

HOUSE FINANCE COMMITTEE
April 15, 2022
1:32 p.m.

[1:32:55 PM](#)

CALL TO ORDER

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

MEMBERS PRESENT

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 (via teleconference)
Representative Adam Wool (via teleconference)

MEMBERS ABSENT

Representative Neal Foster, Co-Chair
Representative Steve Thompson

ALSO PRESENT

Christine O'Connor, Alaska Telecom Association; Micaela Fowler, Admin Services Director, Department of Commerce, Community and Economic Development.

PRESENT VIA TELECONFERENCE

James Kerr, Petersburg Police Department, Petersburg; Saralyn Tabachnick, Deputy Director, AWARE, Juneau; Karol Fink, Health Program Manager, Division of Public Health, Department of Health and Social Services; Mark Springer, Self, Bethel; Michael Williams, Yukon Kuskokwim Tribal Broadband Consortium, Akiak; Shawn Williams, Vice President of Government Affairs and Strategy, Pacific Dataport, Anchorage.

SUMMARY

HB 291 EXTENDING COUNCIL ON DOMESTIC VIOLENCE

CSHB 291(STA) was REORTED out of committee with six "do pass" recommendations and one "no recommendation" recommendation and with one previously published fiscal impact note: FN1(DPS).

HB 308 DEMENTIA AWARENESS

CSHB 308(FIN) was REPORTED out of committee with four "do pass recommendations, one "do not pass" recommendation, and two "no recommendation" recommendations and with one new fiscal impact note by the Department of Health.

HB 363 BROADBAND: OFFICE, GRANTS, PARITY

CSHB 363(FIN) was REPORTED out of committee with six "do pass" recommendations and one "amend" recommendation and with one new fiscal impact note by the Department of Commerce, Community and Economic Development.

#hb291

HOUSE BILL NO. 291

"An Act extending the termination date of the Council on Domestic Violence and Sexual Assault; and providing for an effective date."

[1:33:31 PM](#)

Co-Chair Merrick indicated it was the second hearing for HB 291.

[1:33:54 PM](#)

Co-Chair Merrick OPENED public testimony.

JAMES KERR, PETERSBURG POLICE DEPARTMENT, PETERSBURG (via teleconference), spoke in support of HB 291. He thought supporting victims of domestic violence and sexual assault played a significant role in public safety in Alaska, and the bill would fund programs that aimed to do so. The bill provided a high standard of training to law enforcement

agencies investigating domestic violence and sexual assault. Frontline personnel needed to be properly supported in order to keep up to date on standards and protocols. He urged members to use their power to extend the Council on Domestic Violence and Sexual Assault (CDVSA).

[1:36:20 PM](#)

SARALYN TABACHNICK, DEPUTY DIRECTOR, AWARE, JUNEAU (via teleconference), spoke in support of HB 291. She thought that the funding and services that CDVSA provided were critical for agencies, law enforcement, and survivors. The council was a tremendous resource for funding agencies and provided valuable and technical assistance. Earlier in the year, Aiding Women in Abuse and Rape Emergencies (AWARE) experienced a landslide that impacted its structure, and CDVSA provided significant help in the aftermath. She shared the important work CDVSA was doing in domestic violence and sexual assault prevention as well. The training and resources provided by CDVSA was broad, the approach was thorough, and the knowledge was extensive. She urged members to pass the bill.

[1:39:04 PM](#)

Co-Chair Merrick CLOSED public testimony.

Vice-Chair Ortiz MOVED to report CSHB 291(STA) out of committee with individual recommendations and the accompanying fiscal note.

There being NO OBJECTION, it was so ordered.

CSHB 291(STA) was REORTED out of committee with six "do pass" recommendations and one "no recommendation" recommendation and with one previously published fiscal impact note: FN1(DPS).

[1:40:01 PM](#)

AT EASE

[1:41:52 PM](#)

RECONVENED

#hb308

HOUSE BILL NO. 308

"An Act relating to dementia awareness."

[1:41:59 PM](#)

Co-Chair Merrick indicated there were no amendments.

Co-Chair Merrick OPENED public testimony.

[1:42:30 PM](#)

Co-Chair Merrick CLOSED public testimony.

