOODELL, SELF, ANCHORAGE (via teleconference), spoke in support of public radio. He shared that he used public radio for local and national news. Public radio was the only source providing fish radio out of Kodiak, which allowed him to keep track of his family fishing in Kodiak. He discussed the great public programming, continuing education, weather reports for boating safety, and other. He believed it was a public service that needed //

5:37:31 PM

CRYSTAL-ANN BERWICK, SELF, ANCHORAGE (via teleconference), testified in support of Alaska Public Media. She appreciated legislators who voted to fund public broadcasting prior to the governor's vetoes. She thanked the legislature for the \$1 million in the current budget proposal. She implored the committee to fully restore the \$2.7 million taken from the public communication budget. She listed various programming including Gavel to Gavel, 360 North, news, and other. She stressed that public broadcasting allowed her to stay connected. She feared that a lack in state support would lead to a deterioration of content and quality of the news. She asked the legislature to keep public media strong with full funding.

5:39:26 PM

CHRIS TOWER ZAFREN, SELF, ANCHORAGE (via teleconference), discussed the joint efforts to maintain a quality level of life in Alaska. She supported forward funding for education and maintaining the Alaska Marine Highway System. She

highlighted her support for public broadcasting. She stated that public media provided much needed and valued service to Alaskans. She detailed that it provided listeners with balanced and well-researched information. She believed Alaska's public media was some of the best in the country. She asked the legislature to continue to support public media.

[5:41:40 PM](#)

SANDRA QUIMBY, SELF, EAGLE RIVER (via teleconference), shared that her father had worked on the Tustumena in the 1970s providing radio communications. She shared additional detail. She stressed the need for all Alaskans to have transportation allowing them with access to goods and services. The mission of the Alaska Marine Highway System (AMHS) was to provide transportation for residents where roads could not be built to connect them with other areas of the state. She stressed that the AMHS was vital. She spoke to the need for access to business service and economic opportunities. She highlighted that access to medical care was just one of the goods and services provided by the ferry system. She explained that part of the responsibility of government was to provide services that individuals could not afford individually.

[5:44:08 PM](#)

STEVE HEIMBEL, SELF, ANCHORAGE (via teleconference), spoke in support a restoration of full funding for public broadcasting. He outlined why public broadcasting public broadcasting in Alaska was in a leadership position across the country and globally. He highlighted that Arctic research was about three years ahead of what was heard in national venues. He detailed that the public broadcasting system was the most complete regional information service in the U.S. He urged the committee to consider the funding an investment in a positive future for the state. The investment was necessary in order to grow and yield a return.

[5:46:05 PM](#)

JANET MCCABE, PARTNERS FOR PROGRESS, ANCHORAGE (via teleconference), shared that the organization ran a reentry center in Anchorage. The organization worked in partnership with the Department of Corrections. She thanked the

legislature for current and past funding for reentry services provided via contract with the Department of Health and Social Services. She provided information about the center that was located in near proximity to a prison. The center provided temporary housing, employment assistance, and supportive services. There had been a 5 percent drop in recidivism since 2015. She asked the legislature to continue the funding for reentry services.

[5:47:49 PM](#)

SUZI PEARSON, AWAIC, ANCHORAGE (via teleconference), expressed gratitude for the legislature's and governor's continued support for the mission of the Council on Domestic Violence and Sexual Assault (CDVSA) within the Department of Public Safety. She shared that AWAIC's 52 beds provided the only emergency shelter for victims of domestic violence in Anchorage. The program included transitional housing and helping families secure safe permanent housing. She thanked the legislature for its support of the critical and essential services.

[5:48:58 PM](#)

RICK GOODFELLOW, SELF, ANCHORAGE (via teleconference), shared that he and his wife ran the classical radio station in Anchorage. He stated that the public radio station in Anchorage was his biggest competitor. He emphasized that making further reductions to the public broadcasting budget would be a grave mistake. He would personally benefit, but the social damage that would be done would be unthinkable. He stressed that public broadcasting was important in Anchorage and vital in rural areas. He believed that further cuts to public broadcasting was unconscionable.

