

HOUSE FINANCE COMMITTEE
March 12, 2024
5:06 p.m.

[5:06:18 PM](#)

CALL TO ORDER

Co-Chair Johnson called the House Finance Committee meeting to order at 5:06 p.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

Joan O'Keefe, Executive Living, Southeast Alaska Independent Living, Juneau; Lauree Morton, Deputy Director, Alaska Network on Domestic Violence and Sexual Assault, Juneau; Emily Ferry, Self, Juneau; Representative Andi Story.

PRESENT VIA TELECONFERENCE

Marianne Mills, President, Alaska Geriatric Exchange Network, Juneau; Erin Walker-Tolles, Executive Director, Catholic Community Services, Juneau; Jennifer Carson, Executive Director, Behavioral Health Services, Bartlett Regional Hospital, Juneau; Tom Boutin, Self, Juneau; Pamela Baker-Albert, Caregiver, North Way; Georgia Jackson,

Self, Caregiver, Copper Center; Edna Beebe, Self, Eek;
Pascale Hawkins, Caregiver, Juneau.

SUMMARY

HB 268 APPROP: OPERATING BUDGET; CAP; SUPP; AM

HB 268 was HEARD and HELD in committee for
further consideration.

HB 270 APPROP: MENTAL HEALTH BUDGET

HB 270 was HEARD and HELD in committee for
further consideration.

PUBLIC TESTIMONY:

JUNEAU
SITKA, PETERSBURG, DELTA JUNCTION, DILLINGHAM,
GLENNALLEN, TOK, AND OFFNETS

Co-Chair Johnson reviewed the meeting agenda.

#hb268

#hb270

HOUSE BILL NO. 268

"An Act making appropriations for the operating and
loan program expenses of state government and for
certain programs; capitalizing funds; amending
appropriations; making capital appropriations; making
supplemental appropriations; making reappropriations;
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. 270

"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."

[5:07:14 PM](#)

^PUBLIC TESTIMONY: JUNEAU

5:08:51 PM

[Although not expressly stated, public testimony was opened.]

JOAN O'KEEFE, EXECUTIVE DIRECTOR, SOUTHEAST ALASKA INDEPENDENT LIVING, JUNEAU explained that the mission of Southeast Alaska Independent Living (SAIL) was to inspire independence. The organization served seniors and individuals of all ages experiencing disabilities. She encouraged the committee to take a hard look at the recommendations put forth by Alaska Mental Health Trust Authority (AMHTA). There were many items related to mental health that were not funded in the budget or were only partially funded. She relayed that two of the important items that needed funding were home modifications and upgrades, which would receive \$575,000 less than the amount recommended by the trust. If the funds were cut, many individuals with disabilities would not be able to remain in their homes. The trust also recommended \$183,500 for the long-term care ombudsman, which was excluded from the governor's budget. The funds would support an additional assistant ombudsman. She also urged the committee to support the addition of \$1 million for transit match funding.

Co-Chair Johnson noted that the committee had adopted a committee substitute for HB 270 earlier in the day and most of the items mentioned by Ms. O'Keefe were included.

5:12:25 PM

LAUREE MORTON, DEPUTY DIRECTOR, ALASKA NETWORK ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT, JUNEAU thought it was difficult to highlight the decrements to proposed services because she wanted to believe that the administration understood the importance of public safety. The services were critical and it would be detrimental to cut the services. Shelters and rape crisis centers were emergency centers and were open 24 hours a day, every day. The centers could not continue to do more with less and the collective will of the legislature was paramount in order to keep the doors open. She also urged that the committee support increasing the amount of funding available for victims of violent crime. If state dollars were reduced in the present year, then federal dollars would be reduced in the following year. She recognized that current date was

Ashley Johnson Barr day, which was a day of remembrance for a ten-year-old girl who was a victim of kidnapping and sexual assault. The day illustrated the importance of funding domestic violence. She urged that legislature to act in order to not need another special day of remembrance.

Co-Chair Johnson noted that Representative Andi Story was present in the audience.

[5:15:34 PM](#)

EMILY FERRY, SELF, JUNEAU, appreciated the \$680 increase to the Base Student Allocation (BSA). She emphasized that it was critical to invest in the education system in order to retain families in Alaska. The school budgets had been being cut for about a decade, and she referred to a graph showing the direct correlation between the decline in funding and the decline in educational outcomes. In 2012, about 22 percent of high school graduates were enrolling in two-year or four-year degree programs but only 34 percent of graduates were enrolling in 2022. An increase of \$680 was a great start but it would not fix everything. She did not think it would be a surprise if parents were to come back year-after-year to ask for an increased BSA. She noted that there were not going to be many people from Juneau testifying tonight because a school board meeting discussing the closure of schools was happening at the same time as the committee meeting.

