

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

May 6, 2021
8:04 a.m.

MEMBERS PRESENT

Representative Sara Hannan, Co-Chair
Representative Calvin Schrage, Co-Chair
Representative Josiah Patkotak, Vice Chair
Representative Harriet Drummond
Representative Ken McCarty
Representative Kevin McCabe

MEMBERS ABSENT

Representative Mike Prax

COMMITTEE CALENDAR

HOUSE RESOLUTION NO. 8
Creating the House Task Force on Poverty and Opportunity.

- MOVED CSHR 8 (CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HR 8

SHORT TITLE: POVERTY AND OPPORTUNITY TASK FORCE

SPONSOR(S): REPRESENTATIVE(S) TARR

04/21/21	(H)	READ THE FIRST TIME - REFERRALS
04/21/21	(H)	CRA
05/04/21	(H)	CRA AT 8:00 AM BARNES 124
05/04/21	(H)	Heard & Held
05/04/21	(H)	MINUTE (CRA)
05/06/21	(H)	CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

REPRESENTATIVE GERAN TARR
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HR 8.

CHARLES MCKEE
No address provided

POSITION STATEMENT: Testified during the hearing on HR 8.

TREVOR STORRS, President/CEO
Alaska Children's Trust
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on HR 8.

CAROL PISCOYA
Kawerak, Inc.
Nome, Alaska

POSITION STATEMENT: Testified during the hearing on HR 8.

ED MARTIN
Kenai, Alaska

POSITION STATEMENT: Testified during the hearing on HR 8.

ACTION NARRATIVE

[8:04:00 AM](#)

CO-CHAIR SARA HANNAN called the House Community and Regional Affairs Standing Committee meeting to order at 8:04 a.m. Representatives Patkotak, Drummond, McCabe, Schrage, and Hannan were present at the call to order. Representative McCarty arrived as the meeting was in progress.

HR 8-POVERTY AND OPPORTUNITY TASK FORCE

[8:04:41 AM](#)

CO-CHAIR HANNAN announced that the only order of business would be HOUSE RESOLUTION NO. 8, Creating the House Task Force on Poverty and Opportunity.

[8:05:22 AM](#)

REPRESENTATIVE GERAN TARR, Alaska State Legislature, as prime sponsor of HR 8, said many people in Alaska are suffering [as a result of poverty], especially during the pandemic. She said the idea for HR 8 came from the Rural Alaska Community Action Program, Inc. ("RurAL CAP"). She said if there are Alaskans willing to volunteer their time, as suggested under HR 8, she believes there are options for spending dollars more wisely to improve outcomes. She mentioned Representatives Patkotak and McCabe and that issues differ in rural and urban areas. She spoke of improving service or program delivery in a way that not

only "can overcome people being in desperate situations but also provide opportunities for people."

8:07:25 AM

REPRESENTATIVE PATKOTAK moved to adopt Amendment 1, labeled 32-LS0728\B.1, Dunmire, 5/4/21, which read as follows:

Page 4, lines 12 - 13:

Delete all material and insert:

"(4) two members from tribal governments or tribal nonprofits;

(5) two members from corporations formed under the Alaska Native Claims Settlement Act;"

Renumber the following paragraphs accordingly.

Page 4, line 19, following "members":

Insert ", not from the same municipality,"

Page 4, line 21, following "members":

Insert ", not from the same municipality,"

8:07:30 AM

CO-CHAIR HANNAN objected for discussion purposes.

REPRESENTATIVE PATKOTAK spoke to Amendment 1. He said the reason for dividing four of the proposed members into two from tribal governments or tribal nonprofits and two from Native corporations is because those factors play different economic roles in the villages. The second part of the amendment would ensure that there are not two members from the same municipality, and the reason for that is to ensure geographical diversity.

8:08:52 AM

REPRESENTATIVE DRUMMOND said she thought Amendment 1 was a good amendment. She asked how many tribal governments, tribal nonprofits, and Native corporations there are.