[5:50:24 PM](#)

RON WILSON, AKTCA, ANCHORAGE (via teleconference), testified in support of the Court System's request for additional funding for the therapeutic courts. He highlighted the success of the courts. He had participated in the felony drug court in 2010 and he lauded its success. He was a homeowner and property owner and had not reoffended after going through the program. He shared information about his participation in the program and had learned to live without alcohol and substances.

5:52:07 PM

JAKE METCALF, EXECUTIVE DIRECTOR, ASEA LOCAL 52, ANCHORAGE (via teleconference), thanked the legislature for taking public testimony. The union had over 80,000 members in Alaska. He stressed that the union's members got the job done. Union members provided essential services that Alaskans relied on were done every day. The union had recently visited the Pioneer Home on Valentine's Day. The stories they had heard were heartbreaking and heartwarming. He shared that his grandfather had lived in the Pioneer Home prior to oil money. He stated that state employee salaries were not keeping up with private industry. He shared a story about losing an employee to private employment due to the vast salary difference. He appreciated all of the work the legislature was doing for Alaskans. He hoped they would not kick the can down the road.

5:55:14 PM

PAM KELLEY, EXECUTIVE DIRECTOR, ALZHEIMER'S RESOURCE - AK, ANCHORAGE (via teleconference), advocated for funding for nutrition, transportation, senior support, and family caregiver support under the Department of Health and Social Services. Alaska was no different than any other location in terms of people and needs. She stated that sometimes a little public support was needed like Meals on Wheels, providing parenting help, care for individuals with a chronic illness. She urged the legislature to move forward with the flat funding in the budget in order for seniors to be well cared for.

5:58:09 PM

JESSIE GWEN KENNEDY, ALASKA PUBLIC MEDIA, ANCHORAGE (via teleconference), shared that she was a small business owner and on the board of Alaska Public Media. The organizations were independent, but they were a system. She shared that there were strong education programs serving various areas. She had learned that journalism was the fourth pillar of democracy. There was aging technology in the state - she noted it was not the time to take money away from public media. She was not a proponent of full funding PFDs. She believed the money was for civic engagement for the state's future.

[6:00:42 PM](#)

STEVE PETRATIS, SELF, ANCHORAGE (via teleconference), spoke in strong support of public media. He shared that he worked throughout the state and in other locations. He found it important to have state, national, and international news wherever he traveled. He encouraged support for Alaska public radio.

[6:02:10 PM](#)

ANDRES WIDMER, SELF, ANCHORAGE (via teleconference), advocated for services for people who experience disabilities. He reviewed various items assistance provided to individuals. There were many individuals with disabilities who did not have appropriate funding and were unable to get out of their house. He highlighted classes individuals could take and employment that allowed individuals to be productive members of their communities. He asked for stable and predictable funding.

[6:03:58 PM](#)

MARNIE HARTILL, SELF, ANCHORAGE (via teleconference), spoke in support of the bill and encouraged forward funding of education. She thanked the committee for its efforts in forward funding education in recent years. She shared that forward funding was a win for students, teachers, and parents; it provided stability to help schools succeed. She stressed that forward funding was no additional cost but offered continuity in the system. She was deeply concerned with the success of each student. She addressed the cut to the school bond debt reimbursement that was harmful to schools. Over the past five years she had watched dozens of her colleagues leave to teach out of state. She shared that teachers got to work at 7:00 a.m. worked through lunch and took work home. She stressed that Alaska could not recruit and retain educators. Children were coming to school with more adverse experiences than in the past. She thanked the committee for listening and for its service.

[6:07:43 PM](#)

GARY MCDONALD, SELF, ANCHORAGE (via teleconference), spoke in support of public broadcasting. He reviewed various programs including documentaries and other. He thanked the committee for its time.

