

HOUSE FINANCE COMMITTEE

April 9, 2021

1:32 p.m.

[1:32:53 PM](#)

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:32 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Kelly Merrick, Co-Chair
Representative Dan Ortiz, Vice-Chair
Representative Ben Carpenter
Representative Bryce Edgmon
Representative DeLena Johnson
Representative Andy Josephson
Representative Bart LeBon
Representative Sara Rasmussen
Representative Steve Thompson
Representative Adam Wool

MEMBERS ABSENT

None

PRESENT VIA TELECONFERENCE

Tom Atkinson, City Manager, City of Kotzebue, Kotzebue; Denice Gilroy, Executive Director, Arctic Access Independent Living Center, Nome; Cheri Smith, The LeeShore Center, Kenai; Alli Lane, Standing Together Against Rape, Talkeetna; Tara Carlson, Self, Fairbanks; Shelby Kearns, Self, Fairbanks; Isaac Fenigsohn, Self, Fairbanks; Valerie Therrien, City Council, City of Fairbanks; John Creed, Self, Anchorage; Kathy Hanson, Self, Bethel; Bryce Ward, Mayor, Fairbanks North Star Borough, Fairbanks; Jacob Cole, Self, Anchorage; June Rogers, Self, Fairbanks; Sarah Sears, Self, Bethel; Lauren Custer, Self, Fairbanks; David Brighton, President, Kenai Peninsula Education Association; Keeley Olson, Executive Director, Standing Together Against Rape, Anchorage; Victoria Shanklin, Executive Director, Victims for Justice, Anchorage; Helen Howarth, City

Manager, Cordova; Panu Lucier, Director, THREAD, Anchorage; Dorothy O'Donnell, Self, Fairbanks; Kimberley Shelden, Self, Fairbanks; Charles McKee, Self, Anchorage; Meghan Topkok, Self, Nome; Toni Porter, Self, Fairbanks; Eileen Arnold, Tundra Women's Coalition, Bethel; Annie Lee, Self, Bethel; Suzy Person, Abused Women's Aid in Crisis, Anchorage; Don Black, Bethel Family Clinic, Bethel; Nithya Thiru, Self, Anchorage; Carmen Pitka, Program Director, Children's Advocacy Center, Bethel; Polly Odom, Director, Day Break Incorporated, Palmer; Janet McCabe, Partners for Progress Inc, Anchorage; Anne Doerpinghaus, Self, Fairbanks; Mark Lackey, Executive Director, CCS Early Learning, Mat-Su; Shadi Rabi, Self, Bethel; Brook Ivy, Alaska Oil and Gas Association, Anchorage; Peter Hoepfner, Vice President, Cordova School Board, Cordova; Dawn Shewmaker, Self, Anchorage; Michael Jaffery, Utqiagvik, Self; Marge Sponeking, AARP Alaska, Anchorage; Mike Coons, Self, Palmer; Karen Bird, Self, Fairbanks; Bert Houghtaling, Self, Big Lake; Carmen Guzman, University of Alaska Anchorage; Anne McCabe, Self, Soldotna; Rachel Kallander, Self, Anchorage; Bertha Sulunulik Koweluk, Executive Director, Bering Sea Women's Group, Nome; Alphred Wallace, Self, Bethel; Nancy Pease, Self, Anchorage; Sierra Brown, Safe Home Outreach Coordinator, Bering Sea Women's Group, Nome; Nicole Songer, Executive Director, Cordova Family Resource Center; Michael Shaffer, Self, Anchorage; Monica Charles, Self, Bethel; Melissa Hewer, Executive Director, Susitna River Coalition; Lance Johnson, Director, Behavioral Health Services, Norton Sound Health, Nome.

SUMMARY

HB 69 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 69 was HEARD and HELD in committee for further consideration.

HB 71 APPROP: MENTAL HEALTH BUDGET

HB 71 was HEARD and HELD in committee for further consideration.

PUBLIC TESTIMONY: FAIRBANKS, KENAI, MAT-SU, ANCHORAGE, BETHEL, CORDOVA, KOTZEBUE, NOME, UTQIAGVIK

Co-Chair Foster provided the call in numbers and email address for public testimony.

#hb69

#hb71

HOUSE BILL NO. 69

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making reappropriations; making supplemental appropriations; 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. 71

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; making supplemental appropriations; and providing for an effective date."

[1:37:28 PM](#)

^PUBLIC TESTIMONY: FAIRBANKS, KENAI, MAT-SU, ANCHORAGE, BETHEL, CORDOVA, KOTZEBUE, NOME, UTQIAGVIK

[1:37:31 PM](#)

TOM ATKINSON, CITY MANAGER, CITY OF KOTZEBUE, KOTZEBUE (via teleconference), shared information about the City of Kotzebue. He supported retaining full funding for the Power Cost Equalization (PCE). He stated that PCE was the endowment that created a level playing field for communities in the north with high electric costs. He did not support using the funds for anything other than the intended purpose. He spoke in support of broadband funds to create more accessible and affordable internet in the region's schools. He spoke in favor of full funding for the regional jail, which had been flat funded since 2015. He reported that without the facility, prisoners would have to be flown to facilities further south at a much greater cost to the state. He supported funding for the local public radio station, which was the only source of information available to all residents. He asked for public radio funds to be reinstated. He requested retaining DMV funds in the

budget. He supported community assistance at the full amount.