REPRESENTATIVE PATKOTAK answered that he does not have exact numbers, but explained he was distinguishing the roles of village and regional economics. In response to follow-up questions, he shared some history of regional corporations and the Alaska Native Claims Settlement Act (ANCSA), and he

confirmed that any corporation formed under ANCSA could have two members under Amendment 1.

[8:12:37 AM](#)

REPRESENTATIVE MCCABE asked for the definition of "municipality" in order to make a decision on Amendment 1.

[8:13:42 AM](#)

REPRESENTATIVE TARR said she was looking for a definition.

[8:14:10 AM](#)

REPRESENTATIVE PATKOTAK said the language of Amendment 1 mimicked that of HR 8; however, if desired, he suggested "subdivision of the state" could be used instead of "municipality".

CO-CHAIR HANNAN offered her understanding that the definition of "municipality" is found under statutes pertaining to the organization of governments.

[8:14:34 AM](#)

REPRESENTATIVE TARR cited AS 01.10.060(4), which read as follows:

(4) "municipality" means a political subdivision incorporated under the laws of the state that is a home rule or general law city, a home rule or general law borough, or a unified municipality;

REPRESENTATIVE MCCABE noted that Wasilla has a population of 10,000, but if Knik Fairview is included, that increases the population to 27,000. He said, "So, there's ... sort of a little issue here." He told Representative Patkotak, "I think I know what you're trying to get at, and I'm not sure Wasilla would fit under what you're trying to get at." He clarified that he is in favor of Amendment 1 but just wanted "to have a little clarification on that."

CO-CHAIR HANNAN reminded members that the House Community and Regional Affairs Standing Committee serves as governing body to unorganized boroughs and unorganized lands of Alaska. She offered her understanding that Wasilla is a first-class, home rule city. She said Knik, while not having its own municipal

government, would still be within the Matanuska-Susitna ("Mat-Su") Borough.

[8:16:46 AM](#)

REPRESENTATIVE PATKOTAK, following up on his previous response to Representative Drummond, reported that there are 13 regional corporations, over 200 village corporations, and 229 "legitimately listed" federal recognized tribes; therefore, he said he thinks "it's fair to break distinction between the two because they're pretty well balanced."

[8:17:11 AM](#)

REPRESENTATIVE DRUMMOND opined that since there are so many tribal governments, they should have more representation on the task force proposed under HR 8.

REPRESENTATIVE DRUMMOND moved [Conceptual] Amendment 1 to Amendment 1, to change "two" to "three" on line 3 and "two" to "one" on line 4 [lines as numbered on the hard copy of Amendment 1].

[8:18:15 AM](#)

REPRESENTATIVE PATKOTAK responded that while he respects the intent, he thinks that if one of the groups is increased to three memberships, then the other should be, as well.

[8:19:39 AM](#)

REPRESENTATIVE TARR said she is open to that and agrees about the balance.

REPRESENTATIVE PATKOTAK noted he has sat as a tribal council member and a village corporation member. He gave an illustration of how both groups play a role in spending money and overseeing projects. In response to a question from Representative McCabe as to whether members of a tribal government would automatically be part of a corporation, he explained that anyone who is at least "some kind of Native" can be part of a tribe. He explained that someone from another tribe in the Lower 48, a Navajo for example, could move to Barrow and appeal to become part of the tribe there. He pointed out that grant money from the federal government is awarded based on tribal membership. He indicated that membership in regional village corporations is based on genealogy. A

grandparent born before 1971, which is when ACSA was passed, was an original shareholder of a corporation. In the '90s, an amendment to ANCSA allowed "after-borns" - those born after December 18, 1971 - to be shareholders by proving, for example, that their grandfather was an original shareholder.

[8:24:35 AM](#)

CO-CHAIR SCHRAGE observed that Conceptual Amendment 1 to Amendment 1 would increase the numbers unequally, yet the discussion is now focused on having equal representation. He questioned whether Representative Drummond would like to amend Conceptual Amendment 1 to Amendment 1.