Co-Chair Merrick asked Ms. Karol Fink to review the new fiscal note.

[1:42:56 PM](#)

KAROL FINK, HEALTH PROGRAM MANAGER, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (via teleconference), was available for questions regarding the fiscal note from the Department of Health and Social Services (DHSS) with the control code Psdph.

[1:43:36 PM](#)

Vice-Chair Ortiz MOVED to report CSHB 308(FIN) out of committee with individual recommendations and the accompanying fiscal note.

Co-Chair Merrick clarified there would be a forthcoming fiscal note.

There being NO OBJECTION, it was so ordered.

CSHB 308(FIN) was REPORTED out of committee with four "do pass recommendations, one "do not pass" recommendation, and two "no recommendation" recommendations and with one new fiscal impact note by the Department of Health and Social Services.

[1:44:10 PM](#)

AT EASE

[1:45:28 PM](#)

RECONVENED

Co-Chair Merrick indicated Representative Johnson had joined the meeting.

#hb363

HOUSE BILL NO. 363

"An Act establishing the office of broadband; creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date."

1:45:50 PM

Co-Chair Merrick OPENED public testimony.

1:46:22 PM

CHRISTINE O'CONNOR, ALASKA TELECOM ASSOCIATION, IN ROOM, relayed that Alaska Telecom Association (ATA) supported HB 363. The bill was well-framed to enable the Office of Broadband to begin its work quickly and take advantage of the opportunity presented by the federal Infrastructure Investment and Jobs Act (IIJA). She thanked the bill sponsor for bringing the bill forward.

1:47:22 PM

MARK SPRINGER, SELF, BETHEL (via teleconference), testified in support of the bill and appreciated Representative Edgmon's leadership. The bill would help extensively with broadband for the future. He noted that the technological instrument of choice in western Alaska was a cell phone, and that his grandson could easily go through the 10 GB priced at \$65 per month in less than a week. He suggested that "In-State experience" be stricken from page 1, line 11 of the bill. He thought the terminology might not stand up to a constitutional challenge and that there was no reason for the phrase to be included. He was aware of a forthcoming amendment that would include the term "technology neutral" and he would support the inclusion of the term. He also suggested that one of the Broadband Advisory Board (BAB) positions be adjusted to accommodate an additional broadband provider position. He thought having more than one provider being on the advisory board would be helpful.

1:51:33 PM

MICHAEL WILLIAMS, YUKON KUSKOKWIM TRIBAL BROADBAND CONSORTIUM, AKIAK (via teleconference), wanted equal access for tribes to the broadband funding from IIJA. He thought that a variety of technology should be represented by the board. He also argued that the legislature should have final approval on broadband grant awards in order to prevent favoritism of any particular company. He looked forward to high-speed internet access for all of Alaska.

[1:53:39 PM](#)

SHAWN WILLIAMS, VICE PRESIDENT OF GOVERNMENT AFFAIRS AND STRATEGY, PACIFIC DATAPORT, ANCHORAGE (via teleconference), relayed that Pacific Dataport was a satellite middle mile provider launching two satellites covering 100 percent of Alaska and connecting more than 100,000 rural Alaskans with broadband. The first satellite would go up in August of 2022 and the second would go up in 2024. He noted that the company had accomplished this without any subsidy funding. He recommended the removal of the term "In-State" from the bill, which he thought would only serve to limit competition. He also recommended that the composition of the board be included in the bill and include a clear mission. Moreover, he recommended the addition of language that recognized IIJA regulation to ensure that the bill would not conflict with IIJA language. Finally, he recommended that legislative oversight be added to all awards and grants. He thought there could be an alternative option and the committee substitute could be much simpler. He encouraged the spirit of competition and the expansion of broadband.

[1:57:01 PM](#)

Co-Chair Merrick CLOSED public testimony.

Co-Chair Merrick indicated there was an updated fiscal note. She asked Ms. Micaela Fowler to review the fiscal note from Department of Commerce, Community and Economic Development (DCCED) with the control code rpNWK.

[1:57:27 PM](#)

MICAELA FOWLER, ADMIN SERVICES DIRECTOR, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, reviewed the fiscal note which had been updated from a prior version.

