

HOUSE FINANCE COMMITTEE
March 5, 2020
10:21 a.m.

10:21:00 AM

CALL TO ORDER

Co-Chair Johnston called the House Finance Committee meeting to order at 10:21 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Jennifer Johnston, Co-Chair
Representative Dan Ortiz, Vice-Chair
Representative Andy Josephson
Representative Gary Knopp
Representative Bart LeBon
Representative Kelly Merrick
Representative Colleen Sullivan-Leonard
Representative Cathy Tilton
Representative Adam Wool

MEMBERS ABSENT

Representative Ben Carpenter

ALSO PRESENT

Sara Perman, Staff, Representative Louise Stutes;
Representative John Lincoln, Bill Sponsor; Elizabeth
Ferguson, Staff, Representative John Lincoln;
Representative Chris Tuck, Bill Sponsor; Mike Mason, Staff,
Representative Chris Tuck; Kris Curtis, Legislative
Auditor, Alaska Division of Legislative Audit;
Representative Jonathan Kreiss-Tompkins, Sponsor.

PRESENT VIA TELECONFERENCE

Eddie Grasser, Director, Division of Wildlife Conservation,
Department of Fish and Game

SUMMARY

HB 159 MEDICAL EDUCATION PROGRAM

HB 159 was HEARD and HELD in committee for further consideration.

HB 186 NAMING IRENE WEBBER BRIDGE

HB 186 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (DOT).

HB 197 EXTEND SEISMIC HAZARDS SAFETY COMMISSION

HB 197 was HEARD and HELD in committee for further consideration.

HB 230 INTENSIVE MGMT SURCHARGE/REPEAL TERM DATE

HB 230 was HEARD and HELD in committee for further consideration.

Co-Chair Johnston reviewed the meeting agenda.

#hb186

HOUSE BILL NO. 186

"An Act naming the irene Webber Bridge."

10:21:46 AM

Co-Chair Johnston invited the bill sponsor's staff to provide a brief reintroduction of the legislation.

SARA PERMAN, STAFF, REPRESENTATIVE LOUISE STUTES, shared that the bill would name a bridge at mile 9.5 in Cordova the "irene Webber Bridge" as a tribute to Ms. Webber. She detailed that Ms. Webber was a former Cordovan and runner who had founded a marathon that crossed over the bridge.

Co-Chair Johnston asked the Department of Transportation and Public Facilities to answer any questions on its fiscal note.

Co-Chair Johnston asked members if there were questions about the fiscal note. [There were no questions.]

Co-Chair Foster MOVED to REPORT HB 186 out of committee with individual recommendations and the accompanying fiscal note.

HB 186 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (DOT).

#hb230

HOUSE BILL NO. 230

"An Act repealing the termination date for the intensive management hunting license surcharge."

10:24:28 AM

REPRESENTATIVE JOHN LINCOLN, BILL SPONSOR, introduced himself. He asked his staff to provide a description of the legislation.

ELIZABETH FERGUSON, STAFF, REPRESENTATIVE JOHN LINCOLN, explained that the one-line bill would repeal the sunset date for the intensive management hunting license surcharge. She provided additional detail with a written statement:

The surcharge was first implemented after legislation passed in 2016 authorizing the collection for it at a rate of \$10 per resident hunting license and \$30 for a nonresident hunting license. In its three years, the surcharge has grossed just about \$3.1 million. House Bill 230 does not increase or change the surcharge amount per hunting license, and it does not change policy on intensive management, it just funds activities and will continue to allow the department to use much of that money for federal match.

Ms. Ferguson referenced two pie charts in the packets' showing the total spending on intensive management activities for FY 18 and FY 19 prepared by the Division of Wildlife Conservation in the Department of Fish and Game (copy on file). She pointed out that the majority of the expenditures went toward research and management. She elaborated that scientists and researchers determined all of the factors at play - each case varied from one to another. Using the funds to assist the data driven approach had made the program successful. Currently most of the

surcharge was used for a 1:3 match for Pittman-Robertson funds. The bill had a zero fiscal note; however, it showed that without the surcharge revenue, the Department of Fish and Game (DFG) could stand to lose up to \$4 million, which would make management research, surveying, and inventory more challenging. Section 1 of the bill [the bill's only section] read that the current sunset provision would be repealed with the passage of the bill. She relayed that the department was online for any questions.

10:26:53 AM

Representative Josephson directed a question to DFG. He asked for confirmation that the federal match could not be used for predator control.

EDDIE GRASSER, DIRECTOR, DIVISION OF WILDLIFE CONSERVATION, DEPARTMENT OF FISH AND GAME (via teleconference), answered in the negative. However, because of constraints federal land managers had on their land and other issues, DFG had elected to never use Pittman-Robertson dollars if possible, for actual predator management.

Representative Josephson asked if it included not using the funding on state lands.

Mr. Grasser agreed.

Representative Josephson reported that he had been told during the current week by a DFG employee that Pittman-Robertson dollars could not be used for predator control. He stated his understanding of Mr. Grasser's testimony that DFG could use the funds [for predator control], but the department opted to not use the funds for that purpose. He asked why people kept telling him incorrectly that the department could not use Pittman-Robertson dollars on predator control.

Mr. Grasser replied that he did not know. He clarified that there was nothing in the statutory language housing the Pittman-Robertson Act that barred the state from conducting predator management programs with the use of Pittman-Robertson dollars.

HB 230 was HEARD and HELD in committee for further consideration.

#hb197

HOUSE BILL NO. 197

"An Act extending the Alaska Seismic Hazards Safety Commission; and providing for an effective date."

