

SENATE FINANCE COMMITTEE
March 13, 2024
9:06 a.m.

[9:06:12 AM](#)

CALL TO ORDER

Co-Chair Olson called the Senate Finance Committee meeting to order at 9:06 a.m.

MEMBERS PRESENT

Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Click Bishop
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair
Senator David Wilson

ALSO PRESENT

Senator Cathy Giessel, Sponsor; Angela Rodell, Staff, Senator Giessel; Curtis Thayer, Executive Director, Alaska Energy Authority; Jane Conway, Staff, Senator Giessel; Sylvan Robb, Director, Division of Corporations and Business Licensing, Department of Commerce, Community and Economic Development; Renee Gayhart, Director, Division of Healthcare Services, Department of Health; Tracy Dompeling, Director, Division of Behavioral Health, Department of Health.

PRESENT VIA TELECONFERENCE

Rachel Buddin Young, Board Member, Alaska Board of Professional Counselors, Eagle River; Elaine Border, Border Counseling Services, Anchorage; Josh Arvidson, Chief Operating Officer, Alaska Behavioral Health; Brittany Pope, Self, Ketchikan; Mary Fitzgerald, Owner, Deeper Light Psychotherapy, Juneau.

SUMMARY

SB 116 ASSOCIATE AND PROFESSIONAL COUNSELORS

SB 116 was heard and HELD in Committee for further consideration.

SB 243 ALASKA ENERGY AUTHORITY GOVERNANCE

SB 243 was heard and HELD in Committee for further consideration.

#sb243

SENATE BILL NO. 243

"An Act relating to the board of directors of the Alaska Energy Authority."

[9:06:58 AM](#)

Co-Chair Olson relayed that it was the first hearing of SB 243.

[9:07:13 AM](#)

SENATOR CATHY GIESSEL, SPONSOR, relayed that the bill would create a separate board for the Alaska Energy Authority (AEA). She stated that AEA had a greater number of complex issues than previously administered, and managed a great deal of money. The bill would place two commissioners on the board, the commissioner of Department of Commerce, Community and Economic Development (CED) and the commissioner of the Department of Revenue (DOR).

Senator Giessel continued that each of the six public members would have three-year terms. The bill was amended in the Senate Resources Committee, which she thought had stipulated that board members would have tiered terms with members rotating out.

Co-Chair Olson asked why the boards were combined initially.

Senator Giessel thought the AEA director could best answer the question.

Senator Merrick asked if there was a difference between the bill and the associated executive order offered by the governor.

Senator Giessel answered affirmatively.

[9:10:56 AM](#)

ANGELA RODELL, STAFF, SENATOR GIESSEL, spoke to a Sectional Analysis for the CSSB 243 (RES) (copy on file):

The Committee Substitute adopts the following changes:

1. Section 4, page 3, lines 2-5:

a. Adds language to state the AIDEA board would no longer be the board of AEA as of the effective date and to provide specific terms to specified qualified board members.

b. Removes the transition that required the Governor to appoint two public members of the initial

Alaska Energy Authority board of directors to one-year terms, two public members to two-year terms, and two public members to three-year terms and added language requiring:

(b) the member appointed to fulfill the role of expertise or experience in managing or operating an electric utility not connected to an interconnected transmission system and one of the two members appointed to fulfill the role of expertise or experience in finance, energy policy, engineering, law, or economics are appointed to an initial 7-month term, expiring March 1, 2025

(c) the member appointed to fulfill the role of expertise or experience in developing energy projects in rural communities and the second of the two members appointed to fulfill the role of expertise or experience in finance, energy policy, engineering, law, or economics are appointed to an initial 19-month term, expiring March 1, 2026.

(d) the member appointed to fulfill the role of expertise or experience in managing or operating an electric utility connected to an

interconnected transmission system and the member appointed to fulfill the role of financial expertise in large-scale energy project development are appointed to an initial 31-month term, expiring March 1, 2027.

2. Section 5, page 3, line 21 to include an effective date of July 1, 2024.

[9:14:45 AM](#)

Co-Chair Stedman referenced page 2, line 4, which referenced the interconnected electric energy transmission network, and asked for that definition.

Ms. Rodell explained that the language referenced the intertie that ran from the Kenai Peninsula through Anchorage and through Fairbanks.

Co-Chair Stedman assumed that the intertie would exclude the interconnection between Ketchikan, Wrangell, and Petersburg.

Ms. Rodell relayed that the language had been taken from the executive order.

Senator Giessel pointed out that the definition on page 1, line 10, could include communities in Southeast Alaska.

Co-Chair Olson asked if all the board members would be voting members and asked about the eventuality of a tie.