[8:25:10 AM](#)

REPRESENTATIVE DRUMMOND indicated that any further increase in the total number of the task force may be unwieldy, and that was not the intent of [Conceptual Amendment 1 to Amendment 1]. She said she would almost prefer to leave [the total number] of members from Native corporations, tribal governments, or tribal nonprofits at four, and "let them decide" along with the Speaker of the House. She stated, "I feel that on the basis of how many village corporations and federally recognized tribes there are that they need to have more representation rather than equal representation."

REPRESENTATIVE PATKOTAK remarked that he was now more open to Conceptual Amendment 1 to Amendment 1 after recalling that a lot of Indian Health Service (HIS) hospitals are compacts of village tribal governments, which opens up even more representation in terms of the healthcare system.

[8:26:55 AM](#)

The committee took an at-ease from 8:26 a.m. to 8:27 a.m.

[8:27:46 AM](#)

REPRESENTATIVE DRUMMOND restated the motion to adopt Conceptual Amendment 1 to Amendment 1.

CO-CHAIR HANNAN offered her understanding that there had been an objection by Representative Patkotak.

[8:28:03 AM](#)

REPRESENTATIVE PATKOTAK removed his objection. There being no further objection, Conceptual Amendment 1 to Amendment 1 was adopted.

[8:28:25 AM](#)

REPRESENTATIVE DRUMMOND regarding Amendment 1, as amended, said, "I am not sure that the items regarding the municipality are very clear for this organization." She said someone may live in a borough but not in a municipality, home rule city, or any of the other small governments within the borough. She explained that she was uncertain whether "municipality" would be inclusive of all the various governments in the state.

[8:29:35 AM](#)

CO-CHAIR HANNAN stated as follows:

Let me just interject to make sure that we're all reading that the original bill is not saying you're from [emphasis on "from"] a municipality; so you work ... [emphasis on "work"] ... in the municipal government, and then it defines the size of it, so you've got two categories. ... So, that's one of the things I think that helps clear it up. There are a lot of people that live outside a municipal government, but these two appointees, well, four, would be people who work for municipal governments, and I think that narrows the definition, right?

CO-CHAIR HANNAN concluded that there would have to be a municipal government in order for an individual to work for one, but that individual might live outside the municipal government and commute to the municipality for work.

[8:30:30 AM](#)

REPRESENTATIVE TARR re-read the definition of municipality. She said, "The purpose here are people involved with the service delivery, and that's ... sort of the role they would play in this task force." She added the goal was to figure out how this could be done with better outcomes and in a cost-effective manner.

[8:31:26 AM](#)

REPRESENTATIVE MCCARTY directed attention to the phrase, "two members who work in municipal government", on page 4, line 19, of HR 8, and he made a distinction between working "in" or "for" a municipal government.

[8:32:00 AM](#)

CO-CHAIR SCHRAGE, while admitting that he was not a lawyer, said he was not sure there was a distinction made there. In other words, the language "makes it clear that you work for a government."

REPRESENTATIVE TARR responded that she thought that was true.

[8:32:32 AM](#)

REPRESENTATIVE MCCABE suggested focusing on the intent, which he offered his understanding was to "access somebody that works in a service level of the government that would be able to help provide information to this task force on ... sort of what they do to help out..."

REPRESENTATIVE TARR interjected an affirmation that [desired on the task force] would be people knowledgeable about program delivery, what works and does not work, and what is needed.

[8:33:16 AM](#)

CO-CHAIR HANNAN gave an example of an individual hired by the City & Bureau of Juneau, whose work includes serving as a homelessness coordinator, and she surmised he would make a good task force member, representing a municipality of over 15,000 and offering insight into those living in poverty.

[8:33:50 AM](#)

REPRESENTATIVE MCCARTY asked for clarity on tribal structure. He asked whether an elder steeped in wisdom would be excluded because he/she does not work for a municipal government.