6:08:28 PM

CARRIE HARRIS, SELF, ANCHOR POINT (via teleconference), was against the budget. She thanked her Representative Sarah Vance and Governor Dunleavy for supporting their constituents. She thought taking the PFD and thinking about taxing was lazy budgeting. She supported funding for the police department and other. She supported cutting everything else by 50 percent. She supported a lotto. She thought that stealing peoples' PFDs to fund public radio made state roads more dangerous. She stated that legislators had been lazy. She stressed that the PFD did not belong in the budget. She thought it was sad that public radio was put ahead of the PFD.

6:12:20 PM

CAROLINE BOLAR, SELF, ANCHORAGE (via teleconference), shared that she had lived in Alaska for 50 years. She thought the state should not have given oil money away. She detailed that about \$338 billion had been spent since the PFD had started. She did not have a problem with the PFD and recognized that it helped many people; however, she did not believe it should be considered the "be all." She pointed out that the state constitution required the funding for K-12 education. She shared a story about a man who had come to Alaska to work in public broadcasting. She stated that public broadcasting connected the state. She asked the legislature to maintain funding for public broadcasting. She agreed roads were needed. She did not support that the governor's policy was to cut with no new taxes. She considered what the future would look like if the state's young people did not get an education. She considered what people wanted for their own future.

6:16:38 PM

MICHAEL BAILEY, HOPE/AADD, ANCHORAGE (via teleconference), shared that he had lived in Alaska for 25 years. He had worked in the seafood industry and had visited many remote areas in the state in the past. He noted that the Medicaid portion of the budget came under much contention. He detailed that many of the reductions in the past year had turned out to not be realistic. He pointed out that currently 35 percent of Alaskans were on Medicaid. He considered the need in rural areas related to access to

health. He elaborated that he had been stuck in Dutch Harbor for a week - without access to care the communities would not be in good shape. He asked the legislature to look at the General Fund portion of the budget related to Medicaid. He stressed that care needed to be taken to not undermine the infrastructure. He stated that during the time of rate freezes and other, there were fewer people being served under the home and community based system, while the waitlist continued to increase. He requested stabilizing home and community based services without further reductions.

6:20:55 PM

CRIS EICHENLAUB, SELF, EAGLE RIVER (via teleconference), believed the state was grossly mismanaging its resources. He stated that the previous governor had committed to Medicaid expansion against the will of the people. He stressed the need to develop and manage resources in a more efficient manner. He supported Governor Dunleavy's idea of a lotto. He supported the Pick.Click.Give program. He asked the legislature to repeal SB 26. He supported a full PFD. The private sector had been taking a pounding because PFDs had been reduced. He did not know what formula the legislature was using to pay the PFD. He thought the numbers kept changing; it appeared to be arbitrary. He cited an advisory vote where 83 percent of the people had requested that the PFD should be left alone. He supported outlawing the binding caucus. He asked the legislature to manage the state's resources for the people.

6:25:54 PM

ADAM BABCOCK, SELF, ANCHORAGE (via teleconference), vocalized support for public media and radio. He had heard the governor on the radio the other day state that Alaskans may be leaving Alaska because of a lower PFD. He thought the notion was laughable. He shared that he had lived most of his life in the Lower 48 and none of the places he had lived paid people to live there. He viewed the PFD as a superfluous bonus. He thought the whole notion of the PFD was irresponsible. He stressed that people would move out of state because the governor was destroying the public education system, public media, and critical infrastructure like the AMHS. He pointed out the federal gutting of environmental protections. He stressed the state relied on the items for a stable economy. He supported protecting the

education system and other services that made Alaska a great place to live. He was amenable to taxes if they were necessary. He asked the legislature to fund public media, education, AMHS, and the protection of the state's natural resources.

