

HOUSE FINANCE COMMITTEE
March 28, 2023
9:08 a.m.

9:08:07 AM

CALL TO ORDER

Co-Chair Johnson called the House Finance Committee meeting to order at 9:08 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair
Representative Neal Foster, Co-Chair
Representative DeLena Johnson, Co-Chair
Representative Julie Coulombe
Representative Mike Cronk
Representative Alyse Galvin
Representative Sara Hannan
Representative Andy Josephson
Representative Dan Ortiz
Representative Will Stapp
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Representative Jesse Sumner; Representative Justin Ruffridge; Representative Zack Fields.

SUMMARY

HB 39 APPROP: OPERATING BUDGET/LOANS/FUND; SUPP

HB 39 was HEARD and HELD in committee for further consideration.

HB 41 APPROP: MENTAL HEALTH BUDGET

HB 41 was HEARD and HELD in committee for further consideration.

Co-Chair Johnson reviewed the meeting agenda. The committee would continue the operating budget amendment process.

#hb39

#hb41

HOUSE BILL NO. 39

"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. 41

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

[9:08:38 AM](#)

^AMENDMENTS

[9:08:47 AM](#)

Representative Galvin MOVED to ADOPT Amendment N 40 (copy on file):

Agency: Health
Appropriation: Public Assistance
Allocation: Child Care Benefits

Transaction Details

Title: New Home- and Place-Based Childcare
Incentives Section: Section 1
Type: Inc

Funding

1004 Gen Fund 300.0

Explanation

This program will incentivize new home- and place-based centers (family, friends, and neighbors or FFN)

with bonus funding for new childcare providers upon completion of business license approval, process and quality rating and improvement standards (ORIS) training. This pilot fund will cover up to 74 new quality childcare centers grantees. Each grantee will receive \$2,000.00 and \$52,000.00 will cover administrative costs. The training, currently offered through Thread as a contractor, aligns with the Alaska Reads Act best practices for early teaching and learning.

Representative Cronk OBJECTED.

Representative Galvin MOVED to ADOPT conceptual Amendment 1 that would reduce the original amendment cost to \$250,000. She noted that services would be \$102,000 and there would be \$148,000 in grants.

Representative Stapp OBJECTED for discussion.

Representative Galvin believed it was possible to do what was needed with less money; therefore, the conceptual amendment would reduce the amount in light of the state's fiscal situation. The amendment would still benefit 74 new quality childcare center grantees and there would still be the administrative strength to administer the grant program and provide training.

Representative Stapp stated the amendment explanation talked about bonus funding for new childcare providers on completion of a business license approval. He asked how it worked. He observed it was a pilot fund.

Representative Galvin answered that the topic would be covered somewhat when she discussed the overall amendment.

Representative Stapp WITHDREW the OBJECTION.

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

[9:12:15 AM](#)

Representative Galvin spoke to Amendment N 40 as amended. She stated that one theme from committee discussions the previous day was the consensus that access to affordable and reliable childcare was a significant engine for growing

economy and something woefully lacking in Alaska. She highlighted that the previous day the committee had also included a new increment to provide remedial reading assistance to grade school students who had fallen behind their peers. She stated that based on brain science and research, it was far more effective to get to children earlier in their development. She remarked that if the state had facilitated an effective early learning opportunity for the kids, they perhaps could have reached the same result at a fraction of the cost to the state. She referenced a backup graphic ["Attachment H: A Standards-Based Early Care and Education System" (copy on file)] showing the James Heckman studies on early learning.

Representative Galvin had spoken with the long-time previous head of the state's early learning program who had used the term FFN standing for Friends, Family, and Neighbors as one piece of the puzzle that had not been approached. She explained that FFN provided childcare for those who needed to work outside the home to support their family. She elaborated that many FFN had the capacity to take in more kids. She stated that often they did not have a business license or training. She explained they were the "aunties" or moms and dads taking care of kids in Bethel, Dillingham, Anchorage, etcetera. Many of the FFN had the capacity to take in more kids, but they did not have the resources to overcome the relatively low barrier to entry to start a childcare business. Many FFN had little to no training or background in early childhood development. The amendment would provide a grant of \$2,000 to each individual who underwent training and obtained their license as a childcare provider. The funds would cover up to 74 new childcare providers and the administrative cost to distribute the grants and the training. She underscored it was the low hanging fruit to make a dent in the tremendous need for trained childcare without a dent in the state's budget. She asked members to support the amendment.

[9:15:23 AM](#)

Representative Cronk MAINTAINED the OBJECTION.

Representative Tomaszewski noted the amendment was for 74 new centers (mom-and-pop childcare facilities around the state). He stated his understanding that individuals would receive \$2,000 as a jump starter for a new private enterprise in their homes. He liked the amendment and

thought it could help with childcare. He asked if it was a statewide program for 74 new individual facilities.

Representative Galvin confirmed the amendment applied statewide for mom-and-pop facilities [and individuals]. She shared that she had provided childcare from her home when she was 25 years old and could not afford to leave the home. She explained that individuals would be given the startup money for things like installing little plugs to keep the house safe. She relayed that it aligned with the QRIS [Quality Rating and Improvement System] leading to the Reads Act for example. The training was also required/included and involved things like understanding the early learning guidelines and providing activities for caregivers to offer. The amendment applied statewide, it included in-depth training, and startup help for up to 74 individuals.

A roll call vote was taken on the motion.

IN FAVOR: Josephson, Ortiz, Tomaszewski, Coulombe, Galvin, Hannan, Edgmon, Foster, Johnson
OPPOSED: Stapp, Cronk

The MOTION PASSED (9/2). There being NO further OBJECTION, Amendment N 40 was ADOPTED as amended.

[9:19:31 AM](#)

Co-Chair Johnson rolled Amendments N 41 and N 42 to bottom of list.

[9:20:00 AM](#)

Representative Hannan MOVED to ADOPT Amendment N 43 (copy on file):

Agency: Health
Appropriation: Public Health
Allocation: Emergency Programs

Transaction Details
Title: MH Trust: Crisis Now Continuum of Care Grants (FY24-FY25)
Section: Section 1
Type: IncT

Funding
1037 GF/MH
167.0

Explanation

This amendment brings the funding for Crisis Now Continuum of Care grants through the DOH Division of Public Health up to the level recommended by the Alaska Mental Health Trust Authority.

These grants support Mobile Integrated Health (MIH) teams in smaller, rural communities. MIH teams include a paramedic/EMT and a behavioral health specialist who are tasked with responding to people in a behavioral health crisis in a community. Less funding for this program could contribute to delayed implementation of MIH teams and may dissuade additional communities from creating MIH teams.

Co-Chair Foster OBJECTED.

Representative Hannan explained the amendment included \$167,000 to support the Mobile Integrated Health teams implemented in rural communities so that police and EMTs did not have fill the role. She noted it was a recommendation from the Alaska Mental Health Trust Authority (AMHTA). She detailed that over the past two years the law had been changed to focus on a Crisis Now Continuum of Care that should better address behavioral health issues and reduce the impacts behavioral health had on the public safety system (when police were tasked with responding to people in mental health and behavioral health crises). She stressed that mobile health teams were one of the critical steps in the continuum of care and represented the boots on the ground. She stated, "These are the people who don't have a necessarily large facility that people were going to." She urged support for the amendment.

[9:21:29 AM](#)

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Ortiz, Galvin, Hannan, Josephson

OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Foster, Edgmon, Johnson

The MOTION to adopt Amendment N 43 FAILED (4/7).

[9:22:27 AM](#)

Representative Stapp requested to cosponsor Amendment N 44.

Co-Chair Johnson stated her understanding Representative Stapp's Amendment N 45 was a duplicate of Amendment N 44.

Representative Stapp agreed.

