

HOUSE FINANCE COMMITTEE
March 13, 2024
1:37 p.m.

[1:37:41 PM](#)

CALL TO ORDER

Co-Chair Johnson called the House Finance Committee meeting to order at 1:37 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

Elizabeth Bolling, Public Policy Director, Alzheimer's Association, Juneau.

PRESENT VIA TELECONFERENCE

Kate Finn, Self, Homer; Bryan Hawkins, Court Director, City of Homer, Homer; Rachel Lord, Self, Homer; Charlie Franz, Self, Homer; Chanel Schultz, Self, Kenai; Jennifer Williams, Caregiver, Anchor Point; Amber Coila, Self, Homer; Sunshine Konovalov, Self, Homer; Ben Holzmeister, Ketchikan Wellness Coalition, Ketchikan; Ruth Mitchell, Self, Anchor Point; Kiana Clemens, Seward Safe Harbor Domestic Violence and Sexual Assault Program, Seward; Amy Backas, Self, Homer; Patrick Reinhart, Director, Governor's Council on Disabilities and Special Education, Homer;

Ronnie Leach, South Peninsula Haven House, Homer; LaDawn Druce, Self, Sterling; Tasia Roddy, Seward Safe Harbor Domestic Violence and Sexual Assault Program, Seward; Rebecca Shields, Director, Kodiak Women's Resource and Crisis Center, Kodiak; Sara Woods, Self, Kodiak; Jonathan Strong, Caregiver, Kodiak; Mike Jones, Self, Homer; Suzi Towsley, Program Director, Seward Safe Harbor Domestic Violence and Sexual Assault Program, Seward; Angela Head, Self, Homer; Brian Lefferts, Director of Public Health, Yukon Kuskokwim Health Corporation, Bethel; Jennifer Peck, Self, Anchorage.

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:

HOMER, KENAI, KETCHIKAN, KODIAK, SEWARD, OFF NETS

#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."

^PUBLIC TESTIMONY: HOMER, KENAI, KETCHIKAN, KODIAK, SEWARD, OFF NETS

[1:39:40 PM](#)

Co-Chair Johnson OPENED public testimony.

[1:40:32 PM](#)

KATE FINN, SELF, HOMER (via teleconference), relayed that she was a caregiver and urged the committee to add funding for caregivers in the operating budget. She worked with consumer direct in Homer and she had clients who would be in facilities if home care was not available. She argued that it was fiscally responsible for clients to stay in their homes rather than move to in-patient facilities. She had a client who was a veteran and talking about his military memorabilia kept his mind alive. She thought young people needed to be in the caregiving profession because the physical elements of the job could be demanding.

[1:43:09 PM](#)

BRYAN HAWKINS, COURT DIRECTOR, CITY OF HOMER, HOMER (via teleconference), relayed that there was a resolution for the expansion of the harbor in Homer. He requested additional match funds in the amount of \$288,523 for the expansion, which would be consistent with the shared local match partnership in 2013. He noted that the Kenai Peninsula Borough supported the project. The City of Homer had already passed multiple resolutions, such as the resolution to oppose HB 250. He relayed that Homer also supported the increase to the BSA.

[1:45:19 PM](#)

RACHEL LORD, SELF, HOMER (via teleconference), shared that the top budget priority for herself and her children was an increase of at least \$680 for the Base Student Allocation (BSA). The legislature continued to hear from a variety of community members about the dire need for increased funding for the BSA. She thought the legislature should be demanding more accountability and leadership from the Department of Education and Early Development (DEED).

Adequate funding for the Department of Health (DOH) was also critical and she supported the \$4.5 million in the budget to support food banks and food pantries. The departments needed to be competitively staffed and engaged in the issues. She argued that private industries and a vibrant state required stable state services, such as education. She thought the legislature needed to prioritize constitutionally obligated and necessary state functions.

Co-Chair Johnson offered a reminder that the public testimony was to be focused on the budget and not on SB 140.

[1:48:15 PM](#)

CHARLIE FRANZ, SELF, HOMER (via teleconference), expressed his disappointment that there was a lack of a balanced budget based on anticipated revenues. The failure to control spending was incredibly disappointing and irresponsible. He also expressed disappointment in the legislature's inability to develop a fiscal plan.

[1:49:35 PM](#)

CHANEL SCHULTZ, SELF, KENAI (via teleconference), relayed that she had recently moved to the state to take care of her mom. She urged increasing funding for senior care. She could not live on caregiver wages and could not find other caregivers to help her mom.