[8:34:36 AM](#)

REPRESENTATIVE TARR noted that one task force member would be selected from senior citizens, a category separate from the others.

[8:35:08 AM](#)

REPRESENTATIVE PATKOTAK [moved to adopt Amendment 2] to Amendment 1, as amended, to replace "not from the same municipality" with "not representing the same municipality". The language is found in Amendment 1, as amended, on lines 10 and 13, [as numbered on the hardcopy of Amendment 1].

[8:35:50 AM](#)

The committee took an at-ease from 8:35 a.m. to 8:36 a.m.

[8:36:31 AM](#)

REPRESENTATIVE PATKOTAK repeated the motion to adopt Amendment 2 to Amendment 1, as amended. There being no objection, Amendment 2 to Amendment 1, as amended, was adopted.

[8:37:34 AM](#)

CO-CHAIR HANNAN removed her objection to Amendment 1, as amended. There being no further objection, Amendment 1, as amended, was adopted.

[8:38:04 AM](#)

CO-CHAIR SCHRAGE moved to adopt Amendment 2, labeled 32-LS0728\B.2, Dunmire, 5/5/21, which read as follows:

Page 4, line 14:
Delete "one member"
Insert "two members"

Page 4, line 15:
Delete all material.

Renumber the following paragraphs accordingly.

CO-CHAIR HANNAN objected for discussion purposes.

CO-CHAIR SCHRAGE deferred to the sponsor of HR 8.

[8:38:16 AM](#)

REPRESENTATIVE TARR explained she originally had considered offering the proposed legislation as a House joint resolution, but she indicated the choice to use a House resolution as the vehicle had to do with "the dynamics of the progress." She said

Amendment 2 would change the number of House members on the task force from one member of each body to two members from the House. She further remarked that the current number of proposed legislators for the task force is "light," but assured that any legislator would be welcome to attend task force meetings.

[8:39:26 AM](#)

REPRESENTATIVE MCCARTY said he liked the resolution as originally written to include a member from the House and one from the Senate.

REPRESENTATIVE TARR explained her understanding that the Speaker of the House cannot appoint a member of the other body; therefore, since HR 8 is not a joint resolution, that is why the legislative members appointed on the task force need to be from the House.

REPRESENTATIVE MCCARTY observed that HR 8 "is not even going to the other body to consider."

CO-CHAIR HANNAN asked for confirmation that if HR 8 passes in committee and is adopted on the House floor, "it is a House task force on poverty versus a legislative task force."

REPRESENTATIVE TARR confirmed that is correct. She reiterated the issue of timing. She related that she had reached out to the Senate President but proceeded with a House resolution after not receiving a response.

[8:41:11 AM](#)

REPRESENTATIVE DRUMMOND asked for confirmation that HR 8 is the House stating its intent to instigate a task force, and it would not be signed by the governor.

REPRESENTATIVE TARR pointed to language [from paragraph (7), on page 5, lines 2-5, of HR 8], which read as follows:

(7) not later than December 31, 2022, the task force shall deliver to the speaker of the house of representatives, the president of the senate, the chief clerk of the house of representatives, and the senate secretary a final report with legislative recommendations and notify the legislature that the report is available.

REPRESENTATIVE TARR said she felt comfortable moving forward, since the membership of legislators on the proposed task force would be light.

[8:42:16 AM](#)

REPRESENTATIVE MCCARTY asked whether there would be a differentiation between the two House members, such that one would be from a rural area and one from an urban area.

REPRESENTATIVE TARR responded that that was a great question. She noted that there had been discussion regarding partisanship, but the intent was to "leave it open for any interested member of the House." She allowed that one urban and one rural House member may be helpful in terms of representation.

REPRESENTATIVE MCCARTY said he would be willing to offer an amendment, and then he questioned what the distinction between urban and rural may be.

REPRESENTATIVE TARR shared her ideas on rural and urban being geographical, since each representative has roughly the same number of constituents.