1:40:31 PM

DENICE GILROY, EXECUTIVE DIRECTOR, ARCTIC ACCESS INDEPENDENT LIVING CENTER, NOME (via teleconference), spoke about the Aging and Disability Resource Center (ADRC). She detailed that \$250,000 had been offered by the Alaska Mental Health Trust Authority (AMHTA) for an ADRC in the north/northwest. She had recently learned that the money had been moved to a reserve account. She implored the legislature to reconsider the action. She provided detail about services provided at the centers. She equated an ADRC to a library for resources for service providers working with people experiencing disabilities. The northern ADRC was located in Dillingham, which was too far away. She spoke about housing, healthcare, wage, discrimination experienced by individuals with disabilities. She discussed that any adult with a physical or mental condition that impaired their ability to care for their needs was at risk. She stressed they were at risk for abuse. She underscored that the center was needed in the north. She asked the committee to reconsider the \$250,000 increment.

1:44:04 PM

CHERI SMITH, EXECUTIVE DIRECTOR, THE LEESHORE CENTER, KENAI (via teleconference), shared that the LeeShore Center provided services to victims of domestic violence and sexual assault. She thanked Co-Chair Merrick and the Department of Public Safety subcommittee for fully funding victims' services through the Council on Domestic Violence and Sexual Assault (CDVSA). She reported learning the previous week that federal VOCA [Victims of Crime Act] funding was being cut and that all services providers receiving funding through CDVSA would see a 30 to 33 percent funding decrease for FY 22. She underscored that the loss of funding would be devastating to victims' services. She shared that if the decrease were maintained it would equate to over \$350,000 for the center. She would be faced with eliminating half of her staff. She stressed that the change would result in drastically cutting back on services including its children's services and legal advocacy. She requested general funds to replace the loss of funding.

Co-Chair Foster provided the email address for written testimony.

[1:46:52 PM](#)

ALLI LANE, STANDING TOGETHER AGAINST RAPE, TALKEETNA (via teleconference), testified in regard to the decrease in federal VOCA funding. She shared that the rates of sexual assault and domestic violence were some of the highest in the country. She stressed that funding for services supporting survivors were crucial for Alaskan communities. She underscored that a cut of up to 34 percent was devastating. She implored the committee for making up the funding loss. She personally witnessed the success of the organization in a society that stigmatized victims. The cuts could deteriorate decades of work. She asked the committee to find the cuts elsewhere.

[1:48:39 PM](#)

TARA CARLSON, SELF, FAIRBANKS (via teleconference), testified against the cut to federal VOCA funding of 34 percent. The Interior Alaska Center for Nonviolent Living budget was funded through the CDVSA under the Department of Public Safety. She reported that prior to the pandemic Alaska had one of the highest rates of sexual assault and domestic violence and rates had only increased during the pandemic. She provided information about services provided by domestic violence and sexual assault organizations and advocates. She stressed that services providing public safety should be the last things cut at present. She shared information about her experience with domestic violence and sexual assault and reported that she had been fortunate to have support and resources available following her experience. She asked the committee to ensure victims' services were fully funded.

[1:51:14 PM](#)

SHELBY KEARNS, SELF, FAIRBANKS (via teleconference), worked for the Interior Alaska Center for Nonviolent Living, educating the community on how to prevent domestic violence and sexual assault. She worried about having to tell people there were not services available due to the federal funding cuts. She shared that advocates working at the local shelter were already stretched thin, but there was always someone available to listen. The cuts would mean

there would no longer always be an advocate available to survivors. She asked the legislature to ensure that survivors had the resources needed when they sought help.

1:53:02 PM

ISAAC FENIGSOHN, SELF, FAIRBANKS (via teleconference), shared that he worked for the Interior Alaska Center for Nonviolent Living. He stated that the HB 69 included a 34 percent decrease in funding for victims' services. He was very concerned about losing funding for an overworked and underpaid group of individuals who were critical in helping people on the worst days of their lives. spoke against cuts to victims' services. He stressed that the legislature had the power to prioritize funding. He stated that the funding in the budget for advocacy was not sufficient. He stressed that every dollar taken represented a person that would not receive services. The decision directly impacted victims. He asked the committee to consider what would happen if their child was not able to receive victims' services. He asked legislators to be committed to ending domestic violence and sexual assault in Alaska.

1:55:05 PM

VALERIE THERRIEN, CITY COUNCIL, CITY OF FAIRBANKS (via teleconference), urged the committee to support the governor's proposal to fund the state's contributions to the Public Employees' Retirement System (PERS). She detailed that the city supported maintaining the 22 percent PERS contribution rate to pay off the unfunded liability. She asked the committee to deny the administration's proposal to shift costs to municipalities associated with prosecuting misdemeanors to cities. She remarked that it would cost Fairbanks about \$400,000 if the change occurred. She asked the committee to capitalize the community assistance fund to the full \$90 million.

1:56:48 PM

JOHN CREED, SELF, ANCHORAGE (via teleconference), shared that he had taught as a professor in Kotzebue for over 30 years. He supported President Biden's American Rescue Plan Act (ARPA) including funds for education in Alaska. He spoke in support of funding for the University of Alaska. He stated that the university could miss out on millions of dollars due to the governor's "short sighted" budget cuts.

He explained that the federal funds required the maintenance of effort at pre-pandemic levels, or the money would be lost. He asked the legislature to not allow the cuts to sabotage the federal funds. He spoke to the impact of higher education in rural Alaska and asked the legislature to maintain the rural campuses. He did not support SB 39 [voter registration legislation proposed in 2021] by Senator Mike Shower. He asked members to support HB 66 by Representative Chris Tuck, which he characterized as a "good voter bill."

[2:00:01 PM](#)

KATHY HANSON, SELF, BETHEL (via teleconference), spoke to the value of public broadcasting in rural Alaska. She shared that the community had received all of the information on the pandemic through its public health corporation via public radio. There had been no other means to get the daily information out to community residents. She noted that many individuals in the region did not have access to internet. She relayed that public radio had kept residents up to date and informed. The public radio station also provided public safety reports notifying residents when the river was unsafe for travel. She emphasized that lives were saved by the reports. She implored the committee to maintain funding for public radio.