Representative Josephson MOVED to ADOPT Amendment N 44 (copy on file):

Agency: Health
Appropriation: Public Health
Allocation: Chronic Disease Prev/Hlth Prom

Transaction Details

Title: Funding for the Distribution of Dementia Awareness Program Material
Section: Section 1
Type: Inc

Funding
1004 Gen Fund
50.0

Explanation

The Department of Health's Division of Public Health runs the Dementia Awareness Program, which distributes dementia-specific educational materials. The distribution of materials Alaska s in rural areas and Alaskans who speak a language other than English presents additional challenges for the program. Stakeholders say this funding will help alleviate barriers for Alaskans seeking educational materials.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson explained that the Department of Health (DOH) Division of Public Health ran the Dementia Awareness Program. The legislature had passed legislation in 2022 enhancing the program with some enabling capacity. He detailed that the program distributed educational material. He relayed that the distribution of material in

rural areas and Alaskans who spoke a language other than English presented additional challenges. The money would go towards translation services and rural outreach to people in Alaska who speak languages other than English (e.g., Tagalog, Yupik, Spanish). He elaborated that it would be up to DOH to identify the languages that should have the translations. The stakeholders believed it would help alleviate barriers in seeking educational materials. Additionally, he had been told there would be a 90 percent growth rate in Alaskans with Alzheimer's or related afflictions in the next eight years. He believed part of the reason was that people were living longer, which was a good thing. He reported that 63,000 Alaskans had subjective cognitive decline and 25,000 Alaskans helped provide them with care. He noted that one in three Alaska Natives could expect to develop dementia and rural Alaskans had limited access to state resources, materials, and services. He asked for members' support.

Representative Stapp spoke in support of the amendment. He stated that his district included Fort Wainwright. He shared that he had done two deployments to Iraq and TBI [traumatic brain injury] was a real issue with many veterans in his district. He stated the injury was a byproduct of getting blown up too many times. He remarked that irrespective of the state's budgetary constraints, he believed some things were worthy causes and that the state wanted to ensure it could resource things properly.

Representative Cronk thanked the sponsors for the amendment. He stated, "Somebody that's new to this and is experiencing this in my family." He reiterated his thanks.

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment N 44 was ADOPTED.

[9:26:48 AM](#)

Co-Chair Johnson understood Amendment N 45 to be a duplicate of Amendment N 44.

Representative Stapp agreed. He WITHDREW Amendment N 45.

[9:27:17 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 46
(copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: Early Intervention/Infant Learn

Transaction Details

Title: Expand Capacity of the Alaska Infant Learning Program and Add Two Health Program Manager Positions

Section: Section 1
Type: Inc

Funding:
1037 GF/MH
3,666.6

Explanation

This amendment proposal increases agency capacity for outreach and expansion of the Alaska Infant Learning Program (ILP). With this increment, DOH may expand outreach to families with children at risk for or who experience developmental delays. Over the past 10 years ILP has received flat funding, which has not been adequate to keep up with inflation and the increased costs of running ILP programs and services. Additional funding is necessary to allow the program to maintain its current capacity, add positions (Health Program Manager 2 and Health Program Manager 3), and to enroll more children.

Co-Chair Foster OBJECTED.

Representative Josephson explained that the amendment would increase agency capacity for outreach and expansion of the Alaska Infant Learning Program (ILP). The increment would enable the Department of Health (DOH) to expand outreach to families with children at risk or who experience developmental disabilities. The program had received flat funding over the last 10 years, which had been inadequate to keep up with inflation and the increased costs of running the program. The ILP was recognized in state law and was a statewide system of professionals dedicated to serving all Alaskan families with children who were at risk

for or who experience developmental delay. The ILP envisioned a system where all Alaskan families have access to the services and resources to help their children thrive. There was a seven-point mission to build on natural supports and provide resources to assist family members and caregivers to enhance children's learning and development through everyday learning opportunities. He stated that early intervention had proven lifelong benefits to program recipients. He stated that children from birth to three years were in the most important developmental phase in their lives. He relayed that support for early intervention helped to bring Alaska up to the national average for outcomes for young children with disabilities.

Representative Galvin observed that the appropriation was labeled senior and disabilities services. She asked what it meant. She made a comment on the importance of the funding. She stated that from the ages of zero to three many parents did not know where their child should be in terms of development and learning. She stressed the program was designed to directly help individuals articulate a potential problem and connect them to very helpful services in order for a child to show up ready to learn in kindergarten. She discussed the flat funding for the program over the years and the lack of keeping up with inflation. She underscored that dollars spent early in a child's life would save up to 13 percent for students with disabilities.

[9:31:36 AM](#)

Representative Josephson replied that senior and disability services was a major component in DOH; therefore, many things fell under the category. The appropriation fell under the disabilities section of the component.

Representative Tomaszewski looked at the two health program manager positions. He asked how many managers there were currently and the number of employees working under each manager.

Representative Josephson replied that he would need a lifeline to answer the question.

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz
OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Foster,
Edgmon, Johnson

The MOTION to adopt Amendment N 46 FAILED (4/7).

[9:33:54 AM](#)
AT EASE

[9:35:34 AM](#)
RECONVENED

Representative Josephson MOVED to ADOPT Amendment N 47
(copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: Senior/Disabilities Svcs Admin

Transaction Details

Title: IDD Waitlist Elimination Funding
Section: Section 1
Type: Inc

Funding
1004 Gen Fund
7,112.0

Explanation

The Waitlist Elimination Plan, in conjunction with the development of the allocation tool, identifies that is the amount required to move people with intellectual and developmental disabilities (IDDs) off the waitlist and allow them to receive care within a home-based setting.

Co-Chair Foster OBJECTED.

Representative Josephson explained the amendment. He detailed that the Key Coalition was a coalition of organizations working to support disabled people in Alaska. He explained the coalition were champions of the disabled and they worked to ensure resources were tailored in the best way for each individual's needs. Under a federal Medicaid program, states were required to provide a number of mandatory services, one of which was institutional care

for individuals with intellectual and developmental disabilities; however, the federal government allowed states to waive the requirement and allowed services to be provided in costly institutions or home and community-based services. He elaborated that states had substantial flexibility to design their home and community-based services programs and the federal government allowed for a waiting list to be maintained for the services when demand exceeded resources.

Representative Josephson explained that as of two years earlier, the waitlist was carved down. There were currently 400 to 500 people on the waitlist. In 2022, the budget included \$1 million for a comprehensive study on how to eradicate the waitlist. The report was presented by Tony Newman with DOH on February 28, 2023 to the DOH subcommittee. The report indicated that rather than studying the issue anymore, it was time to work towards ending the waitlist. The report proposed a state contribution of \$7.112 million in the first year. He detailed that the funding included the interRAI allocation tool, which was a \$647,800 increment (included in the \$7.112 million) to add staff and resources to begin implementation of the waitlist eradication plan. He stated it was the key objective of the Key Coalition. He believed the only way to eradicate was to move forward. He read a letter from Leslie Davis from Wasilla included in members' packets (copy on file):

Hello,

My name is Leslie Davis and I live in Wasilla and am in Senator David Wilson's district and David Eastman's district. My son experiences Autism and major depressive disorder and receives services on the IDD waiver. Without the services he currently gets, he would most likely be in an expensive residential treatment facility or an API like institution. Because of the Medicaid waiver he now has a supportive place to live, getting weekly mental health services and is soon to be getting a job. Please, please in addition to what the Governor has allotted, support additional Medicaid dollars added to the current budget so that we can assure community-based services can continue like those my son receives. We do not want him or others to backslide into expensive institutional care. Thank you for your time!

Representative Josephson stated that while there was upfront investment, there was an opportunity to reduce expensive institutional care. He underscored it was the report commissioned by the legislature and signed off on by the governor. He reiterated the report suggested the addition of \$7.1 million for the cost allocation infrastructure of \$647,000 and the other funds needed for services. He asked for members' support.

[9:42:09 AM](#)

Representative Stapp stated that most of what Representative Josephson discussed came from a bill the previous year. He noted that the department had presented two options to eliminate the waitlist. He detailed that the initial \$7.1 million appropriation would be the first in many larger appropriations over many years in order to achieve the goal. He believed the most effective option would be to develop the allocation tool separately prior to embarking on a larger multimillion dollar financial commitment over multiple years. He personally wanted to do everything in his power to end the waitlist because he believed the state had a responsibility to society. Given the amount of the multiyear appropriation, he thought it would be unwise to pass the amendment at present.

Representative Ortiz supported the amendment. He stated the amendment spoke to a real need facing people with intellectual and developmental disabilities. He highlighted that in the long-term it would save the state money to enable people to receive care in their homes rather than in institutional care. He stressed that there were a number of people in rural Alaska without access to institutional care. He underscored it was the state's responsibility to help meet the needs of individuals with intellectual and developmental disabilities. He recalled public testimony about the need to eliminate the waitlist. He stated the increment would impact people's lives struggling with developmental disabilities every day.