[1:50:52 PM](#)

JENNIFER WILLIAMS, SELF, CAREGIVER, ANCHOR POINT (via teleconference), shared that she had been a caregiver for over 15 years and specialized in Alzheimer's and dementia. She requested that funding be increased for in-home care and caregivers' wages. She emphasized that Alaska had the highest growing population of seniors in the nation and there was a substantial shortage of caregivers. She thought that in-home caregivers needed to make a livable wage and young people needed to be encouraged to enter the caregiving profession. Many seniors in her community were malnourished because there were not enough caregivers to provide adequate assistance.

[1:52:30 PM](#)

AMBER COILA, SELF, HOMER (via teleconference), urged that additional funding be incorporated into the budget for home care. She had helped many disabled clients transition to independent living. She also helped seniors with housing, showering, homes cleaning, and eating well. She had been experiencing difficulties in paying for her schooling and paying her bills because caregiver wages were too low. There were not enough workers to take care of the population.

[1:54:27 PM](#)

SUNSHINE KONOVALOV, SELF, HOMER (via teleconference), had been a caregiver for 11 years. She urged that more money be added to the budget for home care and caregiver wages. She explained that caregivers could not afford rent, gas, time off, and other necessities.

[1:55:28 PM](#)

BEN HOLZMEISTER, KETCHIKAN WELLNESS COALITION, KETCHIKAN (via teleconference), advocated for continued spending for the Crisis Now grants. The grants would save the state money in the long-term rather than costing money. In the previous year, emergency room visits in Ketchikan averaged \$2,200 per visit for a total of \$13.6 million in costs. There were many surveys across the country that showed that about 20 percent of emergency room visits were not actually an emergency. If emergency room visits were reduced by 20 percent, there would be a savings of about \$2.7 million. If crisis centers received proper funding, the cost per visit would be between \$65 and \$529, which was about one-fifth of the current cost per visit. He reiterated his advocacy for continued funding for the grants.

[1:57:57 PM](#)

RUTH MITCHELL, SELF, ANCHOR POINT (via teleconference), urged legislators to increase funding for caregivers' wages. She relayed that cost of living was much higher than caregivers could afford. Housing costs had increased and it was difficult to make ends meet. Caregivers were also responsible for driving clients to medical appointments and would not receive reimbursement for gas. The insufficient wages for caregivers also impacted the clients because there were not enough workers to provide sufficient care.

[2:01:41 PM](#)

KIANA CLEMENS, SEWARD SAFE HARBOR DOMESTIC VIOLENCE AND SEXUAL ASSAULT PROGRAM, SEWARD (via teleconference), shared that the Safe Harbor program had provided her essential assistance when she was the victim of domestic violence. She indicated that it was a vital program for Seward and for all of Alaska.

[2:04:18 PM](#)

AMY BACKAS, SELF, HOMER (via teleconference), shared that she was a caregiver and one of her clients was in a wheeled chair and needed help with every part of her day. There were many vulnerable people waiting for help and they were not getting it because there were simply not enough caregivers. She requested that there be an allocation of additional funds for caregiver wages. She remarked that caregivers were not making livable wages but were assisting individuals whose lives were at stake.

[2:06:36 PM](#)

PATRICK REINHART, DIRECTOR, GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION, HOMER (via teleconference), noted that he sent in written testimony because he was not able to address every issue in his two minute verbal testimony. He shared that Alaska Mental Health Trust Authority (AMHTA) recommended that the Autism Resource Center receive \$50,000 in general funds but it was not included in the budget. He would like to see the funding incorporated into the budget. He shared that the center was important to families and people with autism around the state. He noted that \$50,000 in funding was also recommended for the Governor's Council on Disabilities and Special Education and it was important to keep the council operational, but the funding was not in the budget. Transit match funding for the Department of Transportation and Public Facilities (DOT) had not been included in the budget for many years and he requested that \$1 million in funding be included in the budget. He was concerned about the ability of transit programs across the state to rely upon federal funding to remain operational. Some smaller communities could not meet the local match requirements but the transit match program was vital to ensure that federal funding was allocated to the state.

2:10:04 PM

RONNIE LEACH, SOUTH PENINSULA HAVEN HOUSE, HOMER (via teleconference), relayed that she was concerned about the \$4 million shortfall in the budget. The need for victims' services was at an all-time high and it was not appropriate to cut funding. The Haven House in Homer would lose over \$150,000 if funding was reduced and 20 percent of services to victims of crime would be cut. She emphasized that it would be extremely difficult to determine which services should no longer be offered if funding was cut. The services provided by Haven House and other similar organizations saved lives and the idea of turning people away was in opposition to every goal held by the organization.

2:11:54 PM

LADAWN DRUCE, SELF, STERLING (via teleconference), noted that she was representing herself but in the coming year, she would be serving as the interim president of the Kenai Peninsula Education Association. She thanked the legislature for its support of SB 140 and asked for continued support for the BSA to be no lower than \$680. Retention of teachers and support staff was paramount to student success.