[2:01:58 PM](#)

BRYCE WARD, MAYOR, FAIRBANKS NORTH STAR BOROUGH, FAIRBANKS (via teleconference), spoke in support of community health and social services grants. He requested the full \$90 million funding for community assistance. He asked the committee to consider forward funding education. He supported school debt bond reimbursement. He believed the ability for the state to continue to honor the commitment was incredibly important. He spoke about the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) federal funding. The community had distributed \$23.5 million to support businesses during the pandemic. He asked the legislature to consider its funding allocations to communities.

[2:04:29 PM](#)

JACOB COLE, SELF, ANCHORAGE (via teleconference), spoke in support of Alaska libraries. He relayed that during the

2020 legislative session, the Alaska Library Association had recommended an amendment to the budget for \$635,900 for the Alaska Library catalogue and SLED resources. He reported that the legislature had approved the appropriation and it had been vetoed by the governor. He stated that the lack of funding jeopardized the SLED and library catalogue. He detailed that the total cuts had been 28 percent since 2014. He requested full funding of the \$635,900 in the Department of Education and Early Development budget. During the pandemic usage of the library internet services had increased significantly in the past year. He reported that families had contacted the libraries to let them know they had been a lifeline in the past year. He spoke to the narrowing of the rural/urban divide that libraries assisted with.

[2:07:02 PM](#)

JUNE ROGERS, SELF, FAIRBANKS (via teleconference), thanked the committee for its dedication to serving all jurisdictions in Alaska. She reported that COVID-19 had greatly impacted rural communities. She spoke in support of public radio in Alaska. She pointed out that restoring partial funding to Alaska Public Media would help ensure the stability of the rural stations was supported. She stressed that public radio provided a lifeline in the state. She underscored the importance of public radio in rural Alaska. The services were essential and efficient.

[2:08:21 PM](#)

SARAH SEARS, SELF, BETHEL (via teleconference), shared that she worked as a nurse practitioner at the Yukon Kuskokwim Health Corporation. She detailed that she performed medical exams for sexual assault survivors. She reported the region had two times the number of sexual assault survivors than the rest of Alaska. She provided information about the medical process responding to victims. She detailed that they had recently learned that federal VOCA funding for advocates and services was being cut. She stressed that the cuts would have devastating impacts on the region. She elaborated on the services provided by advocates. She urged the committee to allocate state general funds in place of the lost federal funds.

[2:10:40 PM](#)

LAUREN CUSTER, SELF, FAIRBANKS (via teleconference), was grateful for Governor Dunleavy's recognition of April as Sexual Assault Awareness Month. She shared that she is a survivor of domestic violence and an advocate. She worked as an advocate to help victims find their voices when times were hard. She had learned of a reduction of funds for emergency shelter services by \$4.1 million. She elaborated that the cut would translate into a 34 percent cut in grants for FY 22. She reported that the cut would hinder the ability to provide lifesaving services to victims. She spoke about Alaska's high rate of domestic violence. She implored the committee to allocate state general funds to bridge the gap in lost federal funding.

[2:12:51 PM](#)

DAVID BRIGHTON, PRESIDENT, KENAI PENINSULA EDUCATION ASSOCIATION (via teleconference), urged the legislature to use the prior year's student count for schools prior to the beginning of the pandemic. He shared that many students had come back to school. They were currently doing surveys to determine the number of students that would be in school in person in the fall. He thought if the pandemic numbers were used it could result in a shortfall. He shared that public school funding was suffering as there had not been an increase in the Base Student Allocation (BSA) in five years. Programs were continuing to be cut back and class sizes were increasing.

[2:14:48 PM](#)

KEELEY OLSON, EXECUTIVE DIRECTOR, STANDING TOGETHER AGAINST RAPE, ANCHORAGE (via teleconference), thanked the legislature for its efforts to fully fund crime victim services statewide. She understood that a VOCA funding cut occurred at the federal level in a previous administration, which was beyond the state's control. She urged the committee to set aside general funds aside to make up for the cut. She relayed that the 34 percent was larger than any cut she had experienced in her years of work in the field. She shared that fundraising events and donations could be expected to generate up to \$100,000 for the organization annually. She shared that STAR and other nonprofits providing services to victims were cost-efficient, they worked with law enforcement, and other. She provided information about the organization. She elaborated that a 24-hour crisis line was staffed by community

volunteers with years of experience. She stressed that it was inconceivable that they would be able to make up the loss of funds over the coming two years.

Co-Chair Foster handed the gavel to Co-Chair Merrick.

[2:17:40 PM](#)

VICTORIA SHANKLIN, EXECUTIVE DIRECTOR, VICTIMS FOR JUSTICE, ANCHORAGE (via teleconference), urged the state to temporarily cover a gap in victims service funds over the next two years. She reported that the federal VOCA funds were being drastically reduced with no forewarning. She stated that the reduction equated to \$124,000 for the organization. She shared that the organization was serving more Alaskans than ever before. She stated that a bill currently being considered by Congress would take two years to remedy the situation. She spoke to the various types of violent offences included. The state's violent crimes were high. She shared that the organization did not have a way to make up the funds anywhere else. She thanked the legislature for its commitment to public safety.