[8:44:28 AM](#)

REPRESENTATIVE DRUMMOND proffered that urban areas, such as Anchorage, are densely populated, while rural areas, such as Representative Patkotak's district are vast and sparsely populated in comparison; therefore, she opined that selecting one urban and one rural member from the House for the task force would be "a fair ... characterization of ... one of the differences amongst our districts."

[8:45:50 AM](#)

CO-CHAIR SCHRAGE concurred with Representative Drummond. He suggested one distinction could be a railbelt community. He indicated he would be agreeable with whatever the committee decides is the comfortable solution.

[8:46:07 AM](#)

REPRESENTATIVE PATKOTAK noted that the Department of Commerce, Community & Economic Development (DCCED) publishes "economic opportunity zones," which he observed were "well-balanced" on a map. He suggested one House member could be chosen from within

an economic opportunity zone and one from outside such a zone, and that may create the desired balance.

[8:46:46 AM](#)

REPRESENTATIVE MCCABE suggested the committee may be "getting into the weeds" with the minutia. He speculated that it is probably more important to have representatives from the House who have an interest in the task force regardless of their politics.

[8:47:50 AM](#)

CO-CHAIR SCHRAGE echoed Representative McCabe's remark that the important thing is to have members on the task force who are actively engaged. He cautioned putting up too many sideboards.

CO-CHAIR HANNAN described her district as including urban and rural communities, and she recommended not defining the two members from the legislative body. She agreed that fundamentally it is important to have legislators serving on the task force who have the interest in doing so.

[8:49:30 AM](#)

REPRESENTATIVE TARR expressed that her experience attending meetings of a task force on which she was not a member revealed to her how some who were members were not in attendance. She surmised she was more interested because it was an issue on which she had worked. That said, she expressed hope that the two House members on the task force would end up being from two different areas, because "that would add value."

CO-CHAIR HANNAN drew attention to the short time period in which the task force would be compiled and need to complete its task and make recommendations - the deadline being December 31, 2022.

[8:50:56 AM](#)

REPRESENTATIVE MCCARTY reflected back to Representative Tarr's mention of one House member being from the majority and one from the minority, and he said, "I'm good with that, as well."

REPRESENTATIVE TARR replied that she was open to that; she just had not gotten to know all the legislators, and she left the number at two, unspecified House members in the end. She agreed with Representative McCabe about not wanting to choose members

based on which caucus they were apart of if those members had no interest in working on the task force.

[8:52:04 AM](#)

REPRESENTATIVE MCCABE said while he appreciated Representative McCarty's efforts to be all-inclusive, he opined that poverty does not have politics associated with it and "we need to be above that." He said the task force membership Representative Tarr had proposed was already diverse, and he questioned how necessary it would be to require minority and majority membership. He reiterated the importance of seeking interested participants.

[8:52:48 AM](#)

REPRESENTATIVE MCCARTY moved to adopt Conceptual Amendment 1 to Amendment 2, on page 4, line 14, to require of the two members from the House that one be from the majority and one from the minority.

REPRESENTATIVE DRUMMOND objected. She pointed out that the legislature has one member who is not a member of either caucus, and she questioned, "How do we deal with that?" She stated her preference to leave the resolution as is, so that the two members from the House serving on the task force can be those interested in doing so.

[8:54:05 AM](#)

REPRESENTATIVE MCCARTY said Representative Drummond brought up a good point about not all members of the legislature being part of the majority or minority. For that reason, he stated that he would withdraw the motion to adopt Conceptual Amendment 1 to Amendment 2.

[8:54:41 AM](#)

CO-CHAIR HANNAN removed her objection to the motion to adopt Amendment 2. There being no further objection, Amendment 2 was adopted.

[8:55:25 AM](#)

CO-CHAIR HANNAN opened public testimony on HR 8, as amended.

[8:55:58 AM](#)

CHARLES MCKEE, testified that "this is not a remedy." He noted he had submitted written testimony. He opined that there is "a mental condition that gets ... woven into a group of people that cause poverty to begin with." He mentioned "injunction by court" and posited that "you're not using these injunctions appropriately."

