

SENATE FINANCE COMMITTEE

May 13, 2024

9:09 a.m.

9:09:00 AM

CALL TO ORDER

Co-Chair Olson called the Senate Finance Committee meeting to order at 9:09 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Click Bishop
Senator Jesse Kiehl
Senator Kelly Merrick [via teleconference]
Senator David Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Nils Andreassen, Executive Director, Alaska Municipal League; Representative DeLena Johnson, Sponsor; Savaya Bieber, Staff for Representative Johnson; Lindsey Kato, Director, Division of Public Health, Department of Health and Social Services; Ken Alper, Staff to Co-Chair Olson; Representative Jamie Allard, Sponsor.

PRESENT VIA TELECONFERENCE

Anna Brawley, Self, Anchorage; Jack Gadamus, Municipal Assessor, Municipality of Anchorage; Sharon Fishel, School Health and Safety Lead, Department of Education and Early Development; Sandy Snodgrass, CEO, Alaska Fentanyl Response; Richard Saville, Governor's Council on Disabilities and Special Education, Department of Health.

SUMMARY

SB 217 INTEGRATED TRANSMISSION SYSTEMS

SB 217 was SCHEDULED but not HEARD.

CSHB 111(EDC)

EDUCATION FOR DEAF and HARD OF HEARING

CSHB 111(EDC) was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one previously published fiscal impact note: FN 2(EED).

CSHB 202(EDC)

OPIOID OVERDOSE DRUGS IN SCHOOLS

SCS CSHB 202(FIN) was REPORTED out of committee with five "do pass" recommendations and with two previously public fiscal notes: FN 1(EED), FN 3(DOH).

CSHB 347(CRA) am

PROPERTY ASSESSMENT

SCS CSHB 347(FIN) was REPORTED out of committee with three "do pass" recommendations, two "no recommendation" recommendations, and with one "amend" recommendation; and with one new zero fiscal note from the Department of Commerce, Community and Economic Development.

CSHB 148(FIN)

AK PERFORMANCE SCHOLARSHIP; ELIGIBILITY

SCS CSHB 148(FIN) was REPORTED out of committee with five "do pass" recommendations and with one "amend" recommendation; and with two new fiscal impact notes from the Department of Education and Early Development, three new fiscal impact notes from the Department of Labor and Workforce Development, one new fiscal impact note from the Department of Revenue, one new fiscal note from the University, and three previously published fiscal impact notes: FN 4(EED), FN 5(EED), FN 6(EED).

#hb347

CS FOR HOUSE BILL NO. 347(CRA) am

"An Act relating to assessment of property, boards of equalization, and certification of assessors; and providing for an effective date."

[9:09:38 AM](#)

Co-Chair Olson OPENED public testimony.

[9:09:53 AM](#)

NILS ANDREASSEN, EXECUTIVE DIRECTOR, ALASKA MUNICIPAL LEAGUE, (AML) spoke in opposition to the bill. He remarked that he had a positive experience working with the sponsors on the Senate version of the bill. He spoke against the mandatory exemption increases.

Co-Chair Stedman remarked that the issue should be related to inflation proofing. He stressed that there were some challenges with escalating property values.

[9:14:26 AM](#)

Senator Kiehl wondered if Mr. Andreassen could speak to how the bill would go into effect.

Mr. Andreassen replied that the exception currently applied to about 25 percent of households, and did not accrue to 80 percent across the state. He stressed that there were other ways to address inflation, such as an exemption for homeowners that went beyond current options for residents.

Senator Kiehl wondered whether there was a cap for municipalities' option for senior tax exemptions.

Mr. Andreassen replied that there were many options for local governments to make adjustments and flexibility to address the issue.

Co-Chair Hoffman stressed that the problem had existed for over thirty years, and stressed that AML had not represented the seniors of the state. He wondered why there had not been previous work on addressing the issues related to seniors in the state.

Mr. Andreassen appreciated Co-Chair Hoffman's remarks, and lamented not being prepared to answer all of the Senator's questions.

[9:21:24 AM](#)

Senator Kiehl noted that Mr. Andreassen had addressed one of the optional programs, and noted that municipalities did not cap the program. He asked if the fastest growing demographic in Alaska was seniors.

Mr. Andreassen replied that the number of exemptions had almost doubled in the last ten years.

Co-Chair Stedman did not think the state was concerned about the hypothetical scenario described by Senator Kiehl, which involved two Tier 1 retirees that enjoyed salary replacement benefits. He pointed out that it was different for the vast majority of Alaskans, which the inflation-proofing would effect.