[2:20:16 PM](#)

HELEN HOWARTH, CITY MANAGER, CORDOVA (via teleconference), shared that COVID-19 had resulted in an unexpected loss of nearly \$700,000 in budgeted revenue for Cordova in the past year. She stressed that Cordova could not make up the revenue loss on its own. She urged the committee avoid cost shifting or cuts that would impact local governments. She requested full funding for community assistance and school bond debt reimbursement. The city applauded the rejection of the Department of Law's class one city misdemeanor proposals. She shared that the sudden and dramatic cuts to Alaska Marine Highway System (AMHS) had been devastating. She relayed that during the past year, Cordova had been without a ferry for eight months. She spoke about the community's reliance on the fishing industry. She requested adequate funding for the Department of Fish and Game for fisheries management. She reported that the community's top capital priority was the rebuild of the south harbor for \$30 million. She stated it was imperative the state fund \$5 million for the harbor in the current year. She shared that the city had obtained a \$5 million bond and was actively pursuing other funding.

[2:22:57 PM](#)

PANU LUCIER, DIRECTOR, THREAD, ANCHORAGE (via teleconference), thanked the committee for including early childhood resources in the budget, specifically for childcare benefits, infant learning, early learning coordination, Pre-K, and family support. She stressed the importance of investing in early childcare. The services ensured that children received a strong start in life. She reported that 90 percent of a child's brain developed by age 5. She encouraged additional resources to early childhood education if additional federal funds were received. She asked the committee to commit to paying educators a living wage.

[2:25:23 PM](#)

DOROTHY O'DONNELL, SELF, FAIRBANKS (via teleconference), shared that she is a lifelong Fairbanks resident. She highlighted the importance of the Interior Center for Nonviolent Living. She stressed the importance of filling a 34 percent [federal] cut to victims' services. She elaborated that the cut would mean reducing critical services for domestic violence and sexual assault survivors. She shared that children and adults would be turned away from services if the cuts were made. She stressed that the state already experienced disproportionately high rates of violence. She believed it was the responsibility of the legislature to reject the proposed budget cuts.

[2:26:36 PM](#)

KIMBERLEY SHELDEN, SELF, FAIRBANKS (via teleconference), expressed concern that programs were at risk of financial danger if a 34 percent cut to the Council on Domestic Violence and Sexual Assault (CDVSA) went through. She shared her experience as a survivor of domestic violence. She believed she would not be where she was if she had not had the support from the Interior Alaska Center for Nonviolent Living in Fairbanks. She stressed that the services were vital and a cut would have devastating impacts on victims' services.

[2:27:47 PM](#)

CHARLES MCKEE, SELF, ANCHORAGE (via teleconference), spoke about his name. He shared that he was under bail. He highlighted that he had submitted written documents to the committee. He pointed out the degree of deception in the administration and the courts. He shared a story about trying to submit a workers' compensation claim. He provided numerous statements about his life. He asked the committee to read the material he had submitted.

[2:30:13 PM](#)

MEGHAN TOPKOK, SELF, NOME (via teleconference), she detailed that she was speaking in her role as the board president for the Bering Sea Women's Group. She shared that she was a survivor of sexual assault and had grown up in a home that experienced significant domestic violence. She spoke to the importance of mending breaks caused by the multigenerational cycle of violence. Due to her trauma experiences, she had elected to pursue a law degree and return to her community to help victims. She provided information about the Bering Sea Women's Group. She spoke to the importance of hope, respect, and dignity for victims. She stressed that Alaska's rates of domestic violence and sexual assault rates were four times higher than the rest of the country. She thanked Co-Chair Merrick and the Department of Public Safety subcommittee to fully fund services for victims. She had recently learned there were federal cuts that would reduce VOCA services by \$4.1 million. She implored the committee to allocate state general funds to cover the gap in lost federal funds. She stressed the critical nature of the services.

[2:34:04 PM](#)

TONI PORTER, SELF, FAIRBANKS (via teleconference), shared that she was testifying on behalf of herself and in support of the Interior Alaska Centers for Nonviolent Living. She stressed that during the pandemic, things had gotten easier for abusers and worse for victims as victims were often isolated from friends and family. She emphasized that victims in Fairbanks needed access to services provided by the center. She shared that she had survived sexual, psychological abuse throughout much of her adult life at the hands of her husband. She spoke to the danger she and her children had been in. Victim support services had been life changing for her and her family. She stressed the need for support services. She asked everyone to visit the IAC

website to view programs that were at risk of being cut if federal funds were cut. She stressed the importance of full funding for the organization and communicated that everyone deserves to be safe.

[2:36:53 PM](#)

EILEEN ARNOLD, TUNDRA WOMEN'S COALITION, BETHEL (via teleconference), thanked the committee for its commitment to domestic violence and sexual assault survivors over the years. She knew the shortage of funds to statewide victims' services was as much of a shock to the legislature as it was to victims' services agencies in the state. She stressed that the small programs had big impacts especially in rural communities with less access to law enforcement and prosecution. She shared an example of a call received earlier in the day from a victim who had been unable to access services due to a barrier in another system. She would have to cut services if the federal funds were lost. She asked the legislature to allocate general funds to cover the gap by the VOCA shortfall. She understood that it was a situation the legislature did not create, but it could help with the situation.

[2:38:29 PM](#)

ANNIE LEE, SELF, BETHEL (via teleconference), shared that she had been scared and confused when she had gone to the shelter as a child. She provided details about her personal experience. She shared that the Tundra Women's Coalition housing program had enabled her and her family to get a home. She spoke about crisis intervention and helping other victims. She knew that her family always had a place to turn to if they were ever victimized. She spoke against federal VOCA funding cuts. She was concerned that the cuts meant people would not receive the support if the cuts went through. She did not know where her life would be without the programs. She emphasized that the programs made a world of difference for individuals seeking services.