[9:46:56 AM](#)

Representative Galvin spoke in favor of the amendment. She stated that the tool would help the state to know how to move the waitlist and the funding was needed in order to do so. She did not think it made any sense to do one of the things on its own because there would not be any impact on

the target group. She referenced the letter read by Representative Josephson describing what she presumed many Alaskans had experienced. She elaborated that when Alaskans were put into a placement near their community it saved the state money in the long-term (avoiding sending people out of their communities and more expensive interventions later on). She stated the investment considered the entire equation of the cost to Alaska. She stated that more importantly, it was humane. She stated it was the job for the legislature to consider each Alaskan as important citizens who deserve the treatment legislators would want for themselves. She believed the funding was a smart investment.

[9:48:58 AM](#)

Representative Hannan supported the amendment. She highlighted that every two years the collective institutional knowledge changed to some degree in the House. She considered the scenario where the legislature asked for a plan to resolve a problem and the experts in the field recommended a plan including a new tool and money, but the legislature did not act on the advice due to a financial crisis. She highlighted that the cost would not be cheaper in the future. She advised investing a smaller sum if the \$7 million was too much or standing up the assessment tool. She believed the plan needed to be acted upon.

[9:50:49 AM](#)

Representative Cronk stated there were many amendments that were very worthwhile. He thought a complete fiscal plan could take care of the issues instead of picking out items piecemeal every year.

Co-Chair Foster MAINTAINED the OBJECTION to Amendment N 47.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz

OPPOSED: Tomaszewski, Coulombe, Cronk, Stapp, Foster, Edgmon, Johnson

The MOTION to adopt Amendment N 47 FAILED (4/7).

[9:52:32 AM](#)

Representative Hannan MOVED to ADOPT Amendment N 48 (copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: Senior/Disabilities Svcs Admin

Transaction Details

Title: MH Trust: IT Application/Telehealth Service System Improvements (FY24-FY25)

Section: Section 1

Type: IncT

Funding

1037 GF/MH

63.0

Explanation

This amendment will fund a position recommended by the Alaska Mental Health Trust Authority to build capacity in DOH's Senior and Disabilities Services to implement technology both internally and externally to positively impact trust beneficiaries. The funds support telehealth improvements for treatment and other support for beneficiaries.

Co-Chair Foster OBJECTED.

Representative Hannan explained that the amendment included \$63,000 to fund a position recommended by AMHTA to build capacity for DOH Division of Senior and Disabilities Services to implement technology for internal and external trust beneficiaries. She stated that funding the position would help integrate tools into the system of assessments for clients of senior and disability programs and services they may qualify for. She elaborated that the improvements would help keep the division in compliance with the Americans with Disabilities Act and Health Insurance Portability and Accountability Act (HIPAA).

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz

OPPOSED: Coulombe, Cronk, Stapp, Tomaszewski, Edgmon, Foster, Johnson

The MOTION to adopt Amendment N 48 FAILED (4/7).

[9:54:30 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 49 (copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: Senior/Disabilities Svcs Admin

Transaction Details

Title: Increase Staffing to Meet Need of Increasing
100 Medicaid-Based Services

Section: Section 1
Type: Inc

Funding
1003 GF/Match 640.0

Explanation

This amendment proposal increases funding and personnel for the Senior and Disabilities Services Admin allocation in order to increase distribution of statewide intellectual and developmental (100) disability Medicaid-based services. The purpose of these additional positions is to process applications, conduct assessments, review support plans for community-based waivers, and maximize efficiencies in the pursuit of eliminating the IDD waitlist.

The position classifications contemplated under this amendment include Health Program Manager and Health Program Associate position types, though the department may determine that there are other classifications better suited to identifying and remedying service deficiencies and delays.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson referenced his discussion about a cost allocation assessment tool in Amendment N 47. He characterized the proposal in Amendment N 47 as the gold

standard. He noted that the committee had rejected the first proposal and he referred to the proposal in the current amendment as the bronze standard. The amendment would fund the cost allocation infrastructure to develop a tool and fine tune who needed what in the disability community. He explained it was part of the effort Tony Newman with DOH had outlined in a finance subcommittee meeting on February 28. The money was designed to keep the ball rolling on eradication of the intellectual and developmental disabilities (IDD) waitlist. He asked for members' support.

[9:56:29 AM](#)

AT EASE

[9:59:59 AM](#)

RECONVENED

Representative Josephson WITHDREW Amendment N 49.

[10:00:34 AM](#)

Representative Stapp MOVED to reintroduce Amendments L 1 and 2. [note: the two amendments had been withdrawn on 3/27/23 at the 9:00 a.m. meeting.]

[10:01:17 AM](#)

AT EASE

[10:07:27 AM](#)

RECONVENED

Co-Chair Johnson noted Representatives Jesse Sumner and Justin Ruffridge in the audience.

Representative Stapp Amendments L 1 and L 2 were the correct drafting of the multiyear appropriation to develop the IDD waitlist tool that Representative Josephson had spoken about in the two previous amendments. He explained that the appropriation required multiyear federal receipt authority in the budget in order for the department to develop the tool and present the case to the Centers for Medicare and Medicaid Services (CMS). He explained that Amendment L 1 had \$420,500 in state gf match with \$698,500 in federal receipts. He detailed that it was the required method to work on the development of the waitlist tool as discussed with the department throughout the subcommittee

process. The amendment would also require Amendment L 2 due to the nature of the separate appropriations for separate departments.

Co-Chair Johnson requested a formal motion.

Representative Stapp MOVED to ADOPT Amendment L 1, 33-GH1347\B.3 (Marx, 3/23/23) (copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: Senior/Disabilities Svcs Admin

Transaction Details
Title: Development of Cost Allocation Assessment Tool (FY24-FY26)
Section: Language
Type: MultiYr

Funding
1002 Fed Rcpts 698.5
1003 GF/Match 420.5

Explanation
This amendment proposal increases funding for the Senior Disabilities Services Admin allocation, to allow the division to create a Cost Allocation Assessment Tool.

The Assessment Tool would provide better predictability of budget needs, more flexibility and enhanced beneficiary choice and self-direction. Successful implementation of this tool would allow the division to work towards the elimination of the IDD waitlist.

Co-Chair Foster OBJECTED for discussion.

Representative Stapp explained that the previous legislature had commissioned the department [DOH] to determine the most equitable way to look at eliminating the waitlist for developmentally disabled individuals. The department had recommended a couple of pathways during the subcommittee process, but the primary recommendation was for the development of the tool in order to determine how to best broach the elimination of the IDD waitlist.

10:10:39 AM

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment L 1 was ADOPTED.

10:11:03 AM

Representative Stapp MOVED to ADOPT Amendment L 2 33-GH1347\B.4 (Marx, 3/23/23) (copy on file):

Agency: Health
Appropriation: Medicaid Services
Allocation: Medicaid Services

Transaction Details

Title: Development of Cost Allocation Assessment Tool (FY24-FY26)
Section: Language
Type: MultiYr

Funding

1002 Fed Rcpts 2,046.0
1003 GF/Match 227.3

Explanation

This amendment proposal increases funding for the Medicaid Services allocation, to allow the division to create a Cost Allocation Assessment Tool.

The Assessment Tool would provide better predictability of budget needs, more flexibility and enhanced beneficiary choice and self-direction. Successful implementation of this tool would allow the division to work towards the elimination of the 100 waitlist.

Co-Chair Foster OBJECTED for discussion.

Representative Stapp explained that the amendment was the same multiyear appropriation (through FY 26) for the IDD waitlist assessment tool. The amendment added \$227,300 in general funds and \$2,046,000 in federal matching funds. The multiyear appropriation would enable the department to garner the appropriate federal receipt authority and authorize it to develop the IDD waitlist allocation tool.

Co-Chair Johnson believed it was similar to a previous amendment withdrawn by Representative Josephson.

Representative Josephson supported the amendment and thanked Representative Stapp.

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment L 2 was ADOPTED.