Co-Chair Hoffman thought a possible solution would be to implement the bill section with an effective date of two years, prior to which AML would have the opportunity to offer a better solution. He reiterated that the senior demographic had not gained the attention of AML. He was concerned that AML would not take action, after being ignored for so long.

Senator Kiehl agreed with Co-Chair Stedman's comments about those enjoying good retirements.

[9:26:31 AM](#)

ANNA BRAWLEY, SELF, ANCHORAGE (via teleconference), testified in opposition to the legislation. She thought the bill did not consider the distributional effects on other taxpayers, nor did it help all seniors.

Senator Merrick shared some information she had received from the Municipality of Anchorage.

[9:31:05 AM](#)

AT EASE

[9:31:46 AM](#)

RECONVENED

JACK GADAMUS, MUNICIPAL ASSESSOR, MUNICIPALITY OF ANCHORAGE (via teleconference), spoke against the bill. He echoed

previous comments. He continued that the Municipality of Anchorage would appreciate more time to identify the ramifications and unintended consequences of the bill provisions.

Co-Chair Stedman thought the subject was worthy of discussion. He thought Co-Chair Hoffman had identified a good compromise in delaying the implementation for two years.

Co-Chair Olson CLOSED public testimony.

HB 347 was heard and HELD in Committee for further consideration.

#hb202

CS FOR HOUSE BILL NO. 202(EDC)

"An Act relating to the availability and administration of opioid overdose drugs in public schools."

[9:36:06 AM](#)

Co-Chair Olson relayed that it was the first hearing on the bill.

[9:36:26 AM](#)

REPRESENTATIVE DELENA JOHNSON, SPONSOR, introduced the legislation.

Senator Bishop wanted to speak to the Department of Education and Early Development (DEED).

[9:39:01 AM](#)

SAVAYA BIEBER, STAFF FOR REPRESENTATIVE JOHNSON, spoke to the details of the bill.

[9:40:14 AM](#)

LINDSEY KATO, DIRECTOR, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, discussed FN 3 from the Department of Health, OMB Component 2818.

[9:41:39 AM](#)

AT EASE

[9:43:25 AM](#)

RECONVENED

SHARON FISHEL, SCHOOL HEALTH AND SAFETY LEAD, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), introduced herself.

Senator Bishop asked for the position of DEED.

Ms. Fishel replied that DEED did not have a position on the bill.

Senator Bishop wondered why DEED did not have a position on the bill.

Ms. Fishel agreed to provide further information.

Senator Wilson stressed that the Department of Health (DOH) had done work on preventative efforts.

[9:45:42 AM](#)

SANDY SNODGRASS, CEO, ALASKA FENTANYL RESPONSE (via teleconference), testified in support of the legislation.

Co-Chair Olson OPENED public testimony.

Co-Chair Olson CLOSED public testimony.

Senator Kiehl MOVED to ADOPT proposed committee substitute for CSHB 202(FIN), Work Draft 33-LS0705\R (Bergerud, 5/11/24).

Co-Chair Olson OBJECTED for discussion.

[9:48:13 AM](#)

KEN ALPER, STAFF TO CO-CHAIR OLSON, spoke to the changes within the committee substitute.

Co-Chair Olson WITHDREW his objection.

Co-Chair Olson asked the sponsor to comment on the CS.

Representative Johnson agreed with the changes, and noted that the intent of the bill was to get the opioid overdose kits into schools throughout the state.

Senator Kiehl MOVED to report SCS CSHB 202(FIN) out of Committee with individual recommendations and the accompanying fiscal notes.

SCS CSHB 202(FIN) was REPORTED out of committee with five "do pass" recommendations and with two previously published fiscal notes: FN 1(EED), FN 3(DOH).

#hb111

CS FOR HOUSE BILL NO. 111(EDC)

"An Act relating to public school students who are deaf or hard of hearing."

[9:51:59 AM](#)

Co-Chair Olson OPENED public testimony.

[9:52:20 AM](#)

RICHARD SAVILLE, GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION, DEPARTMENT OF HEALTH (via teleconference), spoke in support of the legislation.

Co-Chair Olson CLOSED public testimony.

[9:55:00 AM](#)

REPRESENTATIVE JAMIE ALLARD, SPONSOR, spoke to her personal experience.

Senator Wilson MOVED to report CSHB 111(EDC) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 111(EDC) was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one previously published fiscal impact note: FN 2(EED).