[2:40:28 PM](#)

SUZY PERSON, ABUSED WOMEN'S AID IN CRISIS (AWAIC), ANCHORAGE (via teleconference), thanked the committee for ensuring the safety of domestic violence and sexual assault victims by supporting the CDVSA. She detailed that the governor's proposed budget had been sufficient to meet the

needs of victims' service agencies; however, the agencies had been informed the previous week that the VOCA federal funding had been cut by 34 percent. She elaborated that CDVSA planned to pass the cut onto victims' service agencies throughout Alaska, which would have devastating impacts on victims. She shared that AWAIC was looking at a \$540,000 loss, which would cause a significant reduction in staff and services. She expounded that services including beds and legal advocacy would be cut. The community could not afford to lose the services. The organization needed immediate need.

Co-Chair Merrick reminded testifiers to call in by 3:00 p.m.

[2:42:57 PM](#)

DON BLACK, BETHEL FAMILY CLINIC, BETHEL (via teleconference), spoke as a violent crime survivor and on behalf of the Bethel Family Clinic where he served as the executive director. The clinic partnered with the Tundra Women's Coalition, a VOCA funding recipient, to provide services to victims of domestic violence and sexual assault. He shared information about the services process. He stated that if things continued on the current course the cracks would increase due to a loss of funding. He underscored that it was not the time to cut funding. He stressed the importance of hearing victims' voices in order to address breaking the cycle of violence.

[2:44:54 PM](#)

NITHYA THIRU, SELF, ANCHORAGE (via teleconference), spoke in support of funding for essential services for domestic violence and sexual assault survivors. She referenced the loss of federal funding. She highlighted that Alaska had some of the highest rates of domestic violence in the country. She shared that she was a sexual assault and domestic violence survivor. She provided detail about her experience. She had been lucky to leave the situation safely, but that was not the situation for all survivors. She asked the committee how much victims' lives were worth. She emphasized that when services were not funded, it communicated a message that the collective healing of survivors was unimportant. She asked the committee to cover the loss of federal funding.

[2:46:36 PM](#)

CARMEN PITKA, PROGRAM DIRECTOR, CHILDREN'S ADVOCACY CENTER, BETHEL (via teleconference), spoke against the federal VOCA funding cuts. She stressed that the cuts were devastating and impacted victim assistance for the Yukon Kuskokwim region, which had one of the highest rates of domestic violence and adult and children sex crimes. She detailed that the center's advocates responded to crisis calls 24-hours a day. She emphasized that vulnerable caregivers needed safe shelters for themselves and their children. She pointed out that many times offenders walked free and faced no consequences. She reported that victims were often left with only the support of advocacy services. She stated that the services could not be cut because they were sometimes all a victim had.

[2:48:05 PM](#)

POLLY ODOM, DIRECTOR, DAY BREAK INCORPORATED, PALMER (via teleconference), spoke in support of continued grant funding for behavioral health treatment and recovery services. She detailed services provided by Day Break Incorporated for adults experiencing mental illnesses and those with traumatic brain injuries. She elaborated that the organization received state grant and Medicaid funding under state plan services as well as the newly formed services under the 1115 waiver demonstration project. The organization used grant funds to bridge gaps in funds that were not reimbursed by state plan services during FY 21. She provided details about the costs and delays in Medicaid reimbursements. She anticipated a need for grant funding in FY 22 to make up for the reduction in reimbursement rates for several services under the 1115 waiver. She provided examples. She shared that the new plan had been reduced to 70 hours annually, which would make it impossible to meet the needs of clients. She thanked the committee for its time.

[2:50:56 PM](#)

JANET MCCABE, PARTNERS FOR PROGRESS INC, ANCHORAGE (via teleconference), she shared information about the nonprofit's work to support statewide therapeutic courts. Additionally, the organization ran Partners' Reentry Center in Anchorage. Typically, the organization provided daily walk-in assistance to about 70 homeless people returning to

the community from prison. She stressed that without the organization's assistance, many individuals would be likely to commit another crime and return to prison. She explained that much of the program was supported by funds in the mental health budget under the Department of Revenue, Alaska Housing Finance Corporation (AHFC) Homeless Assistance Program. She highlighted that the governor's proposed budget cut the critical programs by half of the amount in the prior year's budget. She asked for restored funding to the prior year's level. She stressed that it was not the time to cut assistance to homeless reentry. She remarked that without the programs, many people were likely to commit new crimes and return to prison, which would increase costs to the Department of Corrections (DOC). The organization's goal was to reduce DOC costs.

Representative Josephson asked where to locate the item in the budget.

Ms. McCabe replied that the increment was located in the mental health budget under Alaska Housing Finance Corporation within the Department of Revenue. She would provide the information in writing to the committee.

[2:53:33 PM](#)

ANNE DOERPINGHAUS, SELF, FAIRBANKS (via teleconference), shared that she worked as a forensic nurse at Fairbanks Memorial Hospital. She detailed that she saw victims of violence ranging in gender and all ages. She highlighted the high demand for services. She reported that the VOCA federal funding cuts would be devastating to victims of violence in Alaska. She stated that without the expertise of advocates, victims would have to navigate invasive medical exams, interviews, and the complicated legal procedures without support. She informed the committee there was strong reliance on victims' advocates in the state. She provided details about the services provided by advocates in their support of victims. She stressed the critical nature of shelter services. She believed the 30 percent [federal] cuts needed to be addressed. She asked the committee to consider allocating general funds to cover the shortfall.

[2:55:54 PM](#)

MARK LACKEY, EXECUTIVE DIRECTOR, CCS EARLY LEARNING, MAT-SU (via teleconference), spoke in support of a \$5 million increment offered by Representative Andi Story in the Department of Education and Early Development subcommittee for increasing Pre-K services. to increase funding for early childhood learning. He shared information about the nonprofit services provided by CCS. He relayed that the organization's primary programs were Head Start and early Head Start, which were federally funded. Currently, nearly \$60 million in federal funds came to Alaska for the programs. He noted he had provided written testimony outlining the incoming federal funds.