[10:12:26 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 50 (copy on file):

Agency: Health
Appropriation: Senior and Disabilities Svcs
Allocation: General Relief/Temp Assistance

Transaction Details

Title: Increase to General Relief/Temporary Assistance Payments to Meet Inflation Wordage
Type: Intent
Linkage: Allocation - General Relief/Temp Assistance

Wordage

It is the intent of the legislature that the department increase the daily rate for General Relief/Temporary Assisted Living from \$104.30 to \$169.48 to reflect the real costs of General Relief/Temporary Assisted Living in assisted living homes.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson explained that the general relief/temporary assistance program paid for services provided by behavioral health assisted living homes (sometimes called group homes) for Alaskans with complex behavioral health needs who need a step-down level of support after leaving institutionalized care from facilities such as the Alaska Psychiatric Institute (API), hospitals, and Department of Corrections facilities. He elaborated that general relief assisted living provided shelter, services, and medication to help Alaskans

stabilize; however, due to the low payment rate for general relief beds, there were few assisted living home providers who accept general relief residents. He stated it was a public safety issue. He continued that because of the lack of available general relief beds, individuals were wracking up costs while they remain in institutional facilities, or they may be discharged on the streets without needed medical care. He relayed that the rate had been increased in 2022 for the first time in 20 years to catch up with inflation; however, the current daily rate for general relief remained well below the actual cost for behavioral health assisted living homes to care for general relief residents. He stated that increasing the cost to the real cost of providing the services would increase the capacity of assisted living homes to take in general relief patients, save the state money in uncompensated care, and avoid the cost of institutional care. He remarked that the 2022 funding was a band aid and the amendment was designed to reflect the true daily rate of \$169.48.

[10:15:25 AM](#)

Co-Chair Johnson recognized Representative Ashley Carrick in the audience.

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz

OPPOSED: Cronk, Stapp, Tomaszewski, Coulombe, Foster, Johnson

The MOTION to adopt Amendment N 50 FAILED (4/6).

Co-Chair Edgmon was absent from the vote.

[10:16:34 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 51 (copy on file):

Agency: Health

Appropriation: Senior and Disabilities Svcs

Allocation: Senior Community Based Grants

Transaction Details

Title: Increase Funding for Senior and Disability
Services Community Based Grants
Section: Section 1
Type: Inc

Funding
1004 Gen Fund
725.0

Explanation

The number of seniors in Alaska increases by more than 10% each year. However, these grants have remained constant since 2015, while the number of recipients seeking services and costs continued to grow. In 2022, Alaskans aged 60+ (147,504) represent more than 20% of the State's total population (736,556).

Co-Chair Foster OBJECTED for discussion.

Representative Josephson explained the amendment. He relayed that in 2022, the senior and independent living community sought an increase to reflect the cost of inflation adjustment for independent living centers and senior centers. He detailed that the governor had chosen to veto the sum of about \$1.5 million. The governor had changed course and included the amount in the current budget; however, he referenced an AGenet document dated February 24, 2023 where senior advocates reported that inflation continued to erode the value of the funding received from the state. The number of seniors in Alaska increased by more than 10 percent each year - he commented on Alaska's outmigration problem as a separate issue. He continued that the grants had remained constant since 2015, while the number of recipients seeking services and costs continued to grow. In 2022, there were 147,504 Alaskans aged 60 and over (accounting for 20 percent of the population). She stated the amendment was a further inflation adjustment after the veto. He asked for members' support.

Representative Ortiz supported the amendment. The amendment started to address the needs for elderly Alaskans. He discussed how seniors helped the state, communities, and families. He stated that failing to address issues facing seniors sent a message that their presence was not valued. He elaborated that inflation and other things impacting society at all levels were impacting seniors perhaps at a

greater level. He saw the amendment as very worthy, and it communicated the state valued its seniors.

Representative Galvin supported the amendment. She highlighted the number of elders who participated and needed the services. She recalled hearing from senior centers across the state during public testimony about how inflationary costs had directly affected how the state was giving fewer opportunities to its elders. She remarked there were many elders in Alaska who had been able to participate in place-based centers where they could exercise and have access to things like a small library, craft classes, and sharing stories with others. She believed the amendment was a small token to keep up with inflationary costs in order for elders to have opportunities for quality of life at a time when life was most precious.

[10:22:13 AM](#)

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz

OPPOSED: Cronk, Stapp, Tomaszewski, Coulombe, Foster, Johnson

The MOTION to adopt Amendment N 51 FAILED (4/6).

Co-Chair Edgmon was absent from the vote.

[10:23:11 AM](#)

Representative Hannan MOVED to ADOPT Amendment N 52 (copy on file):

Agency: Health

Appropriation: Senior and Disabilities Svcs

Allocation: Senior Community Based Grants

Transaction Details

Title: MH Trust: Aging & Disability Resource Centers (FY24-FY26)

Section: Section 1

Type: IncT

Funding
1037 GF/MH
250.0

Explanation

This would bring funding for Aging & Disability Resource Centers (ADRCs) through the Department of Health to the level recommended by the Alaska Mental Health Trust Authority.

ADRCs serve as trusted places for people to go for information and assistance about aging and disability related topics. They also provide screenings for home and community based services. This level of funding would allow an ADRC to open at an additional location in the state.

Co-Chair Foster OBJECTED for discussion.

Representative Hannan explained that the amendment came out of a recommendation from the Alaska Mental Health Trust Authority (AMHTA). She detailed that AMHTA was putting \$300,000 towards the Aging and Disability Resource Centers and recommended that the state contribute \$250,000. Aging and disability centers were located throughout the state and were part of the services to get seniors and others with disabilities connected to funded services. The centers provided a caregiver network with long-term services and support and were part of the federal effort to keep people easily in contact with long-term services. The available support varied from region to region and included things like transportation, assisted technology, and in-home care. She highlighted various programs in the Anchorage Senior Center, the Links program in Mat-Su, the Southeast Alaska Independent Learning Center, the Fairbanks Senior Center serving the northern region of the Yukon-Koyukuk, Denali, and North Slope Boroughs, the Kenai Independent Living Center (serving Kenai, Valdez, Cordova, and Kodiak), and the Dillingham Senior Center administered by the Bristol Bay Native Association.

[10:25:25 AM](#)

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz
OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Foster,
Johnson

The MOTION to adopt Amendment N 52 FAILED (4/6).

Co-Chair Edgmon was absent from the vote.

10:26:23 AM

Representative Stapp WITHDREW Amendment N 53 (copy on file).

10:26:38 AM

Co-Chair Johnson MOVED to ADOPT Amendment N 54 (copy on file):

Agency: Health
Appropriation: Departmental Support Services
Allocation: Commissioner's Office

Transaction Details

Title: Delete Contract Funding for Recruitment and
Retention of Health Care Professionals in Alaska
Section: Section 1
Type: Dec

Funding

1004 Gen Fund
-150.0

Explanation

This amendment deletes \$150,000 in UGF for a contracted position in the Commissioner's Office to work collaboratively across the divisions to review and address areas of recruitment and retention challenges in a more holistic fashion. Given the State's current fiscal situation and lack of available information on this transaction, adding a new position is inadvisable.

Co-Chair Foster OBJECTED for discussion.

Co-Chair Johnson explained the amendment deleted a position in the DOH commissioner's office aimed at working on recruitment and retention problems. She stated there was no

question there were recruitment and retention problems as shown in the vacancy rates across departments. She explained there were vacancy rates that allowed the department to reclassify positions they could not fill. She noted that the legislature had tried to delete some vacant positions, but it was challenging to do so outside of the department because it was not possible to know what was going on with each vacant position. The amendment urged the department to take a close look at its vacancies and reclassify positions to those that were needed.

Representative Hannan asked if the amendment pertained to a new position in the commissioner's office that had not yet been advertised or filled.

Co-Chair Johnson agreed.

Representative Galvin stated that she was not part of the discussion when the commissioner's office requested the position. She understood more workers in the field [of recruitment and retention] were needed. She requested context for the department's request. She considered that the real problem may be that the department was looking to fill vacancies and needed help to do so in order to continue services to Alaskans.

Co-Chair Johnson did not recall the department speaking about the issue. She explained that the department had the ability to reclassify any existing vacant position to fill the intended purpose.

Representative Galvin asked if the vacant positions were necessary to deliver services Alaskans needed. She asked if Co-Chair Johnson knew which positions were vacant.

Co-Chair Johnson replied that she did not. She stated it was up to the department to determine. She did not support picking a specific position to remove. She stated the amendment gave the department the flexibility to work within its existing vacancy rate and prioritize. She explained it would avoid adding positions, while maintaining the level of service needed.

[10:30:55 AM](#)

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment N 54 was ADOPTED.

Representative Josephson Representative Josephson MOVED to ADOPT Amendment N 55 (copy on file).

Co-Chair Foster OBJECTED.

Representative Josephson requested a brief at ease.

Co-Chair Johnson stated the committee would take a 15 minute break.