[9:57:14 AM](#)

AT EASE

9:57:31 AM

RECONVENED

9:57:37 AM

RECESSED

5:13:20 PM

RECONVENED

#hb148

CS FOR HOUSE BILL NO. 148 (FIN)

"An Act relating to the Alaska performance scholarship program."

5:13:32 PM

Co-Chair Olson MOVED to ADOPT Amendment 1, 33-LS0624\Y.5 (Bergerud, 5/13/24).

Co-Chair Stedman OBJECTED for discussion.

5:14:04 PM

KEN ALPER, STAFF TO SENATOR OLSON spoke to Amendment 1.

Co-Chair Stedman MAINTAINED his OBJECTION. He asked for a brief explanation

Mr. Alper relayed that HB 89 was a childcare bill that was heard in the committee several weeks previously.

Mr. Alper explained that the bill expanded upon the criteria and made it easier.

Co-Chair Stedman WITHDREW his OBJECTION.

5:18:03 PM

Co-Chair Olson MOVED to ADOPT Amendment 3, 33-LS0624\Y.3 (Bergerud, 5/13/24).

Co-Chair Stedman OBJECTED for discussion.

Mr. Alper spoke to Amendment 3.

Senator Bishop noted that the funds came from employee contributions.

Co-Chair Stedman WITHDREW his objection.

Senator Kiehl MOVED to report SCS CSHB 148(FIN) out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

SCS CSHB 148(FIN) was REPORTED out of committee with five "do pass" recommendations and with one "amend" recommendation; and with two new fiscal impact notes from the Department of Education and Early Development, three new fiscal impact notes from the Department of Labor and Workforce Development, one new fiscal impact note from the Department of Revenue, one new fiscal note from the University, and three previously published fiscal impact notes: FN 4(EED), FN 5(EED), FN 6(EED).

#hb347

CS FOR HOUSE BILL NO. 347(CRA) am

"An Act relating to assessment of property, boards of equalization, and certification of assessors; and providing for an effective date."

[5:20:36 PM](#)

AT EASE

[5:20:59 PM](#)

RECONVENED

Co-Chair Hoffman MOVED to ADOPT Conceptual Amendment 1. He explained that the amendment would change the amount in Section 1 from \$450,000 down to \$250,000.

[5:23:08 PM](#)

KEN ALPER, STAFF TO SENATOR OLSON noted that the new effective date for Conceptual Amendment 1 was January 1, 2027. He added that when the bill moved from committee, it would be helpful to authorize the Legislative Legal Department to make legal and conforming changes.

Co-Chair Hoffman affirmed Mr. Alper's remarks regarding Conceptual Amendment 1.

There being NO OBJECTION, it was so ordered. Conceptual Amendment 1 was ADOPTED.

Senator Bishop MOVED to ADOPT Amendment 1, 33-LS1430\T.1 (Dunmire, 5/12/24).

Co-Chair Olson OBJECTED for discussion.

Mr. Alper explained Amendment 1.

Co-Chair Olson WITHDREW his objection. There being NO OBJECTION, it was so ordered.

[5:25:19 PM](#)
AT EASE

[5:25:32 PM](#)
RECONVENED

[5:25:32 PM](#)
AT EASE

[5:27:10 PM](#)
RECONVENED

Senator Kiehl MOVED to ADOPT Amendment 3, 33-LS1430\T.2 (Dunmire, 5/12/24).

Co-Chair Olson OBJECTED for discussion.

Senator Kiehl spoke to Amendment 3.

Co-Chair Stedman pondered that there was a lot of pride in home ownership and hoped that there would be a mandate within the bill.

Senator Wilson felt that there should be more availability to impacted folks to maintain their home.

Senator Kiehl strongly disagreed, and thought municipalities had budgets to balance and citizens to satisfy to ensure that there was a healthy economy.

Senator Kiehl moved to WITHDRAW Amendment 3. There being NO OBJECTION, it was so ordered.

Senator Wilson MOVED to report SCS CSHB 347(FIN) as amended out of Committee with individual recommendations and the accompanying fiscal notes.

SCS CSHB 347(FIN) was REPORTED out of committee with three "do pass" recommendations, two "no recommendation" recommendations, and with one "amend" recommendation; and with one new zero fiscal note from the Department of Commerce, Community and Economic Development.

[5:32:32 PM](#)

RECESSED

[5:32:52 PM](#)

RECONVENED

#

ADJOURNMENT

[5:33:04 PM](#)

The meeting was adjourned at 5:33 p.m.