[6:29:23 PM](#)

BRYAN EMERSON, DIRECTOR OF PUBLIC RELATIONS, CIVIL AIR PATROL, MAT-SU (via teleconference), spoke in support of the Civil Air Patrol that performed homeland security, disaster relief, and drug interdiction missions at the request of federal, state, and local agencies. He stressed that the organization also played a leading role in aerospace education. The organization had approximately 500 senior volunteers in Alaska who served as mentors to 200 young cadets. In FY 19 the Alaska unit flew 131 hours of search and rescue resulting in 35 finds and 2 lives saved. The elimination of state funding resulted in all 16 of the Alaska units becoming responsible to pay for their own utilities estimated at \$110,000 and facility maintenance. He reported that the Seward and Homer facilities had been placed in cold storage. He reported that the unit had to somehow pay insurance premiums for facilities in the amount of \$14,300. The unit had undergone significant cost saving measures in recent years. He emphasized that its work would be significantly hindered without state funding.

[6:31:12 PM](#)

GARY VOSS, SELF, JUNEAU (via teleconference), shared cost-cutting ideas. He explained there were many different ways to vote in an election. He suggested eliminating paper and use of the REAL ID. He suggested filling Juneau's Egan Highway medians with native plants and flowers to eliminate the need for mowing and cutting grass. He thanked the committee for its time.

[6:33:33 PM](#)

JEFF DEFREEST, LIEUTENANT COLONEL, ALASKA CIVIL AIR PATROL, JUNEAU (via teleconference), spoke in support of the Civil Air Patrol. He requested that funding be restored into the budget. The unit was comprised of volunteers only. He indicated the Civil Air Patrol had three missions including search and rescue and disaster relief, aerospace education, and the youth cadet program. State funding was used for

utilities in the organization's facilities in 16 squadrons across the state. The funding kept the aircrafts warm and ready for quick response time to emergencies. He thanked the subcommittee that proposed adding back \$250,000 for the FY 21 budget. He thanked the committee for its work.

[6:35:54 PM](#)

ROBERT CARLSON, SELF, BETHEL (via teleconference), believed the Permanent Fund Dividend should not be in the budget. He read a quote by Speaker Edgmon rejecting the idea of taking funds from future generations just to receive a large PFD at present. He discussed that much of the oil resource in the state had been used to fund state projects and services. He thought much of the funding had been used wisely for airports, roads, state services including law enforcement and education. He noted that a good deal of the funds had been wasted on things like "the gas line fiasco," the Knik Arm Bridge, and other. He continued that a very small amount of the total revenue from oil had gone into the Permanent Fund. He reported that about \$30 billion had been distributed in the PFD program. He highlighted that if the PFD money had been reinvested in the Permanent Fund, the Permanent Fund would be twice its current size and funding shortages would not currently exist. He provided additional testimony about why the PFD should not be in the budget.

[6:40:03 PM](#)

DIANA KUEST, SELF, ANCHORAGE (via teleconference), spoke in favor of a full PFD. She also supported a vote to put the PFD into the constitution. She spoke in opposition to SR 2 related to the security issues of the northern Arctic region through the University of Alaska Fairbanks. She thought the issue should be left to the military at the federal level.

[6:43:03 PM](#)

PHILIP MOSER, SELF, JUNEAU (via teleconference), thought the state budget represented a failure in terms of creating a wealth fund that was self-sustaining. He mentioned that people in places such as Hoonah and Angoon were feeling a failure of the state to return their investment that they had contributed including time and money. He noted the state overspending. He thought it was time to question the

integrity and value in having a PFD. He noted the state had a large amount of cash. He spoke of Norway's investment fund. He thought it was a travesty that the state could not pay for basic services. He favored increasing the budget for the state to be able to provide basic services.

[6:46:26 PM](#)

KENNY MORGAN, SELF, BETHEL (via teleconference), wanted to see the budget balanced. He wanted his PFD left alone. He supported forward finding of education.