The previous version did not include the cost of new positions under the "Personal Services" line on the fiscal note and the updated fiscal note had been changed to correct the error. She emphasized that the legislation had not been changed at all.

[1:58:35 PM](#)

Representative LeBon MOVED to ADOPT Amendment 1, 32-LS1527\G.4 (Klein, 4/14/22) (copy on file):

Page 4, line 1, following "provide":
Insert "technology neutral"

Representative Josephson OBJECTED for discussion.

Representative LeBon MOVED to ADOPT conceptual Amendment 1 to Amendment 1(copy on file):

After Page 1, line 2 of the amendment:
Insert:
"Page 2, line 22
Delete "and rates"

Page 3, line 12
Delete "and rates"

Co-Chair Merrick OBJECTED for discussion.

Representative LeBon explained that the conceptual amendment would ensure that the Office of Broadband would not be setting rates of service for the broadband parity adjustment program. However, the office would still set the criteria for the program. He noted that he worked with the sponsor's office and thought that the conceptual amendment would not be controversial.

[1:59:53 PM](#)

Representative Edgmon agreed with the changes proposed by the conceptual amendment.

Representative Josephson asked about line 2 of the conceptual amendment where it appeared to be blank after the word "Insert." He wondered if he was reading it incorrectly.

Representative LeBon was unsure of the question.

Vice-Chair Ortiz was also having difficulty with understanding the same line of the conceptual amendment.

[2:00:38 PM](#)

AT EASE

[2:02:30 PM](#)

RECONVENED

Representative LeBon provided additional information about the conceptual amendment. He reiterated that the amendment proposed the deletion of "and rates" and did not propose the insertion of additional language.

[2:03:06 PM](#)

Representative Josephson asked Representative Edgmon whether he was satisfied with the term "technology neutral." He asked what was meant by the term.

Representative LeBon requested that they move the conceptual amendment before addressing Amendment 1.

Co-Chair Merrick WITHDREW the OBJECTION.

There being NO further OBJECTION, conceptual Amendment 1 to Amendment 1 was ADOPTED.

[2:03:30 PM](#)

Representative LeBon reviewed Amendment 1 as amended. He explained that it would amend language describing the purpose of BAB. The amendment would add the term "technology neutral" to the description. He explained that technological neutrality meant that no particular technology would be favored in the goal of providing reliable, high-speed broadband. He thought that technological neutrality was foundational to the proposed work of the board. While he still had some concerns about the structure of the board, the amendment represented the change he agreed to with the bill sponsor.

[2:05:50 PM](#)

Vice-Chair Ortiz asked about the words, "and rates" in the conceptual amendment. He asked why the removal was necessary for Amendment 1 to be functional.

Representative Edgmon explained that the word "rates" was regulatory in nature. The bill and the broadband program laid out by IIJA was still new and everyone was learning. He supported the amended amendment.

[2:07:39 PM](#)

Vice-Chair Ortiz clarified the intent of the amendment was to address the concern that determining the rates would be an inappropriate task for the board.

Representative Edgmon explained that BAB was intended to advise the Office of Broadband itself. He thought the language in the amendment best captured the intent of the federal IIJA bill.

Vice-Chair Ortiz wondered whether there would be a role within the office or the board to ensure that consumers were equally served.

Representative Edgmon indicated that the program would be highly regulated and funded. The National Technology Infrastructure Association (NTIA) was planning on having a representative in Alaska to ensure that the program was being implemented properly.

[2:09:55 PM](#)

AT EASE

[2:10:17 PM](#)

RECONVENED

Representative Edgmon explained that the omission of the term "and rates" was only in reference to the Office of Broadband, not BAB.

Representative Johnson liked the amendment because it kept the board from getting involved in rate determinations. She thought there were multiple ways the word "rates" could be applied.

Representative Josephson WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment 1 as amended was ADOPTED.

2:11:49 PM

Representative Carpenter noted one of the public testifiers was concerned that every customer might not receive an increase in broadband. He understood that the testifier recommended that a plan was in place before approval. He was not sure how it would work and thought it did not seem feasible, but he liked the concept. He was concerned that there was only one seat on the board designated for a broadband consumer who would not be representing any special interest groups. He wondered if the board was being established pro forma or if it was intended to support and push back on potentially unsatisfactory policy decisions. He thought that 5 of the 11 board members were likely to live in urban areas and that some of the board members would have competing priorities. If a substantial majority of board members did not live in unserved or underserved area, he thought the majority would give institutions an unfair advantage.