2:13:11 PM

TASIA RODDY, SEWARD SAFE HARBOR DOMESTIC VIOLENCE AND SEXUAL ASSAULT PROGRAM, SEWARD (via teleconference), shared her personal story as a victim of domestic violence. She could not get anyone to respond when she was in crisis and the Seward Safe Harbor Domestic Violence and Sexual Assault Program was the only organization that helped her. She did not think that she would be as safe as she presently was if it were not for the program. She thought it would be logical to provide the program with more funding in order to provide help to individuals who needed it. She was uncertain where she would be if it were not for the help she received from the program and she thought that many others felt the same way. She argued that cutting any funding from the program would be detrimental to individuals who were suffering.

Co-Chair Johnson thanked Ms. Roddy for her story and asked if she was currently in a safe situation.

Ms. Roddy responded that she was presently in a safe spot. She did not think she would have been safe if it were not for the program.

Representative Stapp asked Ms. Roddy to repeat the name of the program.

Ms. Roddy responded the Seward Safe Harbor Domestic Violence and Sexual Assault Program.

[2:17:06 PM](#)

REBECCA SHIELDS, DIRECTOR, KODIAK WOMEN'S RESOURCE AND CRISIS CENTER, KODIAK (via teleconference), explained that Kodiak Women's Resource and Crisis Center (KWRCC) served the needs of domestic violence and sexual assault victims and other victims in immediate need. The center was the only agency that was open 24 hours per day, every day, to meet the needs of individuals in crisis, day or night, without payment. The agency worked with other entities to help clients receive assistance, provided outreach education, and provided direct safety to marginalized and traumatized individuals in the community. She would be concerned about the consequences many individuals would face if the services offered by the center were not available. She urged returning the \$4 million in funding for victims' services back to the budget and fully funding victims' services. She believed that the state would spend much more money in the long-term if victims' services were not fully funded.

[2:20:09 PM](#)

SARA WOODS, SELF, KODIAK (via teleconference), shared that she was a domestic violence survivor. She emphasized that it was dangerous and difficult to leave a violent relationship. She relayed that the help provided to her by KWRCC saved her life. The center helped her obtain a restraining order against the perpetrator and helped her remove the perpetrator from her home. She advised that the legislature consider continuing the funding for victims' services as the funding was lifesaving.

[2:22:28 PM](#)

JONATHAN STRONG, CAREGIVER, KODIAK (via teleconference), relayed that he was representing a group of eight caregivers in Kodiak. He thanked the legislature for putting \$7 million into the general fund for care providers in 2022. The goal of the caregivers was to realize the shared vision that individuals with developmental disabilities could live full lives with the support the individuals needed. His job was to help people with special needs reach their goals. There were presently 331 children and adults with disabilities on the wait list to receive caregiving services. In December of 2022, a proposal was published to address the waitlist, which included the implementation of resource allocation tools such as interRAI. He relayed that the implementation was included in HB 281 and he appreciated the legislature's support for the bill.

Mr. Strong continued that the second priority of caregivers was to support initiatives that addressed social determinants of health, such as affordable, accessible housing. There were two small assisted living homes in Kodiak and the homes were constantly receiving calls from individuals inquiring as to the availability of space in the homes. Access to transportation and employment were important as well. The goal was to help individuals with disabilities decrease their reliance on caregivers and help individuals be as independent as possible. He urged adding \$1 million into the budget for transit match funding.

Mr. Strong requested that the legislature support housing vouchers and continue to address challenges within state infrastructure to improve access to state services. He shared that it was a lengthy process for an individual with a disability to get a job and the jobs were often no longer available once the individual had completed the application process. He also urged investment in community behavioral health services because due to a lack in services, jails and prisons had become the new mental health institutions. He noted that it was difficult to recruit and retain staff under the current home and community-based services rates.

[2:28:14 PM](#)

MIKE JONES, SELF, HOMER (via teleconference), relayed that he would be testifying on HB 268. He encouraged individuals to look at the budget closely and determine whether special interests were being prioritized to the detriment of PFDs.

He thought a lower PFD was the most penalizing tax that the state could impose on lower income families. He thought the budget appeared to promote larger government influence and he encouraged the legislature to look for alternative solutions. He argued that the state should not steal the PFD from individuals who needed it.

Co-Chair Johnson noted that the committee would take a break to wait for more testifiers to call in.