[6:47:20 PM](#)

PATRICIA GILBERT, ASSEMBLY OF WRANGELL AND SCHOOL BOARD, WRANGELL (via teleconference), spoke of investing in Alaska's students. She spoke of student's being behind which had a negative impact on their lives. She noted the importance of addressing childhood trauma in order to promote education. She spoke in favor of adequate and effective child protective services. She mentioned that the Petersburg office handled cases for 3 communities including Wrangle, Petersburg, and Kake. She spoke of the case load versus the number of OCS front line counselors.

[6:51:22 PM](#)

TERRI WALKER, SUPERINTENDENT, NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT, KOTZEBUE (via teleconference), spoke in favor of HB 236 which increased the base student allocation. She provided numbers in the bill. She also recommended forward funding of education. She reported that the teacher pool had dwindled. She spoke of the importance of securing qualified teachers. She supported inflation-proofing the Permanent Fund yearly.

[6:53:50 PM](#)

MARGARET HANSEN, NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT, KOTZEBUE (via teleconference), spoke in support of school bond debt reimbursement. She also asked that the sunset date be extended for TVEP funding.

[6:56:26 PM](#)

LUCY ROBINSON, WRANGELL PARKS AND REC, WRANGELL (via teleconference), provided information regarding her

affiliation. She relayed that one of the most vulnerable sections of Alaska's population was were elementary and middle school aged youth. She reported that in the fall of 2019 administrators, teachers, ministers, and service workers identified a growing number of children in crisis. In the face of diversity, the community of Wrangell rallied creating winter programing for youth helping to implement structured activities while school was on holiday. Although it was a great effort, she thought it was a band aid for the current situation. The severity of the community's situation without OCS and proper Health and Social Services in Wrangell was heart-wrenching. She opined that the lack of services and outreach programs that were available was despicable. The community could only do so much with what it had. She spoke of the many benefits hove having a social worker in Wrangell. She believed the crisis in Wrangell would not end without additional funding help from the state.

[6:58:39 PM](#)

GAYLE GROSS, SELF, WRANGELL (via teleconference), spoke in support of the AMHS. She thought Coastal Alaska was experiencing calamity. She asked members to consider properly funding the system. The Alaska Marine Highway System was an integral part of the state and provided a safety measure for Coastal Alaska. She urged members to get the system running again.

[7:00:21 PM](#)

ANNE MORRISON, WRANGELL ASSEMBLY, WRANGELL (via teleconference), supported the Office of Children's Services. She indicated the case load in her area was much too large. She reviewed the negative impacts to children when social workers had too many cases. She continued to provide statistics around caseloads.

[7:02:45 PM](#)

MIKE LOCKABEY, SELF, WRANGELL (via teleconference), spoke in favor of supporting the AMHS. He also supported funding for the Wrangell Fish and Game Office. He listed what the office currently did and the programs that would be affected. He noted that the staff within the fish and game office in Wrangell were beneficial to the community. The

loss of jobs would also have a negative effect on the community.

[7:05:40 PM](#)

KATE THOMAS, PARKS AND RECREATION OFFICE, WRANGELL (via teleconference), spoke in support of the Office of Children's Services. She indicated that the Parks and Recreations office provided activities for elementary and middle school aged youth. In the fall of 2019, a growing number of children in crisis were identified. The magnitude of the children's' situation varied greatly. A taskforce was formed in the community to help certain youths because of a lack of professional help in the community. She asked legislators to reinstate funding for OCS, as it was greatly needed.

[7:07:48 PM](#)

ALAN REEVES, COMMERCIAL FISHERMAN, WRANGELL (via teleconference), was a commercial fisherman. He spoke of the community diversifying. He talked about a Health nurse being moved from the community a few years prior. He opposed closing the Wrangell Fish and Game office. He thought by closing the office, a domino effect would result. He asked that the office be left open to take care of Wrangell's business.

[7:09:49 PM](#)

TANIA HARRISON, SELF, CORDOVA (via teleconference), spoke in favor of funding the AMHS and public broadcasting. She supported a reduced PFD and an income tax.