Ms. Rodell explained that an affirmative vote of five members was a requirement for any action.

Senator Bishop referenced voting rights and asked if the designee for a commissioner's office would have voting authority.

Ms. Rodell affirmed that a commissioner designee would have voting authority.

[9:18:40 AM](#)

CURTIS THAYER, EXECUTIVE DIRECTOR, ALASKA ENERGY AUTHORITY, discussed a presentation entitled "SENATE BILL 243: AEA GOVERNANCE" (copy on file). He showed slide 2, "About AEA,"

and highlighted that AEA had six board members. He discussed rural energy elements such as, and mentioned travel to rural parts of the state where AEA conducted trainings. He mentioned grants and loans offered by AEA and discussed the Renewable Energy Fund.

Mr. Thayer referenced slide 2, "AEA Active Projects and Services," which showed a map of the state depicting active projects and services.

Mr. Thayer reviewed slide 3, "The "Why"":

"As governor, I find that it is in the best interests of efficient administration to separate the membership of the board of directors of the Alaska Energy Authority from the membership of the board of directors of the Alaska Industrial Development and Export Authority." – Executive Order 128

- Historical: From 1976 until 1993, AEA was governed by its own board of directors.
- Distinct Purpose: The underlying purposes of AIDEA and AEA are fundamentally different.
- Unique Mission: Reduce the cost of energy in Alaska, diversify Alaska's energy portfolio, and increase resiliency, reliability, and redundancy – and our mission is growing (owned assets, energy data department).
- Exponential Growth: AEA's capital budget has increased over 1,000% in the last four years.
- Distinct Expertise: A distinctive set of skills and expertise is required for optimal governance. It is common and appropriate for a single-purpose entity to have a governing board made up of experts in the topic area.

[9:25:42 AM](#)

Mr. Thayer discussed slide 5, "AEA's Exponential Growth":

- AEA has received – and anticipates a substantial increase in – federal funding from the Infrastructure Investment and Jobs Act (IIJA) and others, over the next several years.
- Pipeline of federal funding:

- \$84 million awarded (Energy Efficiency Conservation Block Grant, Department of Defense Grant, State Energy Planning Grant, National Electric Vehicle Infrastructure grant, and Grid Resilience 40101(d) Grant)
- \$573.5 million conditionally awarded (Grid Resilience and Innovation Partnerships, Energy Efficiency Reconciliation Loan Capitalization Program, and Home Efficiency and Appliance Rebates)
- \$104 million competitive applications pending decision (Solar for All, Wood Innovations Grant, and Energy Future Grant, and High-Energy Cost Grant)
- Availability of tax incentives for clean energy projects and direct pay reimbursement available for tax exempt entities for the first time.
- In addition to AEA's netbook value of \$1.3 billion, several large projects are underway:
 - \$413 million to build an undersea High Voltage Direct Current from the Kenai Peninsula to Anchorage
 - \$342 million for the Dixon Diversion Project to increase the annual energy production of Bradley Lake by 50 percent (Estimated to offset 1.5 billion cubic feet of natural gas per year in Railbelt power generation)
 - \$90 million for Railbelt transmission upgrades (Sterling Substation and Quartz Creek transmission line)

Mr. Thayer turned to slide 6, "AEA's Statutory Programs."

[9:30:06 AM](#)

Co-Chair Stedman asked for a brief synopsis of the AEA board 30 years previously.

Mr. Thayer detailed that the history of the AEA.

Co-Chair Olson asked for an idea of why the boards were initially combined. He

Mr. Thayer understood that a former Speaker of the House had issues with the board at the time and the AEA Executive Director, and had made substantial changes. He noted that AEA employees were actually AIDEA employees. The two corporations shared some services.

[9:32:43 AM](#)

Co-Chair Olson asked Mr. Thayer to comment on Co-Chair Stedman's mention of the intertie between Ketchikan and Petersburg.

Mr. Thayer noted that the two interties were distinct.

Co-Chair Stedman did not have a concern about Railbelt representation.

Co-Chair Olson asked how the municipalities were chosen.

Mr. Thayer referenced information from the Department of Energy, and noted that AEA had helped with some of the applications. He referenced Angoon and a project that had been on the books for some time. He noted that AEA was still working with the community on the project. He mentioned Kotzebue had also received some of the funding. He agreed to provide a complete list of the communities.

[9:36:04 AM](#)

Co-Chair Olson asked Mr. Thayer to address FN 1 from CED.

Mr. Thayer relayed that the fiscal note was derived from the board cost for travel.

Co-Chair Olson OPENED public testimony.

Co-Chair Olson CLOSED public testimony.