Mr. Lackey detailed that Alaska had long been behind other states in its support of funding for Pre-K services. He offered four suggestions to strengthen early childhood education in Alaska: 1) eligible applicants should include school districts and private entities who had demonstrated experience in providing and sustaining high quality Pre-K services in Alaska; 2) applicants needed to provide a community assessment demonstrating the level of unmet community need; 3) priority for awarding the funding should go to application to demonstrate a high level of community collaboration and support; and 4) applicants should specify the locations, the eligibility criteria, the qualifications of staff, the hours of childhood contact, amount of child transportation, curriculum to be used, the assessment tool, and other.

[2:58:51 PM](#)

SHADI RABI, SELF, BETHEL (via teleconference), thanked Co-Chair Merrick and the Department of Public Safety subcommittee for fully funding victims' services through the CDVSA. He reported learning the previous week that federal VOCA funding was being cut by 34 percent in FY 22. spoke against the VOCA federal funding cuts. He stressed that the cuts to domestic violence and sexual assault services would have devastating impacts in Alaska. He reported that Alaska continued to have some of the highest rates of domestic violence and sexual assault, including violence against children. He underscored that it was not the time to cut lifesaving services to victims and survivors. He asked the committee to consider allocating general funds to cover the federal funding shortfall. He listed various support services provided by the Tundra Women's Coalition. He stressed that a 34 percent decrease

would mean entire programs would have to be cut. He stated that the coalition provided life and death services and crime victims should not bear the brunt of the cuts.

3:01:15 PM

BROOK IVY, ALASKA OIL AND GAS ASSOCIATION (AOGA), ANCHORAGE (via teleconference), provided information on AOGA's mission. She detailed that one of AOGA's primary priorities was to maintain fiscal stability and consistency, including advocating for a long-term solution for the payment of approximately \$744 million in outstanding liability for the refundable tax credit program. The association recognized the budget issues the state was facing and it was not advocating a full immediate payout of the credits; however, AOGA supported funding of the statutory payment updated in the Department of Revenue's spring forecast. She shared that no payments had been made to the credits in the past couple of years. She elaborated that the Alaska Supreme Court had ruled a bonding proposal was unconstitutional; therefore, it was increasingly important to send a message to the investors and the oil industry that Alaska was an attractive place to do business. She stressed that providing funding to pay the full statutory minimum payments was very important to over half of AOGA's members.

3:03:33 PM

PETER HOEPFNER, VICE PRESIDENT, CORDOVA SCHOOL BOARD, CORDOVA (via teleconference), testified in support of a fiscal plan to provide adequate, equitable, and predictable funding of K-12 education in Alaska utilizing 2019 student numbers. He supported funding for Pre-K and full funding of the school bond debt reimbursement. He stressed that school districts were achieving results and gains, some at exceptional levels; however, funding kept being reduced. He reported that the Consumer Price Index in Anchorage had increased 27 percent in the past 10 years, while the Base Student Allocation (BSA) only increased 8 percent. He noted that health insurance for staff had increased 326 percent. He pointed out that K-12 funding was further reduced by cost shifting. He highlighted examples including the state canceling its promise of school bond debt reimbursement and cutting the AMHS forcing schools to fly and fly goods to town. He explained that there continued to be unfunded mandates annually that took money away from the classrooms.

He addressed the drastic cuts in federal VOCA funding that would result in decreased services for victims.

3:06:44 PM

DAWN SHEWMAKER, SELF, ANCHORAGE (via teleconference), spoke against federal funding cuts to domestic violence and sexual assault services. She stressed that the cut would be catastrophic and would reduce programs throughout the state. She shared that agencies could not absorb the funding cuts. The decrease in access to services meant survivors would not have support services needed for healing. She stated that supporting crime victims was a task that resided with everyone. She emphasized that victims of violence should not be shortchanged for the sake of budget decisions.

3:08:56 PM

MICHAEL JAFFERY, UTQIAGVIK, SELF (via teleconference), spoke in support of funding for public radio. He detailed that public radio provided important updates during emergency situations. Additionally, public radio broadcast meetings, Native cultural events, local and international news, and music. The radio station was an important lifeline and could not be replaced by streaming from another part of the state. He supported funds for frontline social workers. He had witnessed problems that could happen in a town when social workers could not be adequately supported by the Office of Children's Services. He supported efforts to cut back on the intellectual development disabilities waitlist. He was concerned about issues around FASD. He supported therapeutic courts and other. He thanked the committee for its time.

3:11:50 PM

MARGE SPONEKING, AARP ALASKA, ANCHORAGE (via teleconference), testified in defense of low income seniors in Alaska. She highlighted the proposed cut of \$450,000 in the governor's budget to Alaska Legal Services. She reported that if the cut were enacted, Alaska Legal Services projected a cut in capacity that would result in 818 fewer low income Alaskans receiving services. She shared that the organization already had to turn away up to 50 percent of applicants due to a lack in resources. She elaborated that the organization had seen a 35 percent

increase in applications during the pandemic. She shared that 40 percent of the organization's caseload was provided to Alaska seniors. She stated that AARP supported the recommendation by the Department of Commerce, Community and Economic Development subcommittee to eliminate the \$450,000 cut in the governor's budget. The organization also opposed the \$35 million unallocated cut to Medicaid and a \$3.4 million cut to the Division of Public Assistance staffing. She elaborated that Alaskans were already experiencing long wait times to reach staff and services. The cuts would increase those wait times. She stated that without the benefits seniors would lose services.