10:29:34 AM

REPRESENTATIVE CHRIS TUCK, BILL SPONSOR, introduced the bill with a prepared statement:

Thank you for hearing House Bill 197 to extend the Alaska Seismic Hazards Safety Commission. As we all know, Alaska is one of the most seismically active regions on earth with a history of very large and damaging earthquakes.

In January, the Alaska Earthquake Center issued a summary of Alaska's seismic activity in 2019. (The report is in your packet).

Alaska experienced 50,289 earthquakes in 2019.

- 2nd most in Alaska's history.
- So far this year, there have been 7,050 earthquakes.

The State of Alaska has worked diligently to prepare for future earthquakes to ensure the safety of our people and our infrastructure.

As part of this work, the state created the Alaska Seismic Hazards Safety Commission in 2001. This Commission provides recommendations on goals and priorities to mitigate seismic hazards in Alaska through...

- Gathering and disseminating information on how to reduce Alaska's vulnerability to earthquakes; and
- Reviewing earthquake recovery and reconstruction efforts to make recommendations to improve these efforts.

The commission is made up of volunteer experts and key government officials to "provide advice to policymakers on disaster preparedness and seismic hazard mitigation."

- The commission is staffed by the Division of Geological and Geophysical Surveys.
- The Director of the Division, Steve Masterman, is on the line if you have any questions.
- The latest annual report for the commission was included in your bill packet.
- House Bill 197 would extend the Alaska Seismic Hazards Safety Commission through June 30, 2028.
- The bill includes an immediate effective date because the current authorization expires at the end of this June.
- A recent audit of the commission included a specific recommendation to extend the commission until 2028.
- Kris Curtis, the legislative auditor, will go through the results of the audit.
- In conclusion, Alaska is threatened by earthquakes 7 days a week, 24 hours a day.
- The Alaska Seismic Hazards Safety Commission has played a key role in preparing the public and private sectors for future earthquakes.
- With the passage of House Bill 197 that vital work can continue.

[10:33:07 AM](#)

Co-Chair Johnston asked to hear a sectional analysis.

MIKE MASON, STAFF, REPRESENTATIVE CHRIS TUCK, provided the sectional analysis. The bill would amend AS 44.66.010 and change the sunset date from June 30, 2020 to June 30, 2028. The act would take place immediately.

Co-Chair Johnston asked to hear from the Division of Legislative Audit.

KRIS CURTIS, LEGISLATIVE AUDITOR, ALASKA DIVISION OF LEGISLATIVE AUDIT, referenced the audit titled "A Sunset Review of the Department of Natural Resources, Alaska Seismic Hazards Safety Commission," dated March 15, 2019 (copy on file). She reminded the committee that the purpose of a sunset audit was to determine whether a board or commission was serving the public's interest and whether it should be extended. The audit found there continued to be a public policy need for the commission's continued existence. The audit findings recommended a maximum

extension of eight years. She turned to a schedule of expenditures on page 9 of the audit. The audit found that the commission was a fairly low cost way of leveraging the volunteer expertise. She elaborated that annual expenditures ranged from over just over \$3,500 per year to just over \$13,000.

Ms. Curtis turned to a summary of the commission's activities during the audit period on page 12. The schedule showed the commission to be very active. She pointed to the third bullet under Strategic Plan Goal 2 and explained that during the audit period the commission helped secure Federal Emergency Management Agency (FEMA) grants that were used by school districts to assess the vulnerabilities of school buildings susceptible to significant structural damage during an earthquake. The number of the buildings and specific locations were listed at the bottom of page 12.

Ms. Curtis relayed that the audit had also reviewed how the commission helped respond to the major earthquake in November 2018. She directed attention to page 14 and highlighted that after the earthquake the commission provided a list of certified evaluators who had assessment training to assist with inspecting structures. A total of 11 volunteers had assisted with damage assessments, 8 of which had completed training sponsored by the commission in September 2018. Additionally, several commission members helped with damage assessments by working directly with state agencies. The audit recognized that FEMA reached out to the commission after the earthquake and requested its assistance in generating a damage report with future recommendations for preparedness.

Ms. Curtis reported that the audit had identified two administrative improvements, which began on page 16. The audit recommended that the commission chair ensures procedures were implemented to publish meeting notices timely and accurately. She detailed that auditors had tested 25 meetings during the audit period, 5 of the meetings were not public noticed or not public noticed timely. Second, the audit recommended the commission chair ensure the strategic plan was updated to reflect the current goals and priorities based on experience (page 17).

Ms. Curtis reported that responses to the audit began on page 27. The commissioner of the Department of Natural

Resources and the chair of the commission agreed with the findings and recommendations and corrective action had been taken.

HB 197 was HEARD and HELD in committee for further consideration.

#hb159

HOUSE BILL NO. 159

"An Act relating to repayment conditions for medical education program participants."

[10:36:49 AM](#)

Co-Chair Johnston asked for a brief reintroduction of the bill.

REPRESENTATIVE JONATHAN KREISS-TOMPKINS, SPONSOR, thanked the committee for the second bill hearing and was available for questions.

Co-Chair Johnston asked committee members if they wanted a brief overview of the bill.

Representative Knopp thanked the sponsor bringing the bill forward and highlighted his support for the legislation.

Co-Chair Johnston OPENED and CLOSED public testimony.

[10:38:02 AM](#)

Co-Chair Johnston set an amendment deadline of Friday, March 6 at 5:00 p.m.

HB 159 was HEARD and HELD in committee for further consideration.

Co-Chair Johnston reviewed the agenda for the afternoon meeting.

#

ADJOURNMENT

[10:39:09 AM](#)

The meeting was adjourned at 10:39 a.m.