Representative Carpenter proposed a conceptual amendment to HB 363. On page 4, line 16, he wanted to add language that indicated that at least 6 of the board members must live in unserved or underserved areas. He thought this would better reflect the priorities of the Office of Broadband. He was concerned that the board would likely be a pro forma board as opposed to representing the needs of the average Alaskan resident.

Representative Carpenter MOVED to ADOPT conceptual Amendment 2.

Co-Chair Merrick OBJECTED for discussion.

2:17:25 PM

Representative Edgmon thought that, procedurally, the amendment process had concluded.

2:17:30 PM

AT EASE

2:21:11 PM

RECONVENED

Co-Chair Merrick invited Representative Edgmon to comment.

Representative Edgmon was respectfully in opposition to the amendment. He emphasized that the board would be made up of 11 members and at least 2 members would be from unserved or underserved areas. There was nothing to prevent the nine remaining members from also coming from unserved or underserved areas. No one could know about future appointments to institutions that had designated seats on the board. He added that the federal terms were very descriptive and addressed the digital divide between areas that had high-speed internet and areas that did not. The board was responsible for providing input and recommendations to the employment office to ensure that the prescriptive IIJA bill was followed meticulously, otherwise there would be issues and concerns. He understood where the maker of the amendment was coming from but did not feel it was additive to the bill.

Representative Johnson thought the current suggested make-up of the board was satisfactory. She noted that there would be other monies going to the Alaska Native tribes and that there could be an overlap in funding if there was not proper oversight. She thought it was important for representatives from the Alaska Native Corporations to be involved. She was thought the structure of the board proposed in the bill made sense.

[2:25:53 PM](#)

Vice-Chair Ortiz asked if the conceptual amendment was adopted whether it would be in line with the spirit of the bill or would it be hurtful. If it would be hurtful, he wanted to know why.

Representative Edgmon responded that the three categories the bill aimed to address were unserved consumers, underserved consumers, and anchoring institutions. Unserved communities would be the primary focus. He commented that there were also a number of urban areas that were underserved. He did not want to make the composition of the advisory board too prescriptive. He noted that there was a five to ten year implementation timeline and circumstances would certainly change once the federal monies were applied. He thought that the composition of the board might need to be different in the future, but the composition

proposed in the bill was the best option for the current broadband environment.

Representative Josephson thought Representative Carpenter's intention was to support and assist the bill. He understood the point Representative Carpenter was making but deferred to the sponsor as the sponsor was more informed on the subject.

Representative Carpenter indicated there was a reason for the language in the bill. In the crafting of the bill, someone thought it was important to mandate that at least two of the members on the board were from underserved areas. He argued that an equitable distribution would not be achieved with such a minority representation on the board. He suggested that a majority of members on the board should come from unserved and underserved areas as these areas were where the funds should be focused. He thought there was a risk that the board would be comprised of the minimum required two members and it would not be equal.

Co-Chair Merrick MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Carpenter

OPPOSED: LeBon, Ortiz, Rasmussen, Wool, Edgmon, Johnson, Josephson, Merrick

The MOTION FAILED (1/8). Conceptual Amendment 2 FAILED to be ADOPTED.

[2:32:19 PM](#)

Vice-Chair Ortiz MOVED to report CSHB 363 (FIN) out of committee with individual recommendations and the accompanying fiscal note.

There being NO further OBJECTION, it was so ordered.

CSHB 363(FIN) was REPORTED out of committee with six "do pass" recommendations and one "amend" recommendation and with one new fiscal impact note by the Department of Commerce, Community and Economic Development.

[2:32:47 PM](#)

AT EASE

2:33:05 PM

RECONVENED

Co-Chair Merrick reviewed the agenda for the following meeting on Monday, April 18, 2022 at 1:30 p.m.

#

ADJOURNMENT

2:33:20 PM

The meeting was adjourned at 2:33 p.m.