[3:14:55 PM](#)

MIKE COONS, SELF, PALMER (via teleconference), believed the budget was bloated. He thought the state was paying teachers to not teach in class. He did not support expanding Medicaid because it was mandated. He believed the new federal administration was attacking the Second Amendment. He supported an upcoming constitutional amendment on a spending cap. He thought the legislature would continue spending the Permanent Fund and would demand income taxes. He thought disaster declarations related to the pandemic were unnecessary. He supported cutting the administrative costs of nonprofits. He wanted PBS and arts funding to be used for public safety instead. He opposed the "bloated" budget.

[3:17:27 PM](#)

KAREN BIRD, SELF, FAIRBANKS (via teleconference), shared that she worked as the legal director for the Interior Alaska Center for Nonviolent Living. She detailed that the agency's program was partially funded with federal VOCA funds. She reported that the funds helped the organization fill the gaps and allowed it to serve victims who were unable to receive representation from Alaska Legal Services or the Alaska Network on Domestic Violence and Sexual Assault. She asked the legislature to allocate state funds to make up for the loss in federal funding. She detailed services the federal funding had enabled the organization to provide. She informed the committee that there had been an increase in violence since the start of the pandemic. She stated that a loss in funds would be catastrophic to the state.

[3:19:33 PM](#)

BERT HOUGHTALING, SELF, BIG LAKE (via teleconference), stated that he found it "disgusting" there had been no attempt to cut the budget. He remarked that there had been an additional \$300 million in revenue from oil, but instead of keeping the budget down, the legislature had increased it. He believed that the K-12 system was failing the state's children. He reported that according to state data, 66 percent of Alaska 9th graders tested far below proficiency in English language art and 70 percent tested below or far below in math. He thought the university in Alaska was a failing system. He spoke about increased funding given to the K-12 system from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. He thought the healthcare system was too expensive. He expressed his desire for a statutory PFD.

[3:22:27 PM](#)

CARMEN GUZMAN, UNIVERSITY OF ALASKA ANCHORAGE (via teleconference), spoke in support of deferred maintenance funding for the University of Alaska Anchorage. She reported that in one building the air conditioning was running 100 percent of the time. She shared that she was having health issues and the building condition was not healthy.

[3:24:00 PM](#)

ANNE MCCABE, SELF, SOLDOTNA (via teleconference), spoke in support of education funding. She shared that she was an educator for the Kenai Peninsula School District. She thanked the committee members for their hard work on the budget. She did not believe the school system was failing. She highlighted that students were coming back with many more challenges than they had prior to the pandemic. She explained that her job was to ensure that brick and mortar high school students who also took online classes, had the skills to be successful. She reported that high school students and most college students did not have the skills to be successful online. She spoke to the reasons students had worked from home over the past year. She wanted to ensure that students had the appropriate skills to be successful online. She stressed that many students needed extra support at present. She asked the committee to reconsider the average daily membership (ADM). She

recommended looking at budget numbers that were not reflective of a pandemic.

[3:27:25 PM](#)

RACHEL KALLANDER, SELF, ANCHORAGE (via teleconference), shared the critical nature of nonprofits in communities. She shared that she worked in Anchorage and had been born and raised in Cordova in a fishing family. She cited the Cordova Family Resource Center as one of the important organizations in Cordova. She relayed that the organization had been notified the previous week of a 30 to 34 percent cut in the coming year. She reported that the reduction would cut critical response capabilities for domestic violence cases, including legal support services and limited office hours. She stressed that Alaska was one of the most dangerous places to be a woman. She stated that COVID-19 had complicated access and safety for victims even more. She asked committee members to pause and consider the ripple impacts the cuts would have. She concluded that protecting the most vulnerable Alaskans in crisis should be as imperative as any other funding priority.

[3:29:36 PM](#)

BERTHA SULUNULIK KOWELUK, EXECUTIVE DIRECTOR, BERING SEA WOMEN'S GROUP, NOME (via teleconference), spoke against cuts to federal VOCA funds. She shared that she is a survivor of domestic violence and sexual assault. She expressed that she felt blessed to heal from her experience through family support. She stated that many individuals did not have a support system. She emphasized the importance of the services provided by the shelter. She appreciated Governor Dunleavy's recognition of April as Sexual Assault Awareness Month and for recognizing the need for more prosecuting attorneys in the Department of Law's budget to respond to backlog cases. She shared that the agency had been notified that federal VOCA funds would be reduced by \$4.1 million, which would significantly cut grants for FY 22. She elaborated that the cut would mean a decrease of \$175,000 in the organization's budget. She stressed that crime victims should not be expected to bear the brunt of the cuts. She underscored the importance of services to keep families together. The cuts would mean the organization would have to reduce staff. She asked the committee to come up with a solution to the funding shortfall.

3:32:05 PM

ALPHRED WALLACE, SELF, BETHEL (via teleconference), voiced support for the Tundra Women's Coalition in Bethel. He thanked the Department of Public Safety subcommittee for working to fully fund victims' services through CDVSA. He shared that the organization had learned in the past week of the over 34 percent cut to federal VOCA funds. He underscored that the cuts would have devastating impacts on the organization and survivors. He stressed that crime victims should not be expected to bear the brunt of the costs. He provided statistics showing the critical nature of the organization to the community. He fully supported the Tundra Women's Coalition. He had grown up in Bethel and had witnessed the importance of the lifesaving supports for victims. He asked the committee to consider allocating general funds to cover the shortage in federal funds.

3:35:05 PM

NANCY PEASE, SELF, ANCHORAGE (via teleconference), spoke in support of funding for domestic violence and sexual assault programs, such as Standing Together Against Rape (STAR). She stressed that STAR had been critical for helping a young man who had been assaulted by a coworker in the workplace lunchroom. She shared that the individual is a minority and neuroatypical. She reported that STAR had helped the individual to file a police report. She elaborated that the help from STAR was the first step to recovery for her young friend.