[7:10:32 PM](#)

MARC CARREL, SELF, CORDOVA (via teleconference), spoke in favor of restoring funding for the AMHS. He noted some of the benefits of the ferry system. He talked about the local economy suffering as a result of the loss of ferry service. He spoke in support of public broadcasting. He favored a reduced PFD and a state income tax to pay for the vital services of the state.

[7:11:50 PM](#)

KARL BECKER, SELF, CORDOVA (via teleconference), spoke in favor of funding Public Broadcasting, as it was a valuable service. He also advocated full funding for the AMHS. He reported that it was the first time in 40 years that he had not had a ferry in the winter in Cordova. He thought the ferry system was a major economic driver for the town. The ferry system was a main part of life in his community. He favored a state income tax. He hoped for a steady revenue stream. He thanked the committee.

7:13:18 PM

ROXANNE BROWER, NORTH SLOPE BOROUGH DISTRICT, BARROW (via teleconference), spoke in support for the district's residential learning center program. The governor's budget for the Department of Education and Early Development included funding to help begin the district's 20 bed program. The budget subcommittee for DEED approved the funding and the school district asked the House Finance Committee and the entire legislature for support. The school district was excited to see the dream become a reality. Building the residential program including distance delivery courses would offer the most economical, efficient, and effective way of providing quality education needed by students. She also noted the district's support for forward funding K-12 education. It was especially helpful for retaining quality teachers. The district also supported SB 74 that would expand access for school district broadband services. She reported that the district's state funding had dropped by 50 percent in the last 5 years due to state economic challenges. However, the needs of the schools in the district were greater presently than they had ever been. She requested support for school bond debt reimbursement. She thanked members for their time.

7:16:01 PM

FADIL LIMANI, DEPUTY FINANCE DIRECTOR, NORTH SLOPE SCHOOL DISTRICT, NORTH SLOPE (via teleconference), asked for funding to restore the Kaktovik school after the fire that occurred. He noted that a residential high school program would make delivery more cost effective. He urged funding for the school. He spoke in favor of forward finding for schools. He emphasized the importance of forward funding in terms of retaining teachers. He thanked the committee.

[7:18:58 PM](#)

MAYOR STEVE PRYSUNKA, MAYOR, WRANGELL (via teleconference), asked for funding for the OCS position in Wrangell. He indicated the only case worker was in Petersburg. The school district recently expressed concern over some high school student contemplating self-harm. He noted the community's frustration with not having an OCS worker in the community. He had a meeting with the city manager and the OCS case worker from Petersburg. She reported having a caseload of over 60 children. The state recommended that a worker carried about 13 cases as a manageable load. Further, she had been asked to take on cases out of Juneau and Sitka. She was currently responsible for Juneau, Sitka, Kake, Petersburg, and Wrangell. It was completely unmanageable for her. He hoped the committee would consider returning funding to OCS to help ensure that Wrangell's children were safe. He thanked the committee.

[7:22:06 PM](#)

LISA VON BARGEN, WRANGELL BOROUGH MANAGER, WRANGELL (via teleconference), spoke in opposition to the budget reduction for the Wrangell Fish and Game office. She spoke of the commercial fishing fleet being negatively affected. She urged the restoration of funding.

[7:23:19 PM](#)

GREG WEAVER, SELF, WASILLA (via teleconference), was completely disabled. He supported Governor Dunleavy and the cuts to the AMHS. He suggested that the legislature needed to make additional cuts. He thought if people could not afford to live somewhere, they should relocate. He had traveled all over the state. He concluded that he appreciated the drastic cuts to the budget. He also supported a capital move. He thought it was a matter of choice. He wished that more people on the state boards and commissions were from places on the road system.

[7:26:59 PM](#)

AT EASE

[7:30:11 PM](#)

RECONVENED

Co-Chair Johnston indicated there was no one else online. She relayed the agenda for the following day.

HB 205 was HEARD and HELD in committee for further consideration.

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#

ADJOURNMENT

7:31:33 PM

The meeting was adjourned at 7:31 p.m.