SB 243 was heard and HELD in Committee for further consideration.

#sb116

SENATE BILL NO. 116

"An Act relating to the Board of Professional Counselors; relating to licensing of associate counselors; and providing for an effective date."

[9:37:24 AM](#)

Co-Chair Olson relayed that it was the first hearing for SB 116.

[9:37:42 AM](#)

SENATOR CATHY GIESSEL, SPONSOR, explained that the purpose of the bill was to allow graduates to begin in the profession and, and emphasized that the state needed more LPCs and needed to retain them, and that the bill would lead in that direction.

[9:41:29 AM](#)

JANE CONWAY, STAFF, SENATOR GIESSEL, discussed a Sectional Analysis (copy on file):

Section 1. (Page 1) Amends AS 08.02.110 Professional designation requirements (a) to include Associate Counselors in the same chapter as other professions and requires them to use appropriate professional title designation that represents their field of practice

Section 2. (Page 2) Amends AS 08.29.020 Duties of the Board (a) to include Associate Counselors to be licensed by the Board of Professional Counselors.

Section 3. (Page 2) Amends AS 08.29.100 Unlicensed use of title prohibited (a) to prohibit those without licenses to declare themselves an Associate Counselors, use language that may be confused with the title of "Associate Counselor."

Section 4. (Page 3) Amends AS 08.29.110 Qualifications for Licensure (a) to establish that the board shall issue a professional counselor license if the applicant has successfully completed an associate counselor program authorized by the board and meets all other requirements of the board, including the supervision of a supervisor approved under regulations of the board. Furthermore, at least 100 hours of face-to-face supervision are required.

Section 5. (Page 4) Amends AS 08.29.120 Licensure by credentials (a) to establish that the board may issue a license for professional or associate counselor to practice if they are licensed in another jurisdiction

and if the board finds the other jurisdiction has an equal or higher licensure requirement as those in this state.

Section 6. (Page 4) Amends AS 08.29.220 Disclosure Statement Requires an Associate Counselor to furnish a disclosure statement including the name, title, business address and business telephone number to clients before providing services. The disclosure statement must include the Associate Counselor's educational description, areas of specialization, services available, and fee schedule listed by type of service or hourly rate. It also must include that the information provided is required by the Board of Professional Counselors which regulates their activities.

Section 7. (Page 5) Amends 08.29.400 Grounds for denial of license or for disciplinary sanctions (a) to include that Associate Counselors may be subject to disciplinary sanctions imposed by the Board of Professional Counselors if they are incompetent, or have committed misconduct, fraud, misrepresentation, or dishonesty in the functions of a licensed Associate Counselor.

A licensed Associate Counselor is also subject to disciplinary sanctions if they assist another person who is not licensed under this chapter in an attempt to represent the person to the public as a licensed Associate Counselor.

Section 8. (Page 6) Repeals 08.29.210 Supervisor certification

Section 9. (Page 6) Creates transitional language to allow the board to promulgate and adopt regulations.

Section 10. (Page 6) Allows Section 9 to be conducted immediately.

Section 11. (Page 6) Provides for overall effective date of the bill to be July 1, 2025.

[9:45:59 AM](#)

Senator Kiehl asked why there was a deletion of the statutory requirements for a supervisor.

Ms. Conway understood that the provisions would determine supervision criteria to be under regulation rather than statute.

Senator Kiehl asked if there was any need to include associate counselors in the definition of health care providers in other statutes.

Ms. Conway affirmed that the issue had come up during consideration of the companion bill in the House.

Senator Bishop understood that currently the group could not bill for services because of lacking a designation, and that the bill would rectify the matter.

Senator Giessel relayed that the committee would hear from testifiers that could utilize the designee.

[9:49:53 AM](#)

Co-Chair Olson asked if there were programs in the state to fulfill the requirements.

Senator Giessel replied in the affirmative.

Co-Chair Olson asked about reciprocity and other states, and whether the requirements could move between states.

Senator Giesel replied in the affirmative.

[9:51:10 AM](#)

RACHEL BUDDIN YOUNG, BOARD MEMBER, ALASKA BOARD OF PROFESSIONAL COUNSELORS, EAGLE RIVER (via teleconference), spoke in favor of the bill, and discussed the presentation, "Associate Counselor License, House Bill 126 and Senate Bill 116" (copy on file). She looked at slide 2, "National Trends":

More states are regulating the process for becoming fully licensed through a transparent "pre-licensing" status.

Titles may include associate, trainee, provisional, intern, and conditional.