[5:18:32 PM](#)

MARIANNE MILLS, PRESIDENT, ALASKA GERIATRIC EXCHANGE NETWORK, JUNEAU (via teleconference), explained that the Alaska Geriatric Exchange Network (AGENET) was primarily made up of private, non-profit organizations. The network supported aging Alaskans and helped seniors safely live in their own home and communities and avoid costly institutional care. She urged the committee to maintain the current FY 24 funding for senior community grants in the FY 25 budget. Community based services offered through the grants included nutritious meals, daily safety checks, adult day services, and assistance with bathing or dressing. Maintaining the current level of funding would mean an addition of \$2.7 million in general funds. Alaska had the fastest growing senior population in the nation and it made economic sense to help seniors age in their own

homes. In 2023, nearly 20,000 older Alaskans benefited from community grants at a cost of \$691 per year per client. She urged support for funding for the grants.

Representative Josephson asked Ms. Mills to repeat her last sentence stating the cost per client.

Ms. Mills responded that it would cost \$691 per senior client per year to receive community grant services. For seniors in nursing homes, the cost was \$148,000 per client per year.

[5:22:41 PM](#)

ERIN WALKER-TOLLES, EXECUTIVE DIRECTOR, CATHOLIC COMMUNITY SERVICES, JUNEAU (via teleconference), explained that Catholic Community Service (CCS) was a regional faith-based non-profit that provided home community based services for seniors and caregivers. Senior services were being reduced while community needs continued to increase. She expressed her concern for seniors and caregivers statewide if the funding continued to decrease. She relayed that CCS had never experienced such a dramatic increase in community needs. The number of seniors receiving services had increased by 54 percent in the past five years, from 80,000 seniors to 171,000 seniors in FY 23. The percentage of seniors who were homebound had increased from 50 percent to 85 percent in FY 23. There was a 20 percent increase in seniors accessing home care in the prior year. Due to a lack of funding, the center had reduced the number of days the senior centers were open and laid off staff in order to pay for food for the seniors. Unless the current level of funding was maintained, CCS would not be able to meet community needs and it was likely that it would need to reduce the number of days that it provided hot meals to seniors to three days per week and it could be forced to close one or more of the senior centers. She urged the committee to maintain the current level of funding for senior grants in order to avoid a potential crisis in senior health outcomes.

[5:25:29 PM](#)

JENNIFER CARSON, EXECUTIVE DIRECTOR, BEHAVIORAL HEALTH SERVICES, BARTLETT REGIONAL HOSPITAL, JUNEAU (via teleconference), testified in support of the Crisis Now grants and crisis stabilization. She explained that the

Crisis Now system was a best practice framework for developing and implementing services for individuals experiencing a crisis. The services were critical in avoiding the unnecessary use of law enforcement to respond to a person in a behavioral health crisis. There was only one crisis center providing services to youths in the state. She argued that it was imperative that crisis grant funding be added back into the budget as the current funding was not adequate to fund ongoing operations. Other more costly services would become more heavily relied upon in lieu of adequate funding, such as in-patient services. There had been positive outcomes for individuals who had been admitted into crisis stabilization services. She asked the committee to consider adding the \$1 million back to the budget in order to solidify the continuation of crisis services.

[5:27:44 PM](#)

TOM BOUTIN, SELF, JUNEAU (via teleconference), urged the committee to refrain from using savings to fund the budget. He thought that Alaska had full employment and high oil prices and the annual oil production was not likely to increase. He argued that spending one-time savings now was not logical. Oil prices had dropped while the population had doubled and there was no compensation for the loss in profit. The media was complaining in 2023 that the administration could not keep up with new Supplemental Nutrition Assistance Program (SNAP) enrollment while there were also reports that there were two vacant jobs available for every unemployed Alaskan. He thought that Alaskans who wanted to work in the private sector were moving away for higher wages. The economy had unprecedented structural problems and he did not think deficit spending was a remedy. He opined that economic problems would not be addressed by increased education spending or better child care. He thought that the budget process was not transparent enough. He was fearful that there would be overspending. The state sector had become disproportionately large and it dissuaded the manufacturing sector.