[10:31:55 AM](#)

AT EASE

[10:51:09 AM](#)

RECONVENED

Representative Josephson MOVED to ADOPT Amendment N 55 (copy on file):

Agency: Health
Appropriation: Medicaid Services
Allocation: Medicaid Services

Transaction Details

Title: Required Medicaid Rate Rebasing for
Developmental Disability and Personal Care Services

Section: Section 1

Type: Inc

Funding

1004 Gen Fund

15,000.0

Explanation

This amendment provides funding for a 10% increase for Direct Service Providers (DSPs) for Developmental Disability and Personal Care Services rates. The intended purpose of this rate increase is twofold: to support DSPs facing increased operational costs due to inflation, and to increase the wages paid by the DSPs to their employees. The rates for community-based Medicaid providers were not re-established in 2014 and 2018, which has resulted in ongoing operational

losses. This amendment would address 2021 and 2022 inflation rate increases.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson shared that the Key Coalition's associated organizations were eager to work on the IDD waitlist. He noted that his earlier discussion on the topic had omitted something. There was a second thing the coalition talked frequently about. He explained that their workforce often came in the form of direct service providers (DSPs) who were paid around \$13 to \$14 per hour. He underscored that the organizations working to help people with intellectual and physical disabilities could not stand up a workforce without greater contribution from the state. He referenced a letter by Michael Bailey who discussed that under Title 7 regulations, the Department of Health was supposed to reestablish or rebase rates every four years in the home and community-based waiver services program, but it had not occurred in 2014, 2018, and 2022. He stated that regulations had the force and effect of law. He did not know why the work had not occurred. He stated the governor had proposed a budget increase of \$3.7 million and a little more in his amended budget. However, the U.S. Bureau of Statistics reflected an inflation rate of 7 percent in 2021 and 6.45 percent in 2022. At best, the governor's budget would fund a 3 percent rate increase.

Representative Josephson stressed that the organizations could not function at the rate being contributed by the state. The amendment was meant to do the state's job for it by intervening with bridge funding. He referenced a lengthy letter (copy on file) from a Juneau resident Kim Chantley, executive director of the Alaska Association on Developmental Disabilities. The letter dated March 3 explained that the Medicaid increment of \$15 million was vital to relieve and stabilize home and community-based services while the state worked to address laws and the rate rebasing methodology. The organization sought a 10 percent increase. He had the honor of receiving the Key Coalition's recent award. He shared that the top conversation at their reception [in Juneau] was about the need to rebase and increase rates for direct service providers. He stated it was a key feature of the coalition's request for FY 24.

[10:56:24 AM](#)

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Hannan, Josephson, Ortiz, Galvin

OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Foster, Edgmon, Johnson

The MOTION to adopt Amendment N 55 FAILED (4/7).

[10:57:28 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 56 (copy on file):

Agency: Health
Appropriation: Medicaid Services
Allocation: Medicaid Services

Transaction Details

Title: Increase Rate Rebasing for Behavioral Health
1115 Medicaid Waiver Services
Section: Section 1
Type: Inc

Funding
1003 GF/Match
7,290.0

Explanation

Rate rebasing helps Medicaid services maintain their dollar value for services as inflation increases. In the Governor's budget, 1115 Medicaid waiver services funding only increased by 4.5%. Stakeholders believe an adequate increase would require 18%. This amendment increases the funding by 13.5% to total an 18% increase. Because these services are eligible for reimbursement through the 1115 Medicaid waiver, rebasing the rate requires additional state matching funds.

Co-Chair Foster OBJECTED.

Representative Josephson stated that starting with the oil recession in the fall of 2014, the state had not kept up with the cost of doing business for the Alaska people. He

shared that in late March he had met with a group from the Southcentral Foundation. The group had provided him with a document from the tribal behavioral health director's committee (a subcommittee of the Alaska Native Health Board). He had learned that along with the rebasing issues he had previously discussed, the 1115 waiver was short 18 percent and the governor's proposal only funded 4.5 percent. He read from the document he was provided by the group:

Payment rates for 1115 waiver services. The 4.5 percent 1115 waiver increase was not adequate to cover the increase in labor and supply cost and general inflation over the last several years. If the rates were increased to keep up with inflation, since the waiver was approved in November 2018, the actual rate increase should be around 18 percent.

Representative Josephson had asked the Legislative Finance Division what 18 percent would be and had learned it was \$17.2 million. He opined that the waiver needed to be supplemented with grants and the House Finance Committee had rejected the grant supplement. He emphasized that the core funding mechanism for the 1115 waiver was 18 percent behind what it used to be. He asked for members' support. He concluded that the workers were trying to keep people out of institutions, costly care, and prison in some circumstances.

[11:00:44 AM](#)

Representative Stapp commented on the 1115 waiver process. He explained that Medicaid spending on the 1115 demonstrations was required to be budget neutral. He elaborated that when the state applied for a waiver, federal spending under the demonstration could not exceed the projected cost of the CMS application. He explained it was the reason the department [DOH] was looking at rebasing rates through the amend process it was embarking upon in the current year as well as renewing the waiver process. He clarified that the state could not just try to leverage more federal receipts even if it wanted to by enhancing the Medicaid budget. He stated the argument [made by Representative Josephson] was good. He agreed that 1115 reimbursement rates were not adequate to cover inflationary pressure, but he did not think the amendment proposal would be possible given the nature of the CMS process.

Representative Galvin wondered about the state's legal obligation to take care of Alaskans, which would mean supporting the amendment, as opposed to a longer ask for the state's federal delegation to work on changing the 1115 waiver.

Representative Josephson answered it was the first time he had heard that there was anything prohibiting the amendment. He shared he had countless meetings about the need. He clarified he was not seeking a federal match and he knew nothing that would prohibit the state from contributing \$7.3 million more to costs associated with nonprofits for the treatment and care through direct service providers of people with intellectual and physical disabilities.

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Josephson, Ortiz, Galvin, Hannan

OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Edgmon, Foster, Johnson

The MOTION to adopt Amendment N 56 FAILED (4/7).

[11:04:29 AM](#)

Representative Tomaszewski MOVED to ADOPT Amendment N 57 (copy on file):

Agency: Labor & Workforce Dev
Appropriation: Labor Standards and Safety
Allocation: Mechanical Inspection

Transaction Details

Title: Add One Safety Inspector and Compliance, Electrical Inspector, and a Boiler and Pressure Vessel Inspector

Section: Section 1

Type: Inc

Funding

1004 Gen Fund

250.0

Explanation

This would One Safety Inspector and Compliance, Electrical Inspector, Step A in Fairbanks and a Boiler and Pressure Vessel Inspector, Step A in Juneau. After working with the Department of Labor, we understand these two positions would have the greatest impact on backlogs. Additionally, there has been outspoken requests for inspectors from the construction industry.

Co-Chair Foster OBJECTED for discussion.

Representative Tomaszewski explained that the amendment would add two permanent full-time positions for an electrical safety and compliance inspector and a boiler and pressure vessel inspector. He detailed that the positions had been discussed with the department during the subcommittee process. Additionally, there had been quite a few outspoken requests for additional inspectors in the fields from the construction industry. Considering the increase in federal project grants that would be making their way into the state, it was a good time to reduce backlogs and be ready for projects occurring in the next several years.

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment N 57 was ADOPTED.

[11:06:09 AM](#)

Co-Chair Johnson MOVED to ADOPT Amendment N 58 (copy on file):

Agency: Labor & Workforce Dev
Appropriation: AVTEC
Allocation: Alaska Vocational Tech Center

Transaction Details

Title: Reverse Fund Swap Receipt Authority in Order to Restore General Fund Program
Section: Section 1
Type: FndChg

Explanation

The Governor proposed to replace \$320,000 in General Fund Program Receipts with Unrestricted General Funds (UGF) to cover unavailable program receipts to support existing training opportunities. Given Alaska's current fiscal situation, AVTEC could raise tuition to increase program receipts rather than utilizing additional UGF.

Co-Chair Foster OBJECTED for discussion.

Co-Chair Johnson explained the amendment would reverse a proposed fund source swap that would utilize \$320,000 undesignated general funds (UGF) in lieu of Alaska Vocational Technical Center (AVTEC) program receipts. She detailed that the agency had a significant amount of hollow receipt authority compared to its collected revenue. She would rather see a slight increase in tuition to meet program needs than to add \$320,000 UGF into AVTEC's base budget. She understood AVTEC would require some notice before it could adjust its tuition rates and she did not want it to be a loss of service to Alaskan students.