2:30:16 PM

AT EASE

2:46:46 PM

RECONVENED

2:47:16 PM

SUZI TOWSLEY, PROGRAM DIRECTOR, SEWARD SAFE HARBOR DOMESTIC VIOLENCE AND SEXUAL ASSAULT PROGRAM, SEWARD (via teleconference), relayed that the Safe Harbor program provided victims' services to survivors of domestic violence and sexual assault free of charge. She encouraged the legislature to restore the \$4 million in funding that had been removed from victims' services. The program in Seward included victims' services as well as educational outreach programs and it had just implemented a sexual assault response team. Survivors were previously required to travel to Anchorage in order to receive a sexual assault examination. She had received a text from a client about their experience with the program. The client was unable to testify because she had to work, but she gave Ms. Towsley permission to relay the message. The client stated that when she left her abusive relationship, she had nowhere to live, no job, and no money. The program offered her the resources and support that she needed to leave the relationship that would have likely been fatal if she had stayed. Ms. Towsley stressed that victims would die if funding was cut and lifesaving services were no longer available.

2:50:00 PM

AT EASE

2:52:30 PM

RECONVENED

Co-Chair Johnson noted that there was an individual in the committee room who wished to testify.

2:53:04 PM

ELIZABETH BOLLING, PUBLIC POLICY DIRECTOR, ALZHEIMER'S ASSOCIATION, relayed that she and her colleague were in Juneau to advocate for increased funding to the Senior and Disabilities Services grant. She specifically would like to see increased funding for adult day services. The funding would help existing adult day service centers expand hours, turn away fewer Alaskans, increase pay opportunities for caregivers, and help underserved areas. There were many areas in the state that did not have adult day services and the increase would help expand the services.

Co-Chair Johnson noted that the legislature included \$7.5 million for home care in the previous year's budget. She asked what were the direct results of the increased funding.

Ms. Bolling responded that the home care funding allocation was separate from the adult day services funding allocation. One of the most important reasons to increase adult day funding was because it would provide a place for Alaskans to drop off their loved ones during the workday and it would enable more Alaskans to return to work or school.

Representative Ortiz asked how much funding was currently in the budget for adult day services.

Ms. Bolling responded that the allocation was currently \$1.4 million which served ten adult day grantees across the state. The grantees were all non-profits and the funding would allow others to apply for the grants. Other entities such as tribal organizations were eligible for the grants but as there were already ten grantees, there was no room to develop additional adult day services. The breakdown was about \$18 per hour per Alaskan served.

2:56:47 PM

ANGELA HEAD, SELF, HOMER (via teleconference), shared that she was the parent of three young children, two of which were in the public school system. She wanted education to be funded and she needed there to be a place for her

children to go for school more than she needed an annual PFD check. She noted that social services were incredibly important and she valued education over the PFD.

[2:58:00 PM](#)

BRIAN LEFFERTS, DIRECTOR OF PUBLIC HEALTH, YUKON KUSKOKWIM HEALTH CORPORATION, BETHEL (via teleconference), indicated that he had recently learned that the funding for the Healthy Family Initiative program had been reduced from \$6.7 million to \$2 million. The funding had been for the purpose of combating congenital syphilis and tuberculosis, which seemed to have been cut. He was hoping to see the funding increase by at least another \$2 million. The tuberculosis rates in rural Alaska increased rapidly a few years prior and the increase in funding had helped address the problem. If the funding were to be reduced, he worried that the problem would worsen. The rates of tuberculosis in rural Alaska were so high that one out of every 150 new tuberculosis case in the nation was in the Yukon-Kuskokwim Delta. Treating individuals who had already contracted tuberculosis was far more expensive than preventative screening.

[3:00:19 PM](#)

Representative Stapp relayed that about \$500,000 was added back into the budget during the subcommittee process for the purpose of combating tuberculosis.

Mr. Lefferts appreciated the comment and hoped there was a way to further increase the funding. The grant for the Yukon Kuskokwim Health Corporation was \$960,000 and the corporation was able to hire several nurses with the funding, but it would not be able to continue to fund the positions without additional funding.

[3:01:15 PM](#)

JENNIFER PECK, SELF, ANCHORAGE (via teleconference), shared that she was a licensed social worker and trauma-focused therapist and worked with survivors of domestic violence, sexual violence, and crime. She requested that the \$4 million in funding be restored to victims' services. Since August of 2023, she had worked with 23 survivors of domestic violence, sexual violence, and crime from the Aleutian Islands. Of the 23 survivors, 15 had successfully

returned to their pre-trauma lifestyles, both emotionally and physically. She explained that the 15 clients were less likely to become homeless, to engage in another domestic violence relationship, and less likely to become the perpetrators of abuse themselves. Preventing trauma, promoting healing, and building resilience could dramatically improve the health of Alaskans. The reduction of funding and decreased services would have a devastating effect on many communities.

[3:03:11 PM](#)

AT EASE

[3:04:18 PM](#)

RECONVENED

Co-Chair Johnson CLOSED public testimony.

Co-Chair Johnson reviewed the agenda for the evening'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

[3:05:21 PM](#)

The meeting was adjourned at 3:05 p.m.