[8:58:58 AM](#)

TREVOR STORRS, President/CEO, Alaska Children's Trust, advised that "one of the most effective ways of preventing child abuse and neglect is by addressing the social determinants that foster an environment that promotes trauma and discourages building the skills necessary to manage it." He said Alaska ranks thirty-sixth in the nation for child overall well-being and thirty-fourth for family economic well-being. He said growing up in poverty is a major barrier to healthy child development, increasing the likelihood of poor academic, cognitive, and health outcomes. He offered statistics about childhood poverty in Alaska in 2018. He said the pandemic has magnified issues; families are struggling to have food and shelter, and nearly 20 percent of adults in Alaska living in households with children "have little or no confidence in their ability to pay the next rent or mortgage payment." He added that 38 percent have difficulty paying typical monthly household expenses.

MR. STORRS stated that federal poverty guidelines do not account for costs related to health insurance, child care, and other necessities such as Internet access. He said, "Behind every statistic there's a child going to bed with an empty belly, a single mother unable to take her child to the pediatrician, and youth who do not see a viable career without a college or trade education, which all cost money." He emphasized the importance of addressing the "structural reasons that are causing these numbers." He expressed how easy it is to write off those in poverty as having made wrong life choices or to say they should just pull themselves up by their bootstraps. He reminded everyone that some do not have boots, let alone bootstraps. He talked about HR 8 as putting focus on solutions to poverty and providing opportunity. He concluded, "Alaska needs to take a comprehensive approach and create opportunity for economic mobility, provide hope, and collectively ensure all children, youth, and families in Alaska have the chance and tools they need to thrive."

[9:02:02 AM](#)

CAROL PISCOYA, Kawerak, Inc., gave a brief overview on Kawerak, Inc. She shared her sources for information were primarily from a Bering Strait community needs assessment completed in 2019, with additional information from DCCED, the Department of Labor & Workforce Development (DLWD), and the 2010 Census. Regarding poverty and opportunity, she said overcrowding is an issue; 30 percent of households are overcrowded, with some regions experiencing overcrowding in up to 60 percent of households. She said housing is expensive, homeowners pay 30 percent of their income on housing. She talked about the age of houses and the lack of water services in some communities, which means little or no sanitation. She named issues related to poverty, including housing, water, sewer, substance abuse, health impacts due to alcohol and drugs, limited economic opportunity, inadequate public safety, high turnover of teachers, limited treatment for mental illness, and more, and she said the pandemic has magnified many of these issues. She stated that Kawerak, Inc. fully supports a fact-finding task force that can come up with solutions for its region.

9:06:05 AM

ED MARTIN testified that he read the sponsor statement, and he said the war on poverty "hasn't done the job that Lyndon Baines Johnson enacted ... by federal law in '64." He posited that the permanent fund dividend (PFD) has helped to bring people in Alaska out of poverty, and not receiving PFDs pushed some Alaskans across the poverty line. He noted the sponsor statement mentions COVID-19 and people losing their jobs. He said the government wants "to save us all" and yet "they don't do much to actually help us." He speculated that the war [on poverty] is probably one of the worst being taken on. He said he thinks [the task force] is worth having but advised, "Let's make it quick, because we're not getting any further ahead ... with this so-called war on poverty, and a lot of it we can't cure." He explained there will never be 100 percent employment or eradication of abuse and fraud and waste. He suggested keeping the task force limited in size for the sake of efficiency.

9:09:23 AM

CO-CHAIR HANNAN, after ascertaining that there was no one else who wished to testify, closed public testimony on HR 8, as amended.

9:10:03 AM

REPRESENTATIVE TARR expressed thanks for the great discussion and testimony and said she felt positive about the task force.

9:10:51 AM

CO-CHAIR SCHRAGE moved to report HR 8, as amended, out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSHR 8(CRA) was reported out of the House Community and Regional Affairs Standing Committee.

9:13:46 AM

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:14 a.m.