Co-Chair Johnson MOVED to ADOPT conceptual Amendment 1 to maintain the \$320,000 UGF as a one-time increment for FY 24 and \$320,000 in program receipt authority into the future. She explained it would ensure AVTEC would be given time to look at adjusting rates without cutting services to students and would allow the legislature to take another look at needed subsidies in the next year.

Co-Chair Foster OBJECTED for discussion.

There were no questions or discussion on the conceptual amendment.

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, conceptual Amendment 1 to Amendment N 58 was ADOPTED.

Representative Galvin appreciated when it was possible to get receipts from tuition and she also understood how deeply Alaska needed growth in its workforce. She asked what the tuition increase would look like for students.

Co-Chair Johnson explained that she did not have the information on hand because with the conceptual amendment

there was no tuition increase [in FY 24]. She recalled the tuition increase would be relatively minimal. She was offering the amendment because she wanted AVTEC to look at its funding source. She stated that the amendment would change the UGF funding to a one-time increment, but the amount was not changed.

[11:09:58 AM](#)

Representative Hannan intended to support the amendment with the adoption of the conceptual amendment. She noted the money would not be rolled into the program's base. In the future if AVTEC saw areas of substantial need and insufficient enrollment, she urged AVTEC to offer grants in specific AVTEC training programs (e.g., plumbing or electrician programs) instead of increasing tuition across the board. She stated it was some of the best dollar value investment in the state's local workforce because all of the programs were designed around people receiving certificates or trades that allowed them to go to work immediately. She noted that for some people, a small change in tuition could produce a barrier to attending the programs. She remarked that Alaska would not have its own workforce to meet all of the infrastructure needs and AVTEC was one of the programs that contributed to that workforce. She appreciated giving AVTEC advance notice to look at the issue.

[11:11:34 AM](#)

Co-Chair Foster WITHDREW the OBJECTION.

There being NO further OBJECTION, Amendment N 58 was ADOPTED as amended.

[11:11:55 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 59 (copy on file):

Agency: Law
Appropriation: Criminal Division
Allocation: Criminal Justice Litigation

Transaction Details
Title: Partial Reduction for Criminal Investigator
on Election Fraud

Section: Section 1
Type: Dec

Funding
1004 Gen Fund
-35.9

Explanation

A 25% reduction in the position. The criminal investigator would have sufficient funding to investigate conflict cases and rural homicides/felony sex offenses/other violent crimes.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson referenced testimony by assistant attorney general John Skidmore to the finance subcommittee that there were four to five potential cases of election fraud. He underscored that Mr. Skidmore did not say the Department of Law had filed four to five cases. He remarked that a committee member had stated there were 500 to 600 cases of fraud. He stated if that was the case, the state needed to hire about four of the positions. He took Mr. Skidmore's word that there were four or five cases [compared to 500 to 600]. He considered what election fraud meant. He stated it may mean that someone lived and voted in Boise, ID earlier in 2022 and subsequently moved to Alaska and voted in Anchorage in the same year. He stated it was then necessary to ask whether the individual had the intent to defraud the election. He noted that some culpable mental state would have to be proven. He reiterated there were potentially four to five cases. He stated that perhaps one would plead out and the offender would pay a fine and possibly spend a night in jail. A couple of the other cases may go to court.

Representative Josephson stated that fundamentally he understood that the governor had many supporters who believed there was substantial election fraud. However, he believed Mr. Skidmore had indicated the opposite. The amendment would reduce 25 percent of the funding for the position. He stated that the balance of the funding was important and would go towards a criminal investigator to look at rural homicides, felony sex offences, and other violent crimes. He distinctly remembered the year 2000 because he had lived in Kotzebue the entire year and had over 800 criminal cases. He remarked that if someone told

him he had 804 cases, it would not move the needle on his stress and it would merely be another four cases. He did not understand why the Department of Law could not absorb four to five election fraud cases.

Representative Stapp asked how to cut 25 percent of a position.

Representative Cronk opposed the amendment. He remarked that he chaired the [Department of Law] finance subcommittee. He stated that the topic was polarized no matter what side of the issue a person was on. He felt that voting and election integrity was of the utmost importance because it was a sacred process where people got to cast a vote and know there was honesty involved. He stated that whether it was one case or 100 cases it was important to likely half the constituents in Alaska. He noted that Mr. Skidmore had specified there was an increase in cases. He believed there was a case that involved a former [legislative] member. He remarked that the issue was not fabricated. He considered what the position would be doing 25 percent of the time if there were only a few cases [of election fraud]. He highly doubted they would be doing nothing because there were plenty of other things to continue work on. He thought it was a great question for Mr. Skidmore. He believed the issue was very important regardless of what side of the political spectrum a person was on. He thought it was important for people to know they had some sort of representation when they had an issue that needed to be addressed.

[11:17:04 AM](#)

Representative Hannan supported the amendment. She stated that if there was criminal activity going on in the state and the state was not investigating it, the state was being negligent. She believed the evidence of a suit being brought against a former [legislative] member was evidence that the Department of Law already investigated election fraud and may be prosecuting a case. She highlighted that violent crime and sexual assault was at epidemic levels in Alaska, exceeding levels nationwide. She wanted to ensure the investigators hired in Alaska were addressing the largest and most significant criminal issues.

Co-Chair Johnson understood that 25 percent of a person was hard to hire. She generally agreed with the amendment

sponsor and did not know that there was substantial election fraud; however, she thought that perhaps perception became reality and if the position did not find fraud, the individual would likely do less election oversight and more violent and sexual crime investigations. She wanted to fully fund the position. She wanted to make sure the state could assure any public with concerns about the integrity of the state's elections that there were no bad actors. She thought fully funding the position filled the need for additional rural homicide, felony, sex offender, and violent crime investigations, in addition to allowing for any election investigations. She opposed the amendment.

[11:19:55 AM](#)

Co-Chair Foster realized it was a polarizing issue. He supported the amendment. He respected other people's position on the issue and emphasized the intent of the amendment was to allow for sufficient funding for the investigation of rural crimes.

Co-Chair Edgmon relayed that he was confused by the position. He stated that when the committee had heard from the Department of Law earlier in session, four of the six bullet points on the slide were related to election fraud. He understood the position would focus on something more than just election fraud. He agreed that if there was significant election fraud it should be dealt with appropriately. He supported the position, but if it was going to be done, he thought it should be done right. He thought that including election fraud investigation as part of the position responsibilities could shortchange the work the person would do in rural areas on sexual assault and homicides.

[11:22:11 AM](#)

Co-Chair Foster WITHDREW the OBJECTION to Amendment N 59.

Representative Cronk OBJECTED.

A roll call vote was taken on the motion.

IN FAVOR: Ortiz, Galvin, Hannan, Josephson, Foster, Edgmon
OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Johnson

The MOTION PASSED (6/5). There being NO further OBJECTION, Amendment N 59 was ADOPTED.

[11:23:23 AM](#)

Representative Josephson MOVED to ADOPT Amendment N 60 (copy on file):

Agency: Law
Appropriation: Criminal Division
Allocation: Criminal Justice Litigation

Transaction Details

Title: Add Five Attorney and Five Support Staff
Positions to Prosecute Sexual Assault Cases
Section: Section 1
Type: Inc

Funding
1004 Gen Fund
1,706.2

Explanation

Add five Assistant Attorney General IV positions, two Victim Witness Paralegal 11 positions, three Law Office Assistant II positions, and funding for associated Travel, Services, and Commodities costs. This distribution should match the SLA 2022 fiscal note to HB 5 pertaining to sexual assault and the definition of consent. The Fiscal Note was provided to HB005CSSS(JUD)-LAW-CRIM-CJL-05-05-22 but was ultimately not funded in FY23.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson relayed that the amendment had previously been heard on the House floor. The amendment aimed to enforce the state's sexual assault laws. He stated he would withdraw the amendment if he heard one person from the administration say that the department did not need the resources; however, he believed the funds were needed as the department had stated in May. He explained that the department had been very specific on the matter. He elaborated that under the "no means no" law, the department estimated there would be 90 to 120 more cases. He stated it was true that [attorneys] had received substantial increases in salary, which had done wonders for hiring

unfilled positions. He underscored that the amendment pertained to new positions including four attorneys and five paralegals or assistants who were needed to enforce the new law. He reminded the committee that the principal objection to the amendment had been his offering it to the fast track supplemental, which had not been the place. He stated the operating budget was the only alternative because the regular supplemental had been inserted into the operating budget. He highlighted that the budget funded OPA [Office of Public Advocacy] and the PDs [Public Defender Agency] to defend cases. He supported funding the attorney positions.