Co-Chair Johnson shared that there were no more testifiers online and she would take an at ease to give individuals the opportunity to call in.

[5:31:06 PM](#)

AT EASE

[5:31:52 PM](#)

RECONVENED

Co-Chair Johnson stated that the committee would return at 6:00 p.m.

Representative Hannan shared that a school board meeting discussing potential school closures in Juneau was happening at the same time as the committee meeting. She thought that 90 percent of engaged families were at the school board meeting, which was why there was a small number of testifiers.

Co-Chair Johnson reviewed the contact numbers for testifiers to call in.

[5:34:14 PM](#)

AT EASE

[6:02:38 PM](#)

RECONVENED

^PUBLIC TESTIMONY: SITKA, PETERSBURG, DELTA JUNCTION, DILLINGHAM, GLENNALLEN, TOK, AND OFFNETS

Co-Chair Johnson noted that there were no additional testifiers. She repeated the phone numbers for testifiers.

Co-Chair Johnson relayed that one testifier had called in while she was offering the phone numbers.

[6:03:54 PM](#)

PAMELA BAKER-ALBERT, CAREGIVER, NORTH WAY (via teleconference), relayed that she had been a caregiver for 17 years and her client was in a wheeled chair due to a traumatic brain injury. She went above and beyond her required hours as a caregiver in order to ensure that the needs of her client were met, such as driving 69 miles to go grocery shopping. She requested that caregivers receive dental benefits, prescription drug coverage, and eyeglass benefits. The caregiving agencies were not covering such benefits and caregivers were required to pay out-of-pocket. She would like the funding received by the state to go to the caregivers and not to the agencies. She asked what

caregivers could do to promote the availability of benefits. She noted that her community was so remote that it did not have running water, which meant that she was packing water for her client when it was negative 20 degrees outside. She would appreciate it if the legislature would consider the needs of caregivers.

Co-Chair Johnson appreciated the testifier's comments.

Representative Cronk thanked the testifier for her comments.

Co-Chair Johnson stated that there were no more testifiers online and the committee would return at 6:30 p.m.

[6:09:21 PM](#)

AT EASE

[6:32:39 PM](#)

RECONVENED

Co-Chair Johnson relayed that testifiers had called in during the at ease.

[6:33:21 PM](#)

GEORGIA JACKSON, SELF, CAREGIVER, COPPER CENTER (via teleconference), indicated that she was a caregiver and wanted to request more funding for at-home services. She lived in a rural area and the current pay was not encouraging people to work. There were no social security benefits and employees' only option was Medicaid. Some clients were 40 miles away and there was no mileage coverage. Her client did not have running water and the logistics were difficult. There were many elders and disabled people not receiving services because the pay and benefits were not sufficient to encourage people to work. She argued that increased funding could improve the problem.

[6:37:48 PM](#)

EDNA BEEBE, SELF, EEK (via teleconference), relayed that her community of Eek was not part of the road system. She was currently a caretaker for her mom and was also a caretaker for her dad before he passed away. She was responsible for her mom's meals and made sure her mom had

fresh clothing and bedding. She had only been allowed to work for about 13 hours per week since she began caregiving about six years ago and her mom's needs had only increased over the years. She relayed that her mom had medical appointments in Anchorage, but due to the weather the appointments were often rescheduled. She argued that higher pay would attract more applicants to the caregiving profession. She noted that living expenses in Eek had been steadily increasing. She urged that more funding go to the caregivers.

[6:44:05 PM](#)

PASCALE HAWKINS, CAREGIVER, ARIS SOLUTIONS, JUNEAU (via teleconference), requested that more money be added to the budget for caregivers. She was a former nurse and was only getting paid \$20 per hour for caregiving. She noted that it was costing her more money to drive to work and back home than she was receiving in wages. Her son was now a caregiver and would be experiencing even more financial difficulties if he did not live with Ms. Hawkins. She relayed that her son had been working for the same agency for over a year and had not gotten a raise or any other increased compensation. She loved being a caregiver but the pay and benefits were prohibitive.

[Although not expressly stated, public testimony was closed.]

Co-Chair Johnson reviewed the agenda for the following day's meeting.

HB 268 was HEARD and HELD in committee for further consideration.

HB 270 was HEARD and HELD in committee for further consideration.

ADJOURNMENT

[6:49:29 PM](#)

The meeting was adjourned at 6:49 p.m.