Ms. Buddin Young pointed to slide 3, "Pre-Licensure is a Beneficial Trend":

Practicing professional counseling under a license is good for Alaska because:

- Ensures professional trained and supervised counselors are assisting the needs of Alaska residents.
- Creates standard of practice for the state.
- Maintains national standards.
- Provides guidance and accountability for new counselors

Ms. Buddin Young showed slide 5, "Associate Counselor Requirements":

All documents must be submitted for approval to become an Associate Counselor:

- Two letters of recommendation from professional counselors
- Must be at least 18 years old
- Is not under investigation in any jurisdiction
- No previous license suspended, revoked, surrendered in lieu of discipline
- Completed all education requirements Doctoral degree in counseling or related professional field Master's degree in counseling or related professional field

Ms. Buddin Young addressed slide 5, "Streamline Process":

Once the following has been completed, the Associate Counselor may apply for a full Professional Counselor License:

- Pass the NCE or NCMHCE and submit scores
- 3,000 hours of supervised experience
- 1,000 hours of these must be direct counseling
- 100 hours face-to-face supervision by approved supervisor
- Submit letter of reference from approved supervisor and documentation of hours

Ms. Buddin Young looked at slide 7, "Benefits for Alaska":

- Professional Streamlined Process
- Clear Guidelines
- Regular Reporting Measures

- Support with Supervisor Changes (important for Military)
- State Recognized Level of Care
- Enhanced Professionalism
- Maintaining National Standards
- Better Care for All Alaskans

[9:57:03 AM](#)

Senator Bishop asked if the University of Alaska system had the programs for a person to be a professional in the industry.

Ms. Buddin Young replied in the affirmative.

Senator Bishop pondered that the University could have a better relationship with the world of work to ensure that graduates could be closer to the industry.

Ms. Buddin Young explained that it was standard practice that the hours of experience did not accumulate until after graduation under a supervisor beyond the university, which was a national standard.

[9:59:00 AM](#)

Senator Kiehl considered a letter from a board member (copy on file), which suggested more rules for the supervision process. He noted, however, that bill deleted the only standard for the supervisor. He queried the board's vision for that removal of the five-year requirement for the supervisor.

Ms. Buddin Young replied that it was advised to make the change within regulations rather than statutes.

Senator Kiehl would follow up with the sponsor on the issue.

Co-Chair Olson asked how many counselors were licensed in the state.

Ms. Buddin Young estimated that there were 1,200 to 1,300 counsellors licensed in the state.

Co-Chair Olson asked whether the new associate title would be under the board.

Ms. Buddin Young replied in the affirmative.

Co-Chair Olson surmised that the associate would be subject to disciplinary action under the board.

Ms. Buddin Young agreed.

Co-Chair Olson asked if the two-year period allowed for enough time to achieve the required 3000 hours.

Ms. Buddin Young relayed that it could take between two to five years to complete the hours.

[10:02:27 AM](#)

ELAINE BORDER, BORDER COUNSELING SERVICES, ANCHORAGE (via teleconference), spoke in favor of the bill.

[10:08:04 AM](#)

JOSH ARVIDSON, CHIEF OPERATING OFFICER, ALASKA BEHAVIORAL HEALTH (via teleconference), introduced himself and noted that the various benefits of the legislation.

[10:13:14 AM](#)

Co-Chair Olson OPENED public testimony.

[10:13:23 AM](#)

BRITTANY POPE, SELF, KETCHIKAN (via teleconference), spoke in favor of the bill.

[10:22:02 AM](#)

MARY FITZGERALD, OWNER, DEEPER LIGHT PSYCHOTHERAPY, JUNEAU (via teleconference), testified in support of the bill.

Co-Chair Olson CLOSED public testimony.

[10:27:02 AM](#)

SYLVAN ROBB, DIRECTOR, DIVISION OF CORPORATIONS AND BUSINESS LICENSING, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, spoke to a new fiscal note from CED.

[10:28:41 AM](#)

RENEE GAYHART, DIRECTOR, DIVISION OF HEALTHCARE SERVICES, DEPARTMENT OF HEALTH, spoke to fiscal notes from the Department of Health.

Co-Chair Olson wondered whether there was no charge for the associate license that added to the fiscal note.

Ms. Gayhart answered affirmatively.

[10:30:38 AM](#)

TRACY DOMPELING, DIRECTOR, DIVISION OF BEHAVIORAL HEALTH, DEPARTMENT OF HEALTH, addressed a fiscal note from DOH.

Senator Kiehl wondered about removing the board's ability to allow telephonic supervision.

Ms. Dompeling agreed to provide more information.

SB 116 was heard and HELD in Committee for further consideration.

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ADJOURNMENT

[10:32:39 AM](#)

The meeting was adjourned at 10:32 a.m.