Ms. Pease shared a second story about her time working in rural Alaska in the past. She recalled hearing constant referenced by school children to domestic violence and sexual harassment in their lives. She noted there had been nothing specific enough for her to report. She explained that she had asked the school principal about the situation and the principal had replied that he felt paralyzed and that he left the room when teenagers started their talking circle. She elaborated that the principal had told her he would be required to report students' cousins, uncles, brothers, grandfathers, and neighbors if he listened to their discussions. She emphasized that the best response the school principal had was to not listen to students' discussions because it would mean having to report numerous members of the community. She recalled feeling stunned by

the information. She stressed that funding for domestic violence and sexual assault was critical. She asked the committee to keep the services fully funded.

[3:37:02 PM](#)

SIERRA BROWN, SAFE HOME OUTREACH COORDINATOR, BERING SEA WOMEN'S GROUP, NOME (via teleconference), shared that she worked as a safe home women's coordinator. She detailed that the safe homes helped victims have a safe place to go before going to the Bering Sea Women's Group. She emphasized that the cuts would affect the women and children of the region. She stressed the importance of the services to keep families together. She had seen first-hand the lifesaving services offered to victims. She asked the committee to consider allocating general funds to cover the VOCA federal funding shortfall. She underscored it was not the time to cut victims' services.

[3:38:58 PM](#)

NICOLE SONGER, EXECUTIVE DIRECTOR, CORDOVA FAMILY RESOURCE CENTER (via teleconference), thanked Co-Chair Merrick and the DPS subcommittee for fully funding CDVSA. She highlighted the federal cut of 30 to 33 percent. She elaborated that the cut would mean a loss of \$80,435, which would mean cutting 45 percent of her staff. She expounded that the cuts would limit the organization's ability to provide services responding to sexual assault and domestic violence. The organization would not have the ability to maintain its current level of services. The Cordova Family Resource Center had seen a 50 percent increase to sexual assault response and callouts in recent months. She implored the committee to find funds to cover the VOCA shortfalls.

[3:40:52 PM](#)

MICHAEL SHAFFER, SELF, ANCHORAGE (via teleconference), shared that he worked as a prosecutor in Anchorage and had prosecuted domestic violence cases for over 15 years. He provided information about other work he had done. He emphasized his support and the incredible need for domestic violence and sexual assault services. He addressed the vulnerability of domestic violence victims. He shared that he worked with victims on a daily basis who needed help and support with things like safe housing, help with children,

and other. He stressed that individuals were extremely vulnerable to their abusers unless they had avenues of help and resources provided by the federal funding that had been stripped without much notice. He stated that whatever the legislature could do to make up for the federal funding shortfall would be enormously important for Alaska and victims.

[3:43:28 PM](#)

MONICA CHARLES, SELF, BETHEL (via teleconference), shared that she is a board member on the Tundra Women's Coalition board. She discussed that Alaska had the highest rates of domestic violence and sexual assault in the country. She highlighted that rural areas off the road system often had higher rates of violence and fewer services available to victims. She stressed that cuts to victims' services would hurt the most underserved voices in every community in Alaska, which in turn would affect healthcare, education, juvenile justice, corrections, public safety, and the general workforce. She highly encouraged the committee to determine a way to fully fund the services and cover the VOCA shortfall for the next couple of years. She underscored that the legislature's action would impact every family throughout Alaska.

[3:45:10 PM](#)

MELISSA HEWER, EXECUTIVE DIRECTOR, SUSITNA RIVER COALITION (via teleconference), supported a cut to the Alaska Industrial Development and Export Authority (AIDEA) and Alaska Energy Authority (AEA)/ budgets. She stated that AIDEA had nearly \$400 million in uncommitted funds and did not need any funding in the budget. She believed the budget should take money from AIDEA. She opined that AIDEA was acting outside of the best interest of Alaska and was disregarding the Public Meetings Act and regulations. She remarked that AIDEA had spent hundreds of millions of dollars pursuing failed and unwanted projects, including the Knik Arm Bridge and other projects. She thought the legislature should be handling the large expenditures and conducting true cost benefit analysis before millions of dollars were spent on unfinished projects. She spoke to the difficulty for the public to participate in the agency's meetings. She stressed that both organizations needed to develop publicly available written justification for AIDEA board decisions, including responding to public comment.

She remarked that the agencies generally voted unanimously against public opinion. The state was not benefitting from the majority of the projects.

[3:46:56 PM](#)

LANCE JOHNSON, DIRECTOR, BEHAVIORAL HEALTH SERVICES, NORTON SOUND HEALTH, NOME (via teleconference), thanked the committee for understanding that increased funding for behavioral health services was paramount. He stated that despite the evidence that rampant substance use concerns, backlog psychiatric facilities, and service reimbursements were inadequate to meet the expenses of providing the services, there was a disconnect between the magnitude of the problem and appropriate funding. He believed proposing a \$1.25 million addition to the behavioral health treatment and recovery grant line was a step in the right direction after years of cuts. He disputed the misconception that grants supporting behavioral health services were no longer needed after the implementation of the 1115 waiver. He stated there was no baseline for expected reimbursements and outcomes under the waiver because it was new. He stressed there had to be other support to ensure agencies could remain viable. He underscored that cutting grants would undermine the successful implementation of the waiver. He noted he had provided the information in written testimony. He spoke to the dangers of providing fewer services. He thanked the committee members for their service to the state.

Co-Chair Merrick provided the email for written testimony. She shared information about the meeting for the following day.

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ADJOURNMENT

[3:49:43 PM](#)

The meeting was adjourned at 3:50 p.m.