Representative Josephson stated that previous to HB 325 by former Representative Sarah Rasmussen as amended by former Representative Geran Tarr with HB 5, there had been a backwards law indicating there had to be a show of force and a reaction of force from the victim. He explained it was not required any longer. There had to be an identifiable showing of consent to be intimate. He stressed that the issue was important. He asked for members' support.

[11:26:29 AM](#)

AT EASE

[11:29:26 AM](#)

RECONVENED

Representative Coulombe asked if the Department of Law requested the positions. She did not recall the positions being requested. She stated that many of the things the legislature had done for the Public Defender Agency was to get it out of a backlog. She stated that when prosecutors were added, there was a ripple effect to public defenders and the corrections system. She wanted to be certain the move would not overload too much at once.

Co-Chair Johnson noted that questions would be answered in wrap up.

Representative Cronk shared that he had the Criminal Division in his subcommittee and Mr. Skidmore had spoken to the subcommittee on multiple occasions. He relayed that Mr. Skidmore had been very clear he would not ask for more than was needed. Mr. Skidmore had told the subcommittee that if more funding was needed he would make a request the

following year. He relayed that based on discussions in subcommittee he did not believe the item was needed currently. He believed the department would come back to the legislature if it needed positions.

[11:31:33 AM](#)

Representative Josephson believed the department needed the money. He stated it appeared the department had been unable to move the request up the chain of command to the Office of Management and Budget. He replied to a question by Representative Coulombe. He explained that in HB 79 [the fast track supplemental] passed by both bodies, there were four components that PDs wanted and two referred to the "no means no" law. He shared that OPA had asked for and received almost \$2.3 million. The PD received \$833,000. Under the amendment the attorney generals would get \$1.7 million (just over half of what the defense agencies received). He stated that Representative Cronk may be right about his comments. He did not recall the testimony but did not deny it either. He believed the funding was needed.

Co-Chair Foster MAINTAINED the OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz
OPPOSED: Stapp, Tomaszewski, Coulombe, Cronk, Edgmon, Foster, Johnson

The MOTION to adopt Amendment N 60 FAILED (4/7).

[11:34:40 AM](#)

AT EASE

[11:35:38 AM](#)

RECONVENED

Representative Josephson MOVED to ADOPT Amendment N 61 (copy on file):

Agency: Law
Appropriation: Civil Division
Allocation: Legal Support Services

Transaction Details

Title: Delete Attorney 5 Position for Parental
Rights in Education Advocate
Section: Section 1
Type: Dec

Funding
1004 Gen Fund
-209.0

Explanation

Removes funding for attorney with a focus in parental rights. The position funds an attorney whose specific focus is litigating disputes between parents and school districts.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson highlighted there was a link in the Alaska Daily News to a recent story about the constitutionality of the parental rights bill including a link to a legal report from [legislative counsel] Marie Marx that questioned the legality of the governor's bill. He explained that the amendment would delete an attorney position [within the Department of Law for parental rights]. He surmised the position would sit at a desk and answer the phone when people made complaints. He stated it bothered him in a number of ways. He believed it pit parents against their schools. He had not personally listened to the governor's press conference, but the governor apparently stated that people need to know how to sue their school districts. He found the comment to be alarming. Based on his understanding of the department's testimony on the proposal, the position would run interference and pacify parents who were needlessly or incorrectly up in arms that they did not have consent "that Michael Angelo's David statue from the 1500s was going to be in a slide deck in the art class." He thought it was a very odd position to put within the Department of Law. He objected to the proposal and asked members to support its deletion.

[11:38:01 AM](#)

Representative Tomaszewski opposed the amendment. He stated the topic of parental rights was frequently in the news and was a huge discussion within constituencies across the state. He saw an erosion of parental rights within Alaska

and the education system. He believed the state absolutely needed an advocate for parental rights because he found parental rights to be extremely important. He thought parents needed the ability to understand and know what was going on in the education system. He strongly objected to the amendment.

Representative Galvin supported the amendment. She believed there were some good tenets in place for family engagement in the school system. She agreed that it could be strengthened. She was grateful that the parents she had spoken to felt very welcome in the school. She stated that parents had indicated things were going great and they loved the teacher they were working with. She believed it was important to have mechanisms in place for solving issues. She elaborated that there were local control school boards and ombudsman that should be helpful. She explained there were many things in place to help Alaskans solve problems. She thought it was a very small segment of Alaskans who perhaps had been in the headlines. She clarified that they were important, but she believed when the department hired a position to solve the issue, it could encourage opening a lawsuit rather than solving a problem.

Representative Galvin shared that she had four kids who had gone through the school system and when there had been issues she had been engaged. She detailed that she had spent thousands of hours in her kids' schools and other schools. She felt there were good systems for concerns about what was being taught, how things were being taught, and books that were taught. She encouraged Alaskans to keep getting involved because more engagement resulted in better outcomes for kids. She did not believe a parental rights attorney was necessarily the right way to reach student improvement and families being engaged. She was grateful for the opportunity to support the amendment.

[11:41:34 AM](#)

Representative Coulombe opposed the amendment. She stated all she could do was go off of what she had seen in Anchorage school board meetings. She stated the issue was a problem and there were many parents who felt they went through the current system to solve a problem and they were not listened to. She noted that 18 percent had left the school district. She thought it was important for parents

to know there was a position that operated kind of like an ombudsman to try to mitigate the issues and get the attention of school boards. She had found there would always be issues that came up where parents felt one way and the school district voted another way. She stated there was a consistent adversarial issue the school board needed to address but it was not being addressed. She remarked that the school board liked to say the issue involved a small number of parents and people, but she disagreed. She supported the position because she thought parents needed a stronger voice. She thought the position could perhaps resolve things and calm school board meetings down.

11:43:08 AM

Representative Ortiz remarked that committee members all came to the amendments from the different perspectives of the different communities they represented. He stated that he was fortunate to represent communities that were truly communities where people knew each other and there was communication between people with differing opinions. He elaborated that the schools in his district were watched over by local school boards. He recognized there were problems and times when parents were disgruntled about something that happened in a classroom or school activity, but there was dialogue that occurred when that took place. He did not see someone coming in from the state level and helping to improve parental participation in schools. He considered some of the money the committee did not appropriate for some significant things to help local communities and people with disabilities. He stated that the amendment would save the state money and he was in full support.

Representative Hannan spoke in favor of the amendment. She urged members to remember there were 53 school boards governing school districts under state law (54 counting the board governing Mt. Edgecumbe High School). She speculated that every school district had lawsuits brought against them. She remarked there were law firms specializing in that area in all major communities. She detailed that a large number of the lawsuits brought by parents and families in Juneau were brought via the Disability Law Center, some which were brought by multiple parties. She stated that parental rights and school board policies were developed locally, and any litigation had very case specific facts and circumstances. She viewed the governor's

proposal as an attempt to take over the school boards' responsibilities. She thought the approach was wrong. She stated if there were school districts that continue to lose families because they were not complying with their own policies, there should be some kind of investigation. She relayed that a group of families suing a school district happened on a regular basis. She stated that school districts stood up and paid attention as soon as a family threatened a lawsuit or hired an attorney. She continued that the individual circumstances around ensuring a family's needs were met or addressed may or may not be known because it was about individual students and resolutions. She thought the governor's proposal was an overstep on the state's part when there were local school boards that should be paying attention. She advised that if communities were dissatisfied with how their local school board was performing, they could elect a new school board and hire a new superintendent that was responsive. Communities could ensure their school district was complying with state law that was very clear about parents having a legal and active right to be engaged in the education of their students. She supported the amendment.

Co-Chair Foster supported the amendment. He relayed that his district housed four school districts with over 30 schools. He knew most of his school board members and parents in his district. He believed everyone got along pretty well. He did not want to encourage people to sue each other. He recognized his district may not be the same as every district in the state, but he hoped it was not a huge issue statewide. He did not want to encourage a litigious atmosphere.

[11:49:26 AM](#)

Co-Chair Edgmon considered the amendment to be the "flash point" amendment out of the 85 or so amendments before the committee. He remarked that however he voted would be the wrong side. He stated it was the way it worked with certain issues. He commented that he would like to have an ability to have a committee hearing to dig into the topic (similar to the election amendment the committee had voted on earlier in the meeting) to get a more extensive understanding about what was happening across the state. He related to comments by Co-Chair Foster that school board members generally got along with their administration. He wondered why not hire an investigator - if the issue was to

be looked at further - to support the existing infrastructure that was clearly working in the Department of Law and a number of other venues down to the legal counsel in each school district. He considered a scenario where a lawsuit was brought on a school that involved the position. He noted that under the scenario, the school district would have to use financial resources and substantial staff time and a pall would be cast across the school as a whole. He stated it was a difficult amendment for every member and there were strong feelings about the issue. He stated it was a national movement sweeping the country and was like a slow moving tsunami coming to Alaska. He would make it a goal to talk more to his schools and school districts over the coming interim. He stated the issue had not come up as a concern. He reiterated that the amendment was difficult.

Representative Cronk remarked that the amendment topic was polarizing. He shared that he had been a teacher for 25 years and he had never acted as parent to his students. He thought schools were trying to take on the parental role. He stressed that a parent's child was their own and did not belong to the state or their school. He had received numerous calls from parents asking what they could do. He did not have resources to provide them. He viewed the position as a resource for parents. He stated enrollment was dropping because there was frustration by parents about putting their kids in school. He opposed the amendment.

[11:53:43 AM](#)

Co-Chair Johnson opposed the amendment. She agreed it was a difficult choice. She heard what her colleagues were saying. She relayed that no one had come to her asking for the position and she shared the concern about encouraging a more litigious society; however, the state was embarking on a new system in relation to the Reads Act. She thought there may be opportunities where parents wanted to ensure their rights were followed through and to communicate when something was not working and that they had the right to have their children educated a certain way. She thought that given the large changes [pertaining to the Reads Act] there would be times when conflict may need to be worked out between the school district and parents.

Representative Josephson provided wrap up on the amendment. He disputed another committee member's comment that

parental rights were eroding in Alaska. For example, it was no longer legal for Planned Parenthood to come into a health class and describe how to not make children without a parental consent form. He explained that the change had been made by a bill sponsored by former Senator Mike Dunleavy [current Governor Dunleavy]. He believed that parental rights were expanding. He considered all of the different consent forms and invited the 53 school districts to have a team of several people responsible for ensuring the forms had been sent to parents. He remarked that the work could go on all day long. He thought districts should report the work as cost to be included in the Base Student Allocation (BSA) calculation. He disclosed that his sister was managing partner Jermain, Dunnagan & Owens and the amendment would go against her self-interest because she litigated for school districts including rural districts. He referenced another comment about declining enrollment. He stated there were many factors for declining enrollment including outmigration and economic malaise. He reminded committee members that the rest of the country was doing better than Alaska, which was off cycle.

Representative Josephson highlighted his other major concern in closing. He did not believe the Department of Law would tell the legislature that it "ran interference" and that nine out of ten complaints were invalid. He reasoned it was not something the administration wanted to celebrate. He believed the administration wanted to talk about the one case [out of ten]. He did not know they would really appease parents who were so frustrated by telling them something complied by the rules of law. He believed the turmoil had been generated and the position would merely generate more.

[11:57:54 AM](#)

Co-Chair Foster WITHDREW the OBJECTION.

Representative Cronk OBJECTED.

A roll call vote was taken on the motion.

IN FAVOR: Galvin, Hannan, Josephson, Ortiz, Foster, Edgmon
OPPOSED: Tomaszewski, Coulombe, Cronk, Stapp, Johnson

The MOTION PASSED (6/5). There being NO further OBJECTION, Amendment N 61 was ADOPTED.

[11:58:46 AM](#)

Representative Coulombe WITHDREW Amendment N 62 (copy on file).

[11:59:23 AM](#)

AT EASE

[12:11:02 PM](#)

RECONVENED

Representative Coulombe WITHDREW Amendment N 63 (copy on file).

[12:11:21 PM](#)

Representative Josephson MOVED to ADOPT Amendment N 64 (copy on file):

Agency: Natural Resources
Appropriation: Fire, Land & Water Resources
Allocation: Mining, Land & Water

Transaction Details

Title: Ensure Access to Easements on State Lands within Municipality of Anchorage Wordage
Type: Intent
Linkage: Agency - Natural Resources

Wordage

It is the intent of the legislature that the Department of Natural Resources establish marked access and signage along the easements to Campbell Lake.

Co-Chair Foster OBJECTED for discussion.

Representative Josephson explained the amendment would require the easement section of the Department of Natural Resources (DNR) Division of Mining, Land & Water to make clear with signage (or other features) that the public was allowed to access Campbell Lake on the north and south ends. He detailed that Campbell Creek ran through the heart of his district and Campbell Lake was located south of his district. He explained the location of the creek and lake. He believed it was the largest lake in the municipality. He

relayed it was a long running dispute and property owners on the lake had strong feelings about their right to not be interfered with. He detailed that the city and state both considered the matter to be legally closed (the matter never went to court), and access was legal through a section line [note: see backup showing a joint statement from DNR and the Municipality of Anchorage (copy on file)]. The amendment would direct DNR to notify the public it was allowed to access the lake.

Representative Josephson explained that packrafters using the creek wanted to be able to continue into the lake. Additionally, other individuals wanted access to the lake. He had respect for homeowners on the lake who wanted status quo and quiet on the lake; however, the public was allowed to access the lake.

Representative Cronk asked why the state should pay for the item and not the municipality.

Co-Chair Johnson noted the question could be addressed during wrap up.

Representative Cronk MOVED to ADOPT conceptual Amendment 1 to Amendment 64 to reduce the cost from \$50,000 to \$10,000.

Representative Josephson OBJECTED. He did not know what \$10,000 would buy. He remarked that he would deem some middle number as friendly.

Representative Cronk recalled the costs for signage on bridges had been around \$10,000 a couple of years earlier. He would like to see the municipality contribute some of the funding. He believed in easements and in marking their location. He did not support spending \$50,000 on the issue.

Co-Chair Foster agreed with Representative Cronk. He thought \$50,000 was a substantial amount for signage. He looked at the amendment language pertaining to easements on state lands within the municipality. He thought it seemed a bit strange. He asked Representative Josephson to elaborate a bit more. He would support the conceptual amendment to reduce the amount to \$10,000.

[12:17:22 PM](#)

Representative Coulombe supported the conceptual amendment. She thought the signage cost would be closer to \$10,000. She stated the issue was very contentious around the lake and there were numerous confrontations as a result.

Representative Stapp did not really understand the amendment. He asked what the state was getting in the middle of. He wondered if it was a municipal government suit with state government. He wondered why the department had not made it a state easement if it had always been a state easement. He referenced a backup document that included the date 2007 (copy on file) [provided by Representative Josephson].

Representative Hannan referenced Representative Cronk's mention of Department of Transportation and Public Facilities (DOT) signs for bridges. She had been shocked to learn when working on a bill on Funter Bay that metal DOT signs for bridges ran about \$10,000, but state park signs and DNR signs were more expensive and made of another material. She explained that Funter Bay signage had been delayed waiting for an appropriation to state parks for DNR authorized signs. She thought if the work was going to be done [at Campbell Lake], appropriate signage should be used. She did not know the appropriate number, but she thought \$10,000 was likely not sufficient.

[12:19:31 PM](#)

AT EASE

[12:20:40 PM](#)

RECONVENED

Co-Chair Johnson noted the committee would break at 12:30 p.m. She asked if Representative Josephson would be amenable to rolling the amendment to the bottom and taking up later.

Representative Josephson answered that he had a slight preference to get the amendment done because he did not think it would take much more time.

Representative Cronk noted that Representative George Rauscher had a bill pass in a prior legislative session that allowed donations to pay for signage. He requested time to look at the bill and suggested that the conceptual

amendment could potentially allow people to donate to fund the sign.

Representative Josephson WITHDREW the OBJECTION to the conceptual amendment.

Co-Chair Edgmon requested to allow time for Representative Cronk to do his research on the topic. He stated the issue had many facets including the municipality and state. He did not fully understand the issue and wanted to give the committee the full breadth of options.

Co-Chair Johnson noted the amendment would be heard at the beginning of the 1:30 p.m. meeting.

HB 39 was HEARD and HELD in committee for further consideration.

HB 41 was HEARD and HELD in committee for further consideration.

ADJOURNMENT

12:24:38 PM

The meeting was adjourned at 